

Document Pack



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MONDAY, 30 JANUARY 2017

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 AT 10.00 AM, ON MONDAY, 6TH FEBRUARY, 2017** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

Mark James CBE

CHIEF EXECUTIVE



PLEASE RECYCLE

Democratic Officer:	Kevin Thomas
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Ref:	AD016-001

EXECUTIVE BOARD MEMBERSHIP 10 MEMBERS

Councillor	Portfolio
Councillor Emlyn Dole	Leader (Plaid Cymru) Corporate Leadership and Strategy; Chair of Executive Board; Represents Council at WLGA; Political Advocate for Council; Appoints Executive Board Members; Determines EBM Portfolios; Liaises with Chief Executive
Councillor David Jenkins	Deputy Leader - Resources (Plaid Cymru) Finance & Budget; ICT; Property / Asset Management; Procurement; Housing Benefits; Revenues; Armed Forces Champion; and Chairs Executive Board in Leader's absence
Councillor Pam Palmer	Deputy Leader - Communities (Independent) Council Business Manager; Community Champion; Customer Focus & Policy, Police Liaison; Community Safety; Social Justice / Crime & Disorder Community Planning; Anti-Poverty Champion; Sustainability; Bio-diversity; Youth Ambassador; Rural Affairs and Chairs Executive Board in Leader's absence
Councillor Hazel Evans	Technical Services (Plaid Cymru) Refuse; Street Cleansing; Transport Services; Grounds Maintenance; Building Services; Catering Services; Caretaking; Building Cleaning; Transport Services; Emergency Planning; Flooding
Councillor Linda Evans	Housing (Plaid Cymru) Housing – Public; Housing – Private; Equalities; Older People
Councillor Meryl Gravell	Regeneration & Leisure (Independent) Economic Development; West Wales European Centre; Community Development; Sports; Leisure Centres; Museums; Libraries; Country Park
Councillor Gareth Jones	Education and Children (Plaid Cymru) Schools; Children Services; Special Education Needs; Safeguarding; Respite Homes; Regional Integrated School Improvement Service; Adult Community Learning; Youth Services; Lead Member for Children and Young People; Eisteddfod Ambassador
Councillor Jim Jones	Environmental & Public Protection (Independent) Environmental Enforcement; Litter; Unlicensed Waste; Dog Fouling; Parking Services; Trading Standards; Environmental Health.
Councillor Mair Stephens	Human Resources, Efficiencies & Collaboration (Independent) Human Resources; Training; Simpson Compact; Priority Based Budgeting (PPB); Corporate Efficiencies; Welsh Language Champion; Town and Community Councils Ambassador.
Councillor Jane Tremlett	Social Care & Health (Independent) Adult Social Services; Residential Care; Home Care; Learning Disabilities; Mental Health; NHS Liaison/Collaboration/ Integration; Carers' Champion; Disability Ambassador; Dementia Care Champion; 50+ Champion.

AGENDA

1. APOLOGIES FOR ABSENCE.
2. DECLARATIONS OF PERSONAL INTEREST.
3. QUESTIONS ON NOTICE BY MEMBERS
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5. REVENUE BUDGET STRATEGY 2017/18 TO 2019/20 5 - 188
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10. TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR REPORT 1ST APRIL 2016 TO 31ST DECEMBER 2016. 313 - 330
11. BURRY PORT HARBOUR - FUTURE MAINTENANCE 331 - 360
12. CLOSED ROAD CYCLING CIRCUIT SITE 361 - 370
13. DRAFT LOCAL DEVELOPMENT ORDER - LLANELLI TOWN CENTRE 371 - 438
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 6th February 2017

Revenue Budget Strategy 2017/18 to 2019/20

Recommendations / key decisions required:

That the Board considers and recommends to County Council:

- a. The Budget Strategy for 2017/18.
- b. The Band D council Tax for 2017/18.
- c. That the provisional medium term financial plan be approved as a basis for future years planning.

Reasons:

To enable the Authority to set its Revenue Budget for the Council Fund and resultant Council Tax for 2017-2018.

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

Name of Head of Service:
Owen Bowen

Report Author:
Owen Bowen

Designations:

Head of Financial Services

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EXECUTIVE SUMMARY
Executive Board
6th February 2017

Revenue Budget Strategy 2017/18 to 2019/20

This report brings together the latest proposals for the Revenue Budget 2017/2018 with indicative figures for the 2018/19 and 2019/20 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 (i) – Consultation
- Appendix A (ii) – Equality impact Assessments
- Appendix B – Cost reduction proposals.
- Appendix C – Recession, Demographic, Legislative or continuing pressures.

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: Owen Bowen

Head of Financial Services

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

1. Policy and Crime & Disorder

The budget has been prepared having regard for the Council's Corporate Strategy 2015-2020, and the Wellbeing and 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 and the Welsh language. 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 £334,201k
- Proposed Council Tax increase of 2.5% for 2017-18 - Band D tax of £1,145.61

CONSULTATIONS

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

Signed: Owen Bowen

Interim Head of Financial 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
2017/18 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

6th February 2017

REVENUE BUDGET STRATEGY 2017/18 to 2019/20

DESIGNATION:	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Resources	01267 224120
AUTHOR & DESIGNATION	DIRECTORATE	TELEPHONE NO
C Moore, Director of Corporate Services	Resources	01267 224120

1. INTRODUCTION

1.1. Executive Board in November 2016 considered and endorsed the Revenue budget strategy 2017/18 to 2019/20 for consultation. The report indicated, after taking account of the provisional settlement, a council tax increase of 2.5% in 2017-18. The Executive Board in endorsing the report for the consultation process expressed the view

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

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

- Final Settlement Details
- Budget Consultation Results
- The Medium Term Spending Plans
- Implication on Council tax for 2017-2018.

The final proposals have endeavoured to meet the aspirations of the Authority, whilst taking account of the continued tough economic climate. They address specific pressures in certain service areas whilst recognising the need to minimise the impact on the local taxpayer.

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 Settlement has resulted in a better position than that anticipated, Local Government has again been faced with real term reductions which, in conjunction with significant validation requirement for such items as auto enrolment and the Apprenticeship Levy, continues to make the budget process extremely difficult. Decisions have had to be made in respect of prioritisation of services and the inclusion of substantial budget reductions in order to achieve what hopefully is an acceptable Council Tax increase.

2. CONSULTATION

2.1. The original proposals have been subjected to an extensive consultation exercise since the Budget Strategy reports were presented to the Executive Board on the 21st November 2016, with the following groups and committees being invited to comment:-

- Public Consultation and Commercial Ratepayers
- School Budget Forum (School's Budget)
- Scrutiny Committees
- Trade Unions

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

3. BUDGET REQUIREMENT 2017/18

3.1. Current Year Performance (2016/2017)

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 2016/17 (based on the October 2016 monitoring) is as follows:

Service	Approved Budget £'000	Total Expenditure Forecast £'000	Variance Forecast For Year £'000
Chief Executive	13,517	13,865	348
Education and Children	162,325	164,106	1,781
Corporate Services	22,183	21,855	-328
Communities	90,994	91,486	492
Environment	47,500	48,040	540
Departmental Expenditure	336,519	339,352	2,833
Capital Charges	-9,519	-10,619	-1,100
Pensions Reserve Adjustment	-5,085	-5,085	0
Levies and Contributions	9,310	9,310	0
			0
Contribution from Balances	-65	-65	0
Transfer to/ from Reserves	-200	-576	-376
Net Expenditure	330,960	332,317	1,357

3.1.3. There are significant budget pressures, with departmental overspends being as a result of delays in the delivery of some of the savings proposals put forward for 2016-17, and a review of the savings proposals that were agreed in February 2016 has identified that some £1.25 m of the original proposals for 2016-17 are at risk of not being fully delivered in the current financial year. The Education and Children's Services department continues to face pressure due in the main to school based EVR and redundancy costs, and short term transport costs for pupils from closed schools and property decommissioning costs. Whilst part of this budget pressure is offset by underspends in other departments and capital charges, this cannot be relied upon going forward. The Authority is currently forecasting an overall variance of £1,357k at the year-end that will have to be met from General Balances.

3.1.4. 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 Social Services being considered currently as being the most significant issue.

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. The Office of Budget Responsibility's inflationary forecasts contained in its November 2016 Economic and Fiscal outlook report has been revised upwards on its March 2016 forecast, as have the energy cost forecasts from the National Procurement Service. Accordingly the inflation factors for 2017/18 and following years have been changed as outlined in the following table.

	<u>2017/18</u> <u>Original</u>	2017/18 Proposed	<u>2018/19</u>	<u>2019/20</u>
General inflation	2.3%	2.4%	2.5%	2.1%
Electricity	5.0%	13.5%	3.0%	3.0%
Gas	5.0%	18.0%	3.0%	3.0%
Fuel	5.0%	5.0%	3.0%	3.0%
Pay Inflation - non teaching	1.0%	1.0%	1.0%	1.0%
Pay Inflation - Teaching	1.0%	1.0%	1.0%	1.0%
Levies	1.0%	2.8%	1.0%	1.0%
Pension Contributions	£298k	£99k	£101k	£204k
Auto Enrolment	£1,600k	£700k	£700k	£350k
Capital Charges	-	-£315k	£250k	£250k
Main service Specifics:				
County Elections	£230k	£230k	-£300k	
Apprentice levy	£850k	£850k	-	

3.2.3. Under the Local Authorities (Capital Finance and Accounting)(Wales)(Amendment) Regulations 2010 [the Amendment Regulations] the authority is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement at a rate that it considers to be prudent and having regard to the guidance issued. The Budget Strategy has been prepared based upon the Regulatory Method for supported borrowing in which the calculation is based on 4% of the opening Capital Financing Requirement and the Asset Life Method for the Unsupported Borrowing e.g. Modernising Education Provision and Fleet replacement.

3.2.4. Officers are currently working with Treasury Management Consultants to review the basis of the Minimum Revenue Provision (MRP) provision within the annual budget, taking account of the discretion allowed within the regulations. It is for the Authority to determine what it considers to be a prudent provision, and whilst it is not the role of our external auditors to

determine what is prudent, they will need to be engaged so that they are satisfied with the procedural aspects, and the Auditor General for Wales has also indicated that they will be giving consideration to the Wellbeing of Future Generations (Wales) Act 2015 as part of their review. Officers currently estimate the effect of changing from a 4% reducing balance to a straight line charge at 2.5%, being a reduction of some £2.5m to £2.6m to the annual budget in the initial years. Whilst there is no direct requirement to link the charge to specific asset lives to justify a change in methodology, and a reduction in the percentage applied for the repayment of debt, we must be satisfied that the approach is prudent and there is a clear link to the assets that were originally funded. If a straight line 2.5% methodology was applied this would provide repayment over 40 years similar to the Authority's estimated asset lives. A report outlining the options and implications of any potential changes that can be made to the MRP calculation for borrowing will be presented to a future County Council meeting in the coming months.

- 3.2.5. Upon confirmation of this change in policy, this will allow consideration of how the funding will be used in future years. At this stage therefore, whilst the funding may be anticipated we would need to be able to fund any element brought into the 2017-2018 budget by alternative means as a safeguard against the anticipated amounts not materialising, or the change in the policy not being endorsed. Accordingly therefore it is proposed to allocate a sum of £1m to the revenue budget in 2017-18, with such amount being funded from the Insurance Earmarked Reserve pending the adoption of the change in the MRP policy, at which stage the Insurance Earmarked Reserve will be replenished in full. Members will also note that within the 5 year capital programme elsewhere on this agenda, an anticipated sum of £1.5m has been utilised in the funding for 2017/18, with £600k per annum thereafter on the basis that expenditure on future capital schemes will only be committed when the change in policy is agreed and funding is secured.
- 3.2.6. As outlined, the Capital charges estimate therefore reflect the current policy and the 5 year Capital Programme elsewhere on the agenda. Members will further be aware from the Extraordinary meeting of Council held on the 25th January 2017, that delegated authority was granted for the Leader of Council or the Chief Executive to sign the city deal agreement on the basis set out in that report. The exact level of borrowing and structure and terms of the borrowing in respect of the projects is yet to be confirmed, and when further details of the investment are known, a full business case appraisal of the individual projects will be completed.

- 3.2.7. The most significant specific validations over the three year period relate to Auto Enrolment which is now phased over two years, and the introduction of the Apprentice levy from April 2017.
- 3.2.8. The original budget strategy assumed that the Mid and West Wales Fire Authority Levy would be 1%. The 2017-18 budget approved by the Mid and West Wales Fire Authority was an increase of 2.8% on the budget requirement falling on the Constituent Authorities. The effect of this has been an additional £168k budget requirement.
- 3.2.9. There is a clear risk to the Budget Strategy as departments may find it difficult to manage their expenditure within these parameters, especially where the lower inflationary increases have been applied by service providers. This risk is something that will require close monitoring during the year.
- 3.2.10. The Budget as constructed makes provision for the 2017-18 NJC pay award agreed in May 2016 which was a 1.0% pay award for all staff above spinal point 17 from April 2017, together with increases ranging from 1.45% on SCP 16 to 2.67% on SCP9 for NJC staff. The Teachers pay award has been provided at 1% from September 2017.
- 3.2.11. In total validation adds £7.4m to the current year's budget.

3.3. Cost Reduction Programme

- 3.3.1. As detailed in the report to Executive Board on 21st November 2016, 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.
- 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. An exercise has been undertaken to obtain ‘expressions of interest’ from staff who may be interested in voluntary severance/early retirement as well as other flexible working options. 20 applications have currently been supported for release on or before 31st March 2017, generating annual savings of £472k, with a further 12 expressions of interest provisionally supported for release during the 2017-18 financial year
- 3.3.5. All ‘policy’ proposals have undergone public consultation and Equality Impact Assessments (see attached report Appendix Aii). 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).
- 3.3.6. The cost reductions now included in the final budget strategy are:

	2017/18 £m	2018/19 £m	2019/20 £m
Managerial	4,435	4,462	2,940
Existing Policy	3,988	3,591	3,527
New Policy	347	181	1,307
Total	8,770	8,234	7,774

(Detailed in Appendix B)

3.4. New Expenditure Pressures

- 3.4.1. New expenditure pressures are the combination of additional cost to meet existing service needs e.g. increased client base/greater service take up and the costs of meeting change in service provision e.g. policy changes.
- 3.4.2. Bearing in mind the budget pressures in the current year, and following a detailed review of the growth bids submitted, it is the view of the Corporate Management Team that a sum of £2.515m be allocated as outlined at Appendix C.
- 3.4.3. It must be noted that the allocated sum does not meet the pressures identified by departments, and accordingly

departments will be required to strictly manage their budgets to remain within their allocated sums.

3.5. Schools Delegated Budgets

3.5.1. The last year of WG funding protection for schools was 2015/16. The current budget proposals assume no protection going forward.

3.5.2. As a consequence of the settlement members did deem it appropriate to reduce the original target savings for the schools delegated budget from £6m per annum by £2.221m. The impact of this action reduced the net adjustment for the Schools Delegated budget to a net cash movement in budget of £1.7m .

	2017/18 £m	2018/19 £m	2019/20 £m
Previous Years Budget	<u>109.247</u>	<u>107.537</u>	<u>105.790</u>
Validation	2.069	1.738	1.346
Savings requirement	-3.779	-3.485	-3.987
Net Adjustment	-1.710	-1.747	-2.641
Proposed Delegated Budget	107.537	105.790	103.149

4. FUNDING

4.1. Revenue Settlement 2017-2018

4.1.1. On the 21st December 2016, the WG Cabinet Secretary for Finance and Local Government announced the final settlement for 2017-2018.

4.1.2. The final settlement was broadly in line with the provisional announcement, with Aggregate External Finance only increasing by £6.2m on an all Wales basis, of which £6m is

funding to address homelessness previously administered through DWP.

- 4.1.3. The movement for Carmarthenshire was an additional £398k for Homelessness, with a net decrease of £18k on the provisional settlement.
- 4.1.4. The final settlement preserved the funding floor announced in October 2016, providing £1.6m of funding to ensure that no authority sees a reduction of greater than 0.5% compared to its 2016-17 allocation and top-up funding.
- 4.1.5. Individual authority settlements have changed by up to +/-0.2% from the provisional settlement largely due to updated council tax base figures.
- 4.1.6. The published change in Aggregate External Finance (AEF) on an all Wales basis equated to an average increase of 0.2%, which in real terms is a reduction when inflation is taken into account. For Carmarthenshire County Council (CCC) the published increase was 0.2% (£452k). This was after taking account of transfers in and out of the settlement, and the transfer of new responsibilities.
- 4.1.7. The salient points of next year's settlement are noted below:
- 4.1.8. The final settlement for 2017/18 gave an increase in Standard Spending Assessment (SSA) for Carmarthenshire of £4.468m (1.4%), SSA on an all Wales basis also increased by 1.4%, un-adjusted for transfers and new responsibilities.
- 4.1.9. WG has not provided any indicative AEF figures for 2018-19 and beyond, and have indicated that these will not be available in the near future.
- 4.1.10. Transfers in and out of the settlement include:

Transfers In:

Social Services delivering transformation grant	£169k
Deprivation of liberty safeguards	£12k
Food Hygiene rating scheme	£3k
Blue Badge Scheme	£1k

Transfers Out:

Teacher Registration Fee	£54k
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New Responsibilities:

Increasing Capital Limits for Residential Care	£300k
War Disablement Pension Disregard	£18k
Homelessness Prevention	£398k

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

4.1.11. Business Rate Poundage is to increase to 49.9p from 48.6p for 2017/18. (+2.6%)

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

	2016-2017 Settlement £m	2017-2018 Original Notification £m	2017-2018 Settlement £m
Standard Spending Assessment	330.855	333.848	335.323
Aggregate External Finance	251.724	251.794	252.176

4.1.13. Further to the Final Settlement, Welsh Government have announced that a further £10m of new funding across Wales to help meet the extra costs associated with the introduction of the national living wage. The specific allocation for Carmarthenshire has not been made available as yet, but is anticipated to meet the Social Care department’s estimate of the potential cost pressures from the increased national living wage. At the same time, Welsh Government advised that additional funding will be available to Local Authorities as the maximum weekly charge for domiciliary care rises from £60 to £70, it has been assumed as part of the Budget Strategy that this maximum weekly charge will be actioned within Carmarthenshire.

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 climate continuing
- Additional pressure on demand lead Services
- Overestimation of the future settlements.
- Lack Welsh Government forward indicators for 2017-18 onwards.

4.2.3. Sensitivity impact analysis:

Budget element	Movement	Annual Impact £m
Pay inflation	1%	2.2
General inflation	1% (expenditure only)	2.2
General inflation	1% (income only)	-1.3
WG Settlement	1%	2.5
Specific Grants	1%	1.0
Council Tax	1%	0.79

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

	1 st Apr 2016 £'000	31 st Mch 2017 £'000	31 st Mch 2018 £'000	31 st Mch 2019 £'000	31 st Mch 2020 £'000
Schools Reserves	3,677	2,730	1,400	950	500
General Reserves	8,779	7,357	7,357	7,357	7,357
Earmarked Reserves	66,131	52,540	25,254	22,249	14,908

4.3. School Reserves

4.3.1. Schools have delegated responsibility for the management of their own finances. The level of reserves held by an individual school at any point in time will depend on a number of factors including the level of contingency fund that the school governing body considers appropriate, and the particular plans each

school has for expenditure. Officers have yet to be informed of any transfers to/from these reserves by individual schools for future years.

4.3.2. Legislation allows schools to carry forward reserves from one financial period to another. Current guidance requires schools to limit their carry forward to £50,000 for Primary Schools and £100,000 for Secondary Schools or 5% of their budget dependant on what is greater. School Improvement officers continually work with schools to ensure they comply with the guidance. As at 31st March 2016, 27 schools were in deficit and 24 schools held surplus balances in excess of the £50k/£100k threshold

5. GENERAL RESERVES

5.1.1. In the changeable and challenging environment currently facing Local Government the Authority is committed to maintaining a reasonable level of General reserves or Balances. Whilst there is no prescribed minimum level for Balances, Council has previously deemed 3% of net expenditure as being a prudent level, which has been accepted by our Auditors as being reasonable.

5.1.2. The overall level of Balances are taken into consideration each year when the annual budget is set and has on occasions been utilised to augment expenditure/reduce council tax. Whilst the 2016-2017 budget was set on the basis of a £65k transfers from General Reserves, with the October Budget monitoring (outlined in paragraph 3.1.2 above) there could be a draw of £1,357k against General Reserves at the end of the current financial year.

5.1.3. Given the likely draw on this reserve in the current year therefore it is deemed imprudent at this stage to assume any further support for future years budgets from the current General Reserves.

5.1.4. Taking account of these changes the average level of the general reserves is forecasted to be around 2.2% of net expenditure during 2017/18.

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	31 March	31 March	31 March	31 March
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	2016	2017	2018	2019	2020
	£'000	£'000	£'000	£'000	£'000
Insurance	-7,886	-7,386	-7,386	-7,586	-7,786
Capital Funds	-33,822	-30,965	-10,131	-7,468	-177
Development Fund	-1,195	-445	-612	-765	-765
IAG/OAG	-1,337	-1,337	-	-	-
Corporate Retirement Fund	-3,142	-1,352	-386	-391	-1,101
Joint Ventures	-1,515	-1,692	-1,872	-2,052	-2,232
Other	-17,234	-9,363	-4,867	-3,987	-2,847
TOTAL	-66,131	-52,540	-25,254	-22,249	-14,908

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. The budget proposals assume a sum of £1.2m being transferred from the Insurance Reserve to support the revenue budget in 2017/18, and as outlined in paragraph 3.2.5 £1m of this sum is allocated in support of the budget pending approval of a change in the Minimum Revenue Provision policy and will be replenished from such change of policy if adopted.

5.2.4. 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 2017/18, 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:

- 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 the 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. Collaboration – Working with others in a collaborative way to find shared sustainable solutions
- v. Involving a diversity of population in decisions that affect them

6.3. The Act identifies 7 well-being goals, they 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

6.4. As a Council we must set and publish well-being objectives by the 31st March 2017. Our well-being objectives must be designed to maximise our contribution to achieving the 7 well-being goals of the Act.

6.5. We must also publish a Well-being Statement that sets out how we will achieve our objectives and explain how we ensure resources, including financial are allocated to meet our objectives.

7. MEDIUM TERM FINANCIAL PLAN AND COUNCIL TAX PROPOSAL 2017/18

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

7.2. Assuming that the Council Tax increase remains at the level set in the original budget strategy which is 2.5%, this will give estimated expenditure of £334.201m. The table below indicates a potential sum of £1.9m which can be considered by the Executive Board for use to respond to the budget consultation:

	2017 - 2018 £'000	2018 - 2019 £'000	2019 - 2020 £'000
Previous Years Budget	331,226	334,401	335,000
Validations/Adjustments	11,023	9,460	9,000
Validated Budget	342,249	343,861	344,000
less			
Efficiency/Service Rationalisation (Identified)	-8,770	-8,238	-7,000
Projected Budget	333,480	335,623	337,000
Potential sum available	1,921		
Less : Contribution from Earmarked Reserves	-1,200		
	334,201	335,623	337,000
WG Settlement RSG & NNDR	-252,176	-249,655	-247,000
Call on Council Tax	82,024	85,968	89,000
Tax Base	71,599	72,071	72,547
Council Tax Rate (Band D)	£ 1,145.61	£ 1,192.82	£ 1,239.00
Council Tax Increase	2.50%	4.12%	3.80%

7.2.1. A full summary of the Budget Build up can be seen in Table1.

7.2.2. It must be emphasised that the figures for 2018 - 2019 and 2019 - 2020 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.

7.2.3. As outlined in paragraph 4.1.9, Welsh Government has not provided any indicative AEF figures for 2018-19 and beyond. Current indications are that future settlements will see further reductions in the funding made available to Local Authorities. Whilst this report before you today assumes a 1% reduction in the settlement for both 2018/19 and 2019/20, this will continually be reviewed as and when further information becomes available. Members will note within paragraph 4.2.2, the overestimation of future settlements is identified as an inherent risk.

7.2.4. Recommendations

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

7.3.1. The Budget Strategy for 2017/18.

7.3.2. The Band D Council Tax for 2017/18.

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

COUNCIL FUND REVENUE ACCOUNT

TABLE 1

SUMMARY STATEMENT

2016/17 Approved Budget £'000	2016/17 Provisional Outturn £'000		2017/18 Proposed Budget £'000	2018/19 Indicative Budget £'000	2019/20 Indicative Budget £'000
13,517,222	13,865,143	Chief Executive	13,781,636	13,026,697	12,937,445
162,325,924	164,106,225	Education & Childrens Services	162,600,970	161,047,611	158,272,970
22,183,500	21,855,624	Corporate Services	23,891,779	28,221,192	32,825,005
90,993,502	91,486,322	Communities	91,941,444	90,902,097	90,515,934
47,499,286	48,039,601	Environment Services	48,542,062	48,435,187	48,161,849
336,519,434	339,352,915	Departmental Expenditure	340,757,891	341,632,784	342,713,203
-9519559	-10619559	Capital Charges/Asset Management Acc	-10,843,559	-10,593,559	-10,343,559
-5,085,052	-5,085,052	Pensions reserve adj	-5,085,052	-5,085,052	-5,085,052
		<u>Levies and Contributions</u>			
9,172,087	9,172,087	Mid & West Wales Fire Authority	9,428,905	9,523,194	9,618,426
138,494	138,494	Brecon Beacons National Park	142,372	143,796	145,234
331,225,404	332,958,885	Net Expenditure	334,400,557	335,621,164	337,048,252
-65,000	-65,000	Contribution from Balances	0	0	0
-200,000	-576,000	Transfer to/from Departmental Balances/Earmarked Reserves	-200,000		
330,960,404	332,317,885	NET BUDGET	334,200,557	335,621,164	337,048,252
		TO BE FINANCED FROM:			
-251,686,206	-251,686,206	Aggregate External Finance	-252,176,306	-249,654,543	-247,157,998
79,274,198	80,631,679	CALL ON TAXPAYERS	82,024,251	85,966,621	89,890,254
1117.67		Band D Tax	1,145.61	1,192.79	1,239.07
		Council Tax Increase	2.50%	4.12%	3.88%

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REVENUE BUDGET 2017-18 to 2019-20

CONSULTATION REPORT

Carmarthenshire County Council

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CARMARTHENSHIRE COUNTY COUNCIL

BUDGET 2017-20 CONSULTATION

INTRODUCTION

A mixed-methods approach to ascertaining views on the 2017-20 budget took place during the period from 21 November 2016 to 8 January 2017.

In making savings, the Council is concerned to minimise the impact upon service delivery. In meeting the challenge of saving a total of £25 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 **15** (with a total value of £12.9 million) are being considered by the Council in making its budget for 2017-20.

There are a variety of legal and policy reasons why the Council must undertake full and meaningful consultation, where service changes are under consideration.¹ Ultimately, a flawed approach can be a means whereby decisions can be challenged through the courts, through a process of Judicial Review. A decision against the Council would 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 15 proposals;
- 5) Considers **tolerances to council tax increases**
- 6) Lists some ideas from the consultation for **making savings or generating income**

1) OUTLINE OF APPROACH AND CONSULTATION METHODS

Whilst the 'cash neutral' settlement provided by Welsh Government was more favourable than in years past, 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

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

A series of departmental seminars for all county councillors took place during the period November to December.² Proposals were considered in detail and feedback sought. Moreover, the efficiency proposals were tabled for discussion at a meeting of the Town & Community Council Liaison Forum (TCCLF).

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

Survey

The survey provided financial and service information on each of the 15 policy proposals and asked respondents to express a view on the degree to which they supported the proposal.³ Views were also sought regarding the potential impact of implementing the proposal on people and communities.⁴

The survey was administered in three principal ways:

- 1) Electronically via the Council's online consultation portal (iLocal)
- 2) Sampling – Copies of the budget consultation survey were distributed to 2000 households across Carmarthenshire, using a stratified random sample. The electoral roll was deployed as a sampling frame and a proportionate number of households selected within each electoral ward so as to ensure fair geographical coverage. The random sample permitted the Council to reach out to new consultees, including those who may not ordinarily engage with the council through conventional means; thus bringing a 'fresh perspective'.
- 3) Hard copies were promoted through customer service centres, libraries and other high footfall areas in order to maximise the response rate.

A total of 670 survey responses were received from various sections of the community, including from groups and organisations. A demographic breakdown is provided in section 2.

Stakeholder event

A stakeholder event was held December 6th at Y Ffwrnes theatre, Llanelli, in order that organisations, representatives and residents could offer comment and ask questions on each of the 15 proposals direct to council officers in a facilitated session.

Insight

The Insight session took place 8th December at QE High and involved year 12 and 13 students from Ysgol Dyfryn Amman, Ysgol Gyfun Emlyn, Ysgol Bro Dinefwr, QE High, Maes y Gwendraeth and Ysgol Gyfun y Strade.

Each school had around 10 attendees, and Executive Board roles were allocated. In all, around 70 young people participated in the budget consultation exercise. Following briefings on portfolios and proposals for making savings, students undertook a discussion and decision making exercise to decide which proposals they would support. Members of the Council's Executive Board were in the audience as each group presented its views on the proposals. Comments from the session are noted against relevant proposals.

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

³ The format of the survey was identical to the previous budget survey, to ensure comparability of results for all 15 proposals.

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

Other

4 responses were made by email, letter or in person, namely responses from Hywel Dda University Health Board, Carmarthen Town Council, St Clears Town Council and a Carmarthenshire resident.

The consultation also included a Schools Strategy and Budget Forum meeting on the 23rd November and a Trade Union Consultation Session, 3rd January 2017.

Publicity

Information about the budget consultation, and ways to become involved, was disseminated widely. The issue was highlighted in Carms News, and relevant information was provided for dissemination through a wide range of local media, during the consultation period. Businesses were approached for comment, through a direct mailing.

In addition, the consultation was publicised through relevant equality groups, including Equality Carmarthenshire and the Carmarthenshire Disability Coalition for Action. Community council involvement was encouraged through a presentation and discussion at the liaison panel meeting held on the 7th December

The public consultation phase ran from 21st November 2016 to 8th January 2017.

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**)

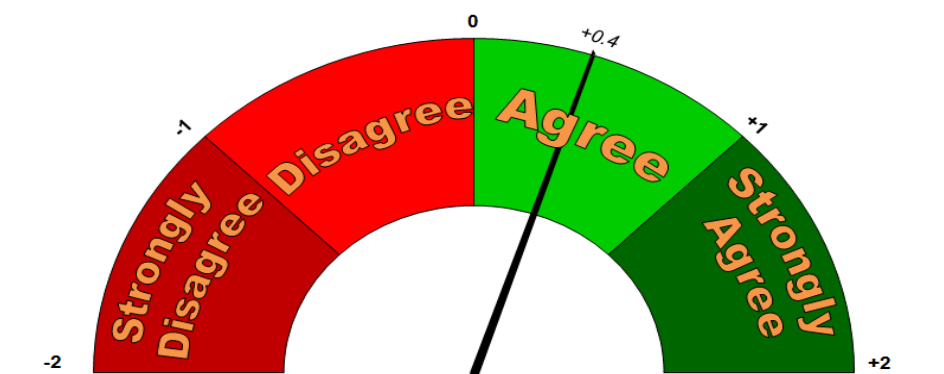
1 no opinion (each response worth 0, so=**0**)

1 disagree (each response worth -1, so= **-1**)

2 strongly disagree (each response worth -2, so=**-4**)

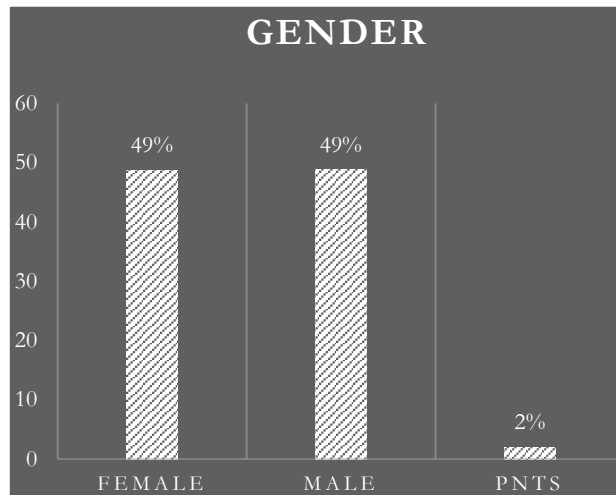
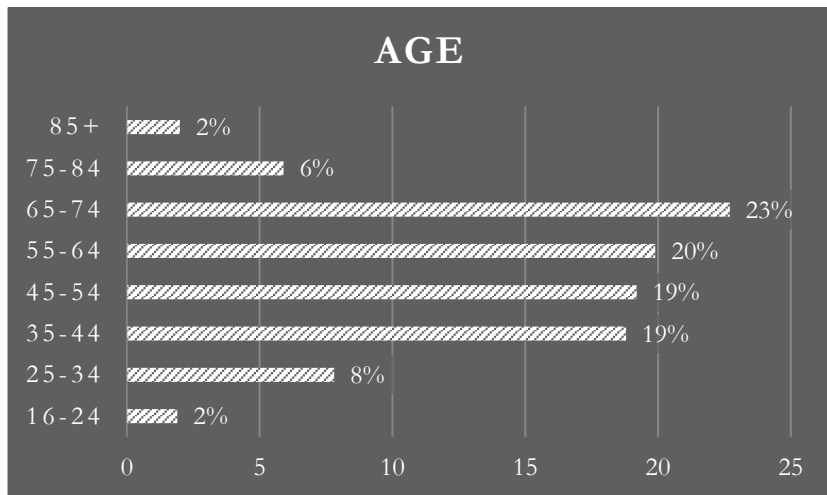
The AIS is calculated by adding all the numbers in bold: so, $6+3+0-1-4=4$;

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 670 respondents who gave completed answers to demographic questions: 98% were from individuals and 2% from Town and Community Councils, organisations or businesses.⁵ 568 respondents specified the first few digits of their postcode. Of these, 37% resided in Community Area 1; 11% in CA2; 32% in CA3; 11% in CA4; 15% in CA5 and 15% in CA6.



Demographic Characteristic	Overall %
Transgender	0.7%
PNTS	2.3%
Relationship status	
Single	11%
Married	65%
Separated	1%
Divorced	5%
Widowed	7%
Civil partnership	1%
Co-habiting	8%
Other	0%
PNTS	4%
Sexual orientation	
Straight	88%
LGB	3%
PNTS	10%
Religion	
Yes	50%
PNTS	9%
Caring responsibilities	
Yes	16%
PNTS	3%

Demographic Characteristic	Overall %
Ethnicity	
White	97%
BME	1%
Other	1%
PNTS	2%
Disability	
Yes	12%
No	85%
PNTS	4%
Preferred language	
Welsh	22%
English	75%
Other	4%
Income	
<£10,000	10%
£10,000 – £19,999	18%
£20,000 – £29,999	14%
£30,000 – £39,999	14%
£40,000 – £49,999	9%
£50,000 – £59,999	8%
> £60,000	10%
PNTS	18%

⁵ Richmond Park Primary School; Emerald Vets Ltd; St Clears Football Club; Whitland RFC; Cylch Meithrin/Ti a Fi Sancler; Kidwelly Industrial Museum; Rhuddin Housing Co-op; GSN Ltd

Carmarthenshire Upper Output Areas (UOAs)

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Upper Output Areas	Population
UOA 0001	31,180
UOA 0002	33,517
UOA 0003	29,204
UOA 0004	31,522
UOA 0005	30,424
UOA 0006	29,051

3) SUMMARY OF KEY FINDINGS

Headline results – all 15 proposals

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

Proposal	3 Year Saving (£'000)	Strongly Agree (%)	Agree (%)	Neither (%)	Disagree (%)	Strongly Disagree (%)	Average Index Score
1. Youth Services	20	23	34	27	9	7	0.58
2. Out of County Placements	148	23	37	22	10	9	0.54
3. School Improvement (ERW)	150	19	38	22	9	12	0.43
4. Libraries	105	19	40	17	12	12	0.41
5. Catering Services - School Meals	170	17	38	21	13	11	0.36
6. Older People and Physical Disabilities Day Services	200	16	41	16	14	12	0.35
7. Parking Services	120	14	37	27	12	11	0.32
8. Educational Psychology	60	16	34	27	13	10	0.32
9. Sport and Leisure - Community Leisure Centres	118	18	34	15	12	21	0.15
10. Cleansing	164	11	36	21	18	14	0.12
11. School Transport Policy Review	65	14	27	23	19	17	0.04
12. Music Service	130	17	26	20	19	19	0.01
13. Housing and Public Protection - Grants to the Voluntary Sector	170	10	27	23	21	20	-0.15
14. Special Education Needs	70	8	17	17	26	33	-0.28
15. Delegated School Budget	11,251	11	21	20	19	30	-0.37

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

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

4) CONSULTATION FINDINGS – ALL PROPOSALS

Below, all 15 proposals are considered individually, in turn, in order to lay out a *comprehensive summary* of relevant consultation information.

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

Views expressed through the public consultation - whether through surveys, letters and emails - 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. Youth Services

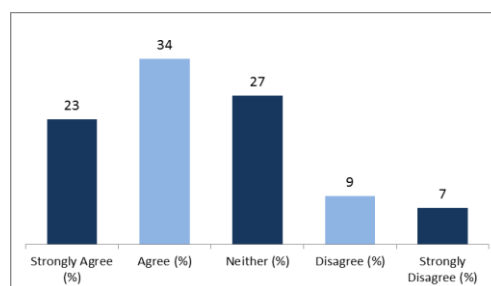
Total Budget: £855,000
3 Year Savings: £20,000

2017 - 18	2018 - 19	2019 - 20
20	0	0

Description: The Quay Centre in Carmarthen will cease to be used by the Youth Support Service (on or before 31st March 2017) and handed over to the Corporate Property Service for alternative use. This may produce income for the County Council. Redistributing activities from The Quay Centre will require some planning and require agreements with other locations and providers and is not guaranteed to be fully cost neutral at this stage.

Increase in Council Tax if proposal not adopted: 0.03%

Average Index Score: 0.58
Overall Rank (of 15): 1
Sample Size: 583



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.40	0.00	0.18	0.60	0.55	0.55	0.62	0.55	0.58	0.27	0.61
Sample	125	3	11	371	177	271	284	67	284	15	93

	Income <£20k	Income £20k-£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.45	0.54	0.78	0.44	0.69	0.63	0.7	0.8	0.66
Sample	151	153	160	173	59	170	56	79	77

Key themes from the public consultation:

Impact – 76 comments

- A majority view that any impacts would be negligible on the proviso an alternative venue is secured
- It was suggested that the Quay Centre would be better served furthering Carmarthenshire's tourism offer (e.g., water sports, cycling, café/restaurant)
- Proposal is reasonable given centre is under-utilised
- General point made on the importance of providing activities and meeting points for young people. Failure to do so risks ASB and delinquency

Mitigation – 61 comments

- Alternative venue within reach
- Develop Quay Centre as a multi-purpose building which can continue to house the youth service amongst other functions/services

Welsh Language – 21 comments

- Some impact if youth groups conversing in Welsh do not have a place to meet. Welsh groups important in encouraging use of language outside school
-

Other relevant information:

- Insight session – against proposal given the importance of providing a place for young people to socialise.
- Could increase anti-social behaviour which could result in an increase costs of managing the impact. (Kidwelly Industrial Museum, Church Minister/School Governor, GSN Ltd.)
- Make better use of school/church facilities. (Richmond Park School, Church Minister/School Governor).
- Better integration between police services and school, and link the service with leisure centres. (GDN Ltd., Church Minister/School Governor).
- Such low numbers attending should have no impact, (Plaid Llanelli)

Councillor engagement:

- Budget seminar – in favour of proposal. Importance of ensuring equal access across Carmarthenshire stressed

Equality Impact Assessment summary:

Description of impact
Alternative facilities for delivering the service within Carmarthen are being pursued, should the facility be closed
Affected groups:
Young people
Mitigation
<ul style="list-style-type: none">• Transition plan will be formulated to ensure vulnerable young people are not adversely affected during the move to the new location
Assessment undertaken: December 2015 (revised December 2016)

2. Out of County Placements

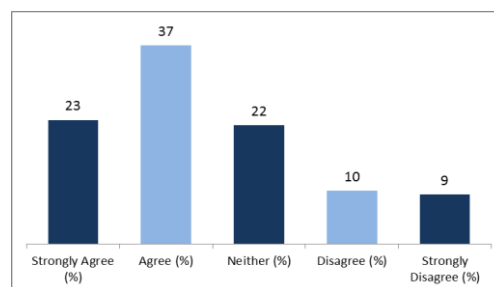
Total Budget: £669,000
3 Year Savings: £148,000

2017 - 18	2018 - 19	2019 - 20
0	0	148

Description: Seek to reduce the number of children or young people placed in specialist provision out of county by developing local services, including highly skilled foster placements.

Increase in Council Tax if proposal not adopted: 0.19%

Average Index Score: 0.54
Overall Rank (of 15): 2
Sample Size: 592



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.57	0.00	0.00	0.49	0.67	0.54	0.55	0.65	0.58	0.00	0.43
Sample	134	3	12	375	181	281	283	68	290	16	93

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.53	0.65	0.53	0.33	0.36	0.59	0.77	0.74	0.7
Sample	156	158	156	177	61	174	57	82	77

Key themes from the public consultation:

Impact – 99 comments

- Comments reflecting the importance of providing support to the young people and their families
- Widespread support for the principle of providing care ‘in-county’. Some concerns expressed concerning the availability of facilities and specialist carers
- Some comments suggest that the cost per head is an essential consideration and that providing care in-county for some specialist needs could be more expensive
- A small number of comments were against the proposal

Mitigation – 59 comments

- Work collaboratively with other counties to achieve savings
- Develop a supply of suitably trained specialist workers and foster carers
- Develop data systems to ensure demand is fully understood and catered for

Welsh Language – 29 comments

- The development of local provision can help ensure Welsh language provision is in place for the users of the service
 - A number thought the proposal would have no effect on Welsh, or would equally affect Welsh and English speakers
-

Other relevant information:

- In favour of proposal since this would help with the local employment of relevant staff, be better for the young people concerned and would represent an ‘invest to save’ scheme (Insight session and Stakeholder session)
- This service needs to be supported as a matter of principal, re-check the figures. (GSN Ltd.)
- Parents should contribute to the service as most of them receive benefits to assist them with this. (Plaid Llanelli).
- Whilst the budget has to be reduced it is a complex and difficult area. (Richmond Park School).
- Adequate in-county provision, train people to meet local needs otherwise vulnerable persons will be affected. (Kidwelly Industrial Museum, Church Minister/School Governor, Rhudding Housing Co-op Ltd.).

Councillor engagement:

- Budget seminar – widespread support. Members also felt that that expanded provision could allow the County to provide for other areas on a regional basis.

Equality Impact Assessment summary:

Description of impact
Less out of county placements through developing specialist provision and highly skilled foster placements
Affected groups:
Disabled young people. The AIS result shows strong support from disabled respondents
Mitigation
<ul style="list-style-type: none">• Measures to develop and support specialist foster carers• Ensure future trends and demands are well understood
Assessment undertaken: December 2016

3. School Improvement (ERW)

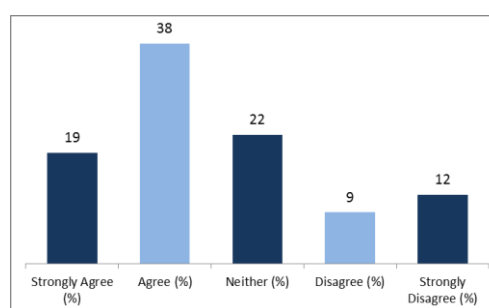
Total Budget: £1,089,000
3 Year Savings: £150,000

2017 - 18	2018 - 19	2019 - 20
0	0	150

Description: Review annual financial contribution to ERW on the assumption that school standards remain high and continue to improve through enhanced school to school support and collaboration, reducing the need for external intervention.

Increase in Council Tax if proposal not adopted: 0.19%

Average Index Score: 0.43
Overall Rank (of 15): 3
Sample Size: 586



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.34	1.33	0.08	0.40	0.56	0.39	0.52	0.55	0.45	-0.25	0.45
Sample	129	3	12	371	177	272	284	66	287	16	92

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.38	0.47	0.50	0.36	0.39	0.47	0.36	0.57	0.51
Sample	152	154	160	173	59	170	55	79	78

Key themes from the public consultation:

Impact – 111 comments

- Many commented that ERW should continue to be supported as an investment in the education of future generations
- Some questioned the value of ERW, with particular reference to a perception of too many highly paid staff
- A number thought responsibility for standards should rest with schools
- Some agreed that it was acceptable to reduce funding in line with evidence of improved standards

Mitigation – 48 comments

- Schools to collaborate: peer review and sharing practice
- Some of the saving could be passed to schools for them to use to support standards

- School governors could support healthy challenge
- The LEA could provide support with standards instead of ERW

Welsh Language – 43 comments

- A range of views were expressed, but these related to Welsh medium education rather than this ERW proposal specifically. Those comments that were relevant suggest either no effect, or an equal effect on Welsh and English
-

Other relevant information:

- Insight session – against proposal in light of its track record and need to maintain education standards.
- This would be detrimental, standard of education of apprentices is low as it is. Paramount that teaching standards are maintained, schools and pupils would suffer without this service. (GSN Ltd., Plaid Llanelli, Church Minister/School Governor).
- Reduce budget, good service but schools need to work closely and help each other within their local communities. (Richmond Park School).
- Look at education pay scales, raised out of proportion for head teachers. (GSN Ltd.)
- Resources put into promoting the Welsh language could be used, and the same support given to all schools as is given to the Welsh medium schools. (Church Minister/School Governor).

Councillor engagement:

- N/A

Equality Impact Assessment summary:

<i>Description of impact</i>
Possible impact on standards
<i>Affected groups:</i>
Young people
<i>Mitigation</i>
<ul style="list-style-type: none"> • Collaboration between schools on standards • A greater role for governing bodies in challenging performance
<i>Assessment undertaken:</i> December 2016

4. Libraries

Total Budget: £2,367,000
3 Year Savings: £105,000

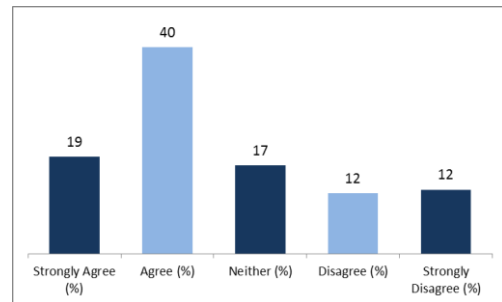
2017 - 18	2018 - 19	2019 - 20
29	36	40

Description: To ensure a library service continues to be available in Carmarthenshire, the proposal is to close or co-locate the least cost effective branch libraries and provide the service through an enhanced mobile library service if they were to close. A desktop review of branch libraries has been carried out to determine usage, costs, staffing, opening hours, and to consider other community provision, however a detailed review would be required with full consultation if the proposal was taken forward.

Increase in Council Tax if proposal not adopted: 0.13%

Average Index Score: 0.41
Overall Rank (of 15): 4
Sample Size: 613

Previous AIS: 0.42 (2014)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.16	0.00	0.75	0.41	0.39	0.35	0.50	0.48	0.51	0.00	0.51
Sample	138	3	12	387	187	289	292	71	294	16	95

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.24	0.36	0.66	0.22	0.26	0.38	0.48	0.45	0.74
Sample	162	166	160	187	61	174	58	82	80

Key themes from the public consultation:

Impact – 159 comments

- Many comments stated that closing branch libraries would affect the most deprived in communities, not all households have computers and families use the libraries to assist with children’s homework etc.
- Concerns that rural communities would be affected, increasing isolation and loneliness and affecting people’s overall well-being.
- Many raised concerns about the mobile service being available outside the normal working hours and providing as robust a service as the library.

- Some said that the proposal would have a minimal or no affect if the mobile service provision was of the same standard offered in the branch libraries.
- This will have a greater impact on the older generation.

Mitigation – 118 comments

- Many comments suggested that a review should be undertaken of least cost effective libraries so that an action plan can be produced to make them more cost effective.
- Many suggested there was a need to encourage more community support, use the buildings for other community functions as well as the library service.
- Combine services, use local school libraries for public use.
- Engage with communities and service users to ascertain what would work best in their areas.
- Regular book refreshment to encourage users.

Welsh Language – 74 comments

- Some concern that this might offer less opportunity for social interaction through the medium of Welsh and reduced access to Welsh literature.
-

Other relevant information:

- Insight session – in favour of reducing number of branch libraries given change in habits (proliferation of e-books / kindles). The Group suggested that books be deposited within care homes and consideration given to library ‘cafes’ to generate income and improve viability of the service.
- As long as an adequate/good mobile service is provided this will compensate for the loss of closures of branch libraries. (Rhudding Housing Co-op Ltd., Plaid Llanelli, stakeholder session)
- Use of community buildings such as cafes or churches could provide opportunities for people to meet, read and research, although it would be a lesser service. (Church Minister/School Governor).
- Libraries provide a beneficial service which is a key resource in developing Welsh language skills. Important for the mobile service to have Welsh language provision. (Richmond Park School, Plaid Llanelli).

Councillor engagement:

- Budget seminar – positive, although additional information was requested

Equality Impact Assessment summary:

Description of impact
Closure of the least cost-effective libraries
Affected groups:
The results for all groups shows support for the proposal (except LGB)
Mitigation
<ul style="list-style-type: none"> • Co-location of libraries with other facilities • Community ownership of those libraries that are used least • Mobile library provision would help mitigate possible closures
Assessment undertaken: January 2017

5. Catering Services – School Meals

Total Budget: £168,000
3 Year Savings: £170,000

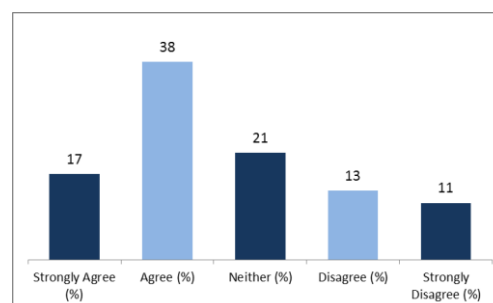
2017 - 18	2018 - 19	2019 - 20
100	70	0

Description: Increase the cost of a primary school meal price to £2.50 in April 2017 and £2.60 in April 2018. There will be similar increases in charges for food in secondary schools. The price was increased by 10p per meal this financial year 2016-17.

Increase in Council Tax if proposal not adopted: 0.21%

Average Index Score: 0.36
Overall Rank (of 15): 5
Sample Size: 584

Previous AIS: 0.31 (2016); 0.37 (2015); -0.05 (2014)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.13	-0.67	0.36	0.27	0.57	0.28	0.48	0.48	0.38	0.20	0.47
Sample	129	3	11	372	178	274	282	67	280	15	92

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.39	0.26	0.41	0.2	0.42	0.48	0.55	0.49	0.51
Sample	154	156	155	172	59	169	56	80	77

Key themes from the public consultation:

Impact – 114 comments

- A common view that the increase will render school meals unaffordable for some low to medium income families not on benefits (JAMs – Just About Managing).
- Mention was made of the childhood ‘obesity crisis’ and importance of eating a cooked, nutritious meal at school
- Doesn’t present a good alternative to local takeaways and sweet shops, preferred by many secondary school pupils
- Disproportionate impact on larger families
- Increased costs threaten viability of service as overall demand will reduce

- An opposing view that the current cost of a school meal represents good value for money, and the proposed increase is reasonable provided entitlement to free school meals remains as is
- Small incremental increases will help keep impacts to a minimum

Mitigation – 71 comments

- Improvements to school menu will increase take-up and willingness to pay additional costs
- Economies of scale – better take-up will reduce cost. Pilot cheaper meals at a few schools to ascertain impact on take-up
- Discounts for parents who have multiple children within same school
- Nominal charge for breakfast clubs
- Integrate the school meal and meals on wheels services

Welsh Language – 10 comments

- May reduce opportunities to socialise in Welsh during lunch break. Otherwise, respondents noted that impacts would be minimal
-

Other relevant information:

- Insight session – rejected proposal due to the financial impacts on families. It was suggested that primary schools could consider having the private sector provide meals, if this reduces costs.
- Should not affect anyone, cost should be the basis of the increase, (Plaid Llanelli, Kidwelly Industrial Museum).
- Some pupils rely on this meal as their main source of nutrition. (Church Minister/School Governor, Rhudding Housing Co-op Ltd.).
- This will reduce uptake as many families believe schools meals are not value for money. (Richmond Park School).
- Schools work with local businesses i.e. cafes, pub etc and have food brought into the schools. (Church Minister/School Governor).

Councillor engagement:

- Budget seminar and Scrutiny – concerns about the negative impact on take up and the risk of a ‘tipping point’ given charges are currently the joint highest in Wales. Some comment that separate charges could be in place for primary and secondary schools

Equality Impact Assessment summary:

<i>Description of impact</i>
The price rise could impact upon take up of school meals
<i>Affected groups:</i>
Children who use the school meal service; those with parental responsibility, particularly those in ‘working poverty’
<i>Mitigation</i>
<ul style="list-style-type: none"> • Publicise the facility of free school meals to help make sure those eligible take it up • Raise awareness of the benefits of school meals (health, nutrition) to help support take up • Seek economies by providing meals to others (e.g., care homes, meals on wheels)

Assessment undertaken: November 2014, (revised December 2015, December 2016)

6. Older People and Physical Disabilities Day Services

Total Budget: £997,000
3 Year Savings: £200,000

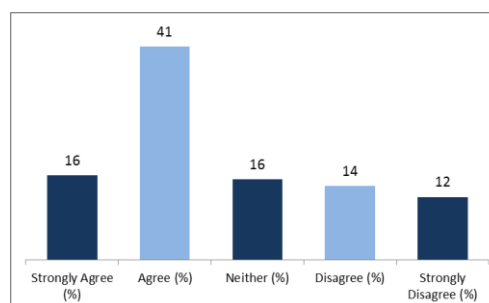
2017 - 18	2018 - 19	2019 - 20
50	150	0

Description: Review and redevelop day services in order to meet demand in areas of high need and address falling demand in others. Focus on the three day centres to develop services around them and target areas of need.

Increase in Council Tax if proposal not adopted: 0.25%

Average Index Score: 0.35
Rank (of 15): 6
Sample Size: 621

Previous AIS: -1.08 (2015);
0.1 (2014)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.28	-0.33	0.58	0.34	0.48	0.47	0.31	0.39	0.48	0.13	0.35
Sample	141	3	12	393	187	294	294	72	298	16	97

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.43	0.38	0.42	0.15	0.35	0.39	0.64	0.44	0.46
Sample	166	164	161	191	60	175	59	82	81

Key themes from the public consultation:

Impact – 141 comments

- Many comments on the county's ageing population and that this will increase demand for services
- Concerns that this will put more pressure on carers and their families as this is the only respite that some carers will get.
- Some responses reference equitable access for all.
- If these services are cut then more community support would be required which could result in additional costs.

- Many were concerned that this would have a detrimental impact on the most vulnerable and isolated in our communities. This service plays a vital role for companionship for many clients
- Agreement that a service review is necessary, and all stakeholders (carers, service users) should be involved in a full and proper consultation

Mitigation – 122 comments

- Involvement of the voluntary sector, and provision of activities in community/village facilities
- Introduce a charge that is means tested
- A review that offers a ‘deep dive’ of the service and consults all stakeholders, i.e. clients, guardians, carers and advocates
- Comments that better transport would be essential if the authority was to focus on the 3 day centres and target delivery around them.

Welsh Language – 87 comments

- A recurring theme was that bilingualism is essential for this service as a large proportion of the older generation speak Welsh.
-

Other relevant information:

- Agreement with proposal on the basis that it will improve efficiency and quality, re-focus service where it is most needed and facilitate opportunities to involve the voluntary sector (stakeholder session; Insight session).
- HDUHB – Day centres are important in addressing loneliness and isolation
- These people need extra care and their carers also need more support. (Rhudding Housing Co-op Ltd.)
- Risk that the proposal will increase pressure on other social care and public services, such as NHS. Voluntary groups may lack the resources and expertise to step in (Church Minister/School Governor).

Councillor engagement:

- Budget seminar – some support, though not unanimous. Clarification was sought over how the projected savings would be made, with some holding the view that savings targets were over-ambitious. Flexible use of existing facilities may help generate income (e.g., intergenerational activity, evening and weekend use).

Equality Impact Assessment summary:

Description of impact:
Possible changes to provision, reflecting a greater person-centred approach and responding to areas of highest demand
Affected groups:
Older people, those with dementia, and carers
Mitigation
<ul style="list-style-type: none"> • Adopting a co-production approach, making maximum use of the assets of users, their families and carers, can lead to better outcomes for people • Considering the supportive role the voluntary and community sectors could play in providing opportunities • Matching provision to an enhanced understanding of current needs and future trends • Ensuring transport of users is fully considered within the review
Assessment undertaken: January 2017

7. Parking Services

Total Budget: -£1,520,000 (net income)
3 Year Savings: £120,000

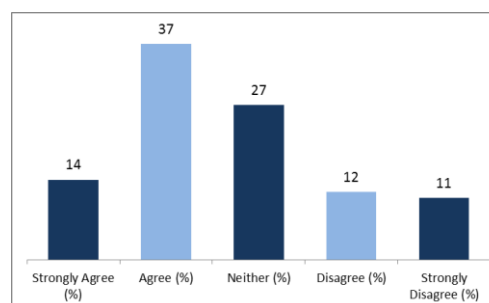
2017 - 18	2018 - 19	2019 - 20
0	0	120

Description: Review of revenue options to support transportation and highway related services.

Increase in Council Tax if proposal not adopted: 0.15%

Average Index Score: 0.32
Overall Rank (of 15): 7
Sample Size: 600

Previous AIS: -0.09 (2016);
-0.11 (2014)



	Staff	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.19	0.00	-0.36	0.32	0.44	0.32	0.37	0.60	0.30	0.38	0.41
Sample	132	3	11	379	183	280	288	70	289	16	93

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.27	0.42	0.42	0.19	0.22	0.45	0.35	0.59	0.63
Sample	158	159	159	180	59	172	57	82	78

Key themes from the public consultation:

Impact – 159 comments

- Many comments suggested that inconsistent parking costs across all of the county's car parks has an effect on shoppers. There were also a large number of comments relating to parking costs in town centres resulting in people shopping at out of town centres where parking is free.
- Local businesses located in the towns are suffering due to the lack of people shopping in the towns and insufficient parking spaces in some areas of the towns especially for disabled and parent and child. Likelihood of avoidance through on street parking etc.
- A view that public transport is not a suitable alternative as it is unreliable

- It was suggested that increasing the council tax (as an alternative to raising parking charges) would be unfair on the families that do not own vehicles.
- A view that there was insufficient information to make any comments.

Mitigation – 91 comments

- A number of comments noting that public transport needs to be more reliable, reasonably priced and available at key times for the working public in order to alleviate the problem with parking in towns.
 - Parking charges: some suggested keeping the costs as they are. Others favoured reducing the costs or providing free parking on certain days in towns as well as having more options for shorter stays i.e. 30 minutes for 50p.
 - Having a universal parking ticket, acceptable for use in all car parks
 - Information boards within car parks should inform users how money is spent
 - Consultation with businesses regarding any review is suggested.
-

Welsh Language – 37 comments

- No impact, though some stressed importance of bilingual signage
-

Other relevant information:

- Against the proposal on grounds that it will increase illegal parking and deplete health of town centres (stakeholder session; Insight session).
- Parking charges are too high and affecting the number of visitors to towns. (Plaid Llanelli).
- Will affect people attending church (Church Minster/School Governor).
- Free parking for elderly/disabled and employees working in the town. (GSN Ltd.)

Councillor engagement:

- Budget seminar – a mix of views on the issue. Some argued that the introduction of further increases was too soon

Equality Impact Assessment summary:

<i>Description of impact</i>
Increasing charges for using car parks
<i>Affected groups:</i>
Users of car parks, particularly those on lower incomes; retailers
<i>Mitigation</i>
<ul style="list-style-type: none"> • Taking steps to increase the appeal of public transport, reducing the need for parking • Cheaper tickets for very short stays • Ensuring tickets are transferrable • Promoting the positive contribution parking charges make to the work of the Council • Enforcement of illegal parking activity
<i>Assessment undertaken:</i> (revised January 2017)

8. Educational Psychology

Total Budget: £906,000
3 Year Savings: £60,000

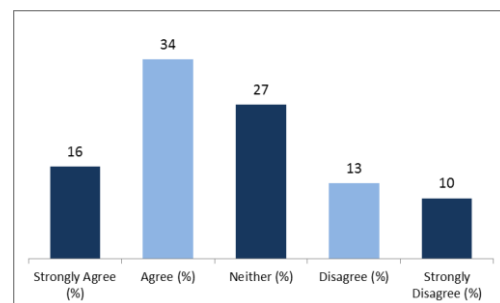
2017 - 18	2018 - 19	2019 - 20
60	0	0

Description: Reduction of one post through review of existing structure; following the departure of one member of staff who has moved out of the county.

Increase in Council Tax if proposal not adopted: 0.08%

Average Index Score: 0.32
Overall Rank (of 15): 8
Sample Size: 577

Previous AIS: -0.33 (2016)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.20	0.33	0.09	0.29	0.38	0.17	0.46	0.17	0.31	0.27	0.37
Sample	122	3	11	367	175	269	279	65	277	15	91

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.34	0.22	0.36	0.13	0.32	0.33	0.6	0.42	0.49
Sample	148	153	157	168	60	168	55	78	77

Key themes from the public consultation:

Impact – 73 comments

- Competing views in relation to tolerance. In the main it was felt the impacts would be manageable; others noted the service should operate at full capacity
- A reduced service risks the emotional and social wellbeing of young people
- Issues may extend and worsen into adulthood if not adequately addressed at an early age. Importance of developing resilience emphasised
- A concern that the service will be ill-prepared to manage future demands placed upon it. Research suggests rates of mental illnesses (such as depression and anxiety) have increased exponentially in recent years.

Mitigation – 51 comments

- A consensus that the impacts cannot be mitigated, given the disparity between projected demand and resource/supply
- Upskilling of school support staff
- Tackle number of missed appointments

Welsh Language – 21 comments

- No impact providing service can still be accessed in Welsh
-

Other relevant information:

- Insight session – it was proposed that the service combine with Pembrokeshire and that a slower service could be acceptable, particularly if school staff trained to be better able to identify pupils at an early stage.
- Need better logistics with other services i.e. Youth Services, integrate the two. (GSN Ltd.).
- Could result in reduction of access to service for schools, need to ensure no loss of service. Will affect all involved, service may have a longer waiting time. (Richmond Park School, Kidwelly Industrial Museum, Church Minster/School Governor).
- Look at the suicide statistics for Wales. (Rhudding Housing Co-op Ltd.).

Councillor engagement:

- Budget seminar – pursuing a regional approach (perhaps via ERW) was suggested as a possible way forward.

Equality Impact Assessment summary:

Description of impact
Possible later identification of special educational needs
Affected groups:
Young people who may have special needs; those with parental responsibility
Mitigation
<ul style="list-style-type: none">• Activity will need to focus on the most significant need• Upskilling of school staff• Work with other counties to provide the service
Assessment undertaken: January 2016 (revised December 2016)

9. Sport and Leisure – Community Leisure Centres

Total Budget: £119,000
3 Year Savings: £118,000

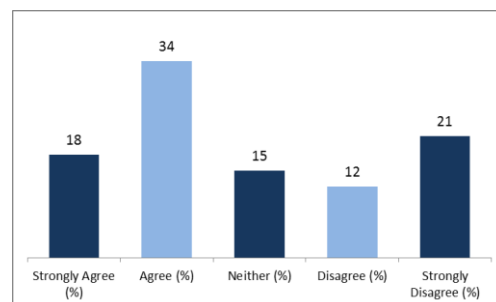
2017 - 18	2018 - 19	2019 - 20
27	31	60

Description:

- Closure of the Gwendraeth (Canolfan Carwyn) facility with transfer of provision to new Maes Y Gwendraeth community school nearby. The new facility caters for demand, with squash users potentially re-located to under-utilised facilities at Carmarthen or Llanelli Leisure Centres.
- Proposal also includes the asset transfer (or possible closure) of St Clears Leisure centre, which is one of the smaller facilities within the portfolio, where demand could be met through Carmarthen Leisure Centre and / or Dyffryn Taf School facilities.

Increase in Council Tax if proposal not adopted: 0.15%

Average Index Score: 0.15
Overall Rank (of 15): 9
Sample Size: 625



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.00	-0.33	-0.67	0.11	0.43	0.20	2.00	0.54	0.29	0.13	0.32
Sample	138	3	12	403	175	290	297	67	291	16	93

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.20	0.04	0.27	-0.49	0.47	0.52	0.46	0.64	0.62
Sample	163	166	162	199	60	172	57	80	79

Key themes from the public consultation:

Impact – 195 comments

- A widely shared view that the proposal would be detrimental to the St. Clears area, with a lesser impact on those residing within Gwendraeth

- Squash was flagged as an at risk activity. Some contested the feasibility of travelling to alternative sites
- Local sports clubs would take a hit, particularly in St. Clears where there is a lack of alternative provision closer than Carmarthen.
- Cost implications of travelling to the alternative sites would impact on low income families (JAMs), resulting in them taking less care of their health
- In St. Clears they would be impacted by the closure of the Ysgol Feithrin, which would cause child care issues for families.
- A large number of respondents raised concerns that this would impact on personal well-being, and counter to recent health (obesity) campaigns.
- Use of Dyffryn Taf School will present barriers to access

Mitigation – 161 comments

- Many comments stipulated that better management and marketing of facilities would increase footfall. Also more flexible opening times, to include weekends
- Transfer assets to community/voluntary organisations or a business.
- Increase charges instead of subsidising users.
- Improve transport links and timetabling so that it better aligns with leisure centre activities (free swims, classes etc.).
- Provide more low cost fitness activities in local parks.

Welsh Language – 64 comments

- Use of alternative facilities where a Welsh service is not offered may discourage use of the language
-

Other relevant information:

- Insight session – closure of Gwendraeth is justifiable given the close proximity of alternative facilities at the school. It was suggested that the squash club should take on the squash courts should they wish to continue usage. The Group wanted the St Clears venue to continue in operation.
- HDUHB – Service warrants an increase in funding given the growth in childhood obesity, diabetes and a perceived reduction in physical activity uptake (also Badminton Club, GSN Ltd, and stakeholder session)
- St Clears T&CC – against proposal as demographic trends and housing developments in the area suggest an increase in potential users. The Centre could offer a wider range of activities, with adequate investment
- Detrimental effect on the local football team with a risk of the team folding. Travelling to Carmarthen for use of a leisure centre would result in loss of players as it is too far (St. Clears Football Club, Whitland RFC).

Councillor engagement:

- Budget seminar – generally against asset transfer of St Clears centre. More support for Gwendraeth, but some questions about utilisation of the site following closure

Equality Impact Assessment summary:

<i>Description of impact</i>
Closure of Gwendraeth and St Clears leisure facilities
<i>Affected groups:</i>

Users of both centres, including those less able to access alternative facilities (older people, disabled people), and welsh speakers. School and community groups use the St Clears centre.

Mitigation

- Developing a transition plan for Gwendraeth users to new Cefneithin site
- Consider the options for squash users of Gwendraeth site
- Transfer of assets to community or voluntary organisations
- Develop alternative low cost fitness opportunities, for example, in parks

Assessment undertaken: January 2017 (St Clears), May 2016 (Gwendraeth)

10. Cleansing

Total Budget: £1,834,000

3 Year Savings: £164,000

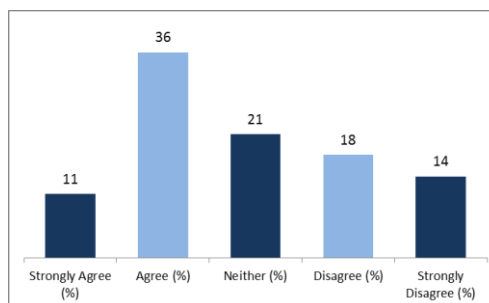
2017 - 18	2018 - 19	2019 - 20
0	0	164

Description: Review and reconfigure the routine scheduled mechanical sweeping of residential areas with a view to undertaking sweeping/cleansing work on a reactive basis in the future, potentially adopting a zoned approach. In order to achieve the savings identified, the number of mechanical sweepers will need to be reduced, together with a number of drivers through voluntary severance.

Increase in Council Tax if proposal not adopted: 0.21%

Average Index Score: 0.12
Overall Rank (of 15): 10
Sample Size: 594

Previous AIS: -0.32 (2016);



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.06	0.33	0.20	0.06	0.25	0.08	0.17	0.09	0.13	-0.38	0.21
Sample	132	3	10	375	183	277	287	69	289	16	90

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.11	0.31	0.03	0.15	0.37	0.12	0.12	0.05	-0.11
Sample	158	159	156	177	59	171	57	81	79

Key themes from the public consultation:

Impact – 151 comments

- Some comments indicated support for the proposal, as a ‘necessary evil’.

- Others supported the proposal on the basis they don't believe they currently receive a service.
- There was some support for adopting a reactive 'demand-led' approach, though some concern about the level of threshold before action is taken.
- Comments suggesting the service should be maintained (or enhanced) formed the biggest response category. Civic pride, tourism and retail impact, and impacts on investment decisions were given as reasons. Health considerations were also prominent, signalling some concern with vermin.
- Particular concerns were raised about dog fouling.
- Some suggested that the service was currently under-performing and that further cuts would aggravate the position.
- A number warned about the need to be seasonally responsive. Leaves in autumn can block drains and lead to flooding.

Mitigation – 97 comments

- A greater degree of community ownership – including locally-organised litter picks, and 'best kept community' awards. Also consider volunteering and use of offenders
- Increased provision of public bins and recycling facilities.
- Notify residents to move cars from the street, so cleansing is more effective
- Recover costs from farmers and others where action necessitates road cleaning.
- Use reduced fleet, and change working practices, to achieve saving.
- Greater enforcement activity could help reduce litter. Moves to increase public awareness of the impact of littering was advocated by some.
- Effective synchronisation with domestic waste collection. It was suggested cleansing should take place directly following, to clear away waste from bag breakages etc. The lack of supplied bins (to protect waste from vermin) was cited as a contributory factor.

Welsh Language – 28 comments

- No positive or negative impact on the Welsh language

Other relevant information:

- Insight session – against proposal as it will harm the appeal of the county and therefore its potential for tourism, and concern that blocked drains will pose a flooding risk.
- Important service in helping to keep our county tidy, rubbish in town centres is high and this would have a detrimental effect. (Plaid Llanelli, GSN Ltd.).
- Use rehabilitation groups i.e. probation groups to undertake some of this work (stakeholder event). So many parked cars on streets that road sweeping is a waste of time. (Church Minister/School Governor).

Councillor engagement:

- Budget seminar – some advocated an increase in expenditure due to consequences for flooding, tourism and service performance. A view that fines should be more severe and enforcement given a greater role
- TCCLF – members felt this may result in a threadbare service in rural areas

Equality Impact Assessment summary:

<i>Description of impact</i>

Less frequent sweeping and cleansing work
Affected groups:
Residents and visitors
Mitigation
<ul style="list-style-type: none"> • further enforcement activity • Do more to achieve streets free of parked cars on sweeping days, leading to more effective cleaning • greater involvement of community and volunteers in litter picks and similar activities
Assessment undertaken: (revised January 2017)

11. School Transport Policy Review

Total Budget: £624,000
3 Year Savings: £65,000

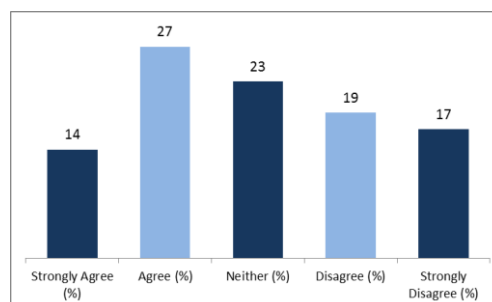
2017 - 18	2018 - 19	2019 - 20
0	0	65

Description:
 Review of non-statutory provision.

Increase in Council Tax if proposal not adopted: 0.08%

Average Index Score: 0.04
Overall Rank (of 15): 11
Sample Size: 594

Previous AIS: 0.28 (2015);
 -0.67 (2014)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.02	0.00	0.08	0.04	0.04	-0.13	0.21	0.06	-0.01	-0.63	0.13
Sample	132	3	12	376	181	275	290	69	288	16	90

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.06	0.09	-0.01	-0.08	0	-0.04	0.19	-0.21	0.18
Sample	154	161	156	177	59	170	57	80	79

Key themes from the public consultation:

Impact – 123 comments

- Concern about the impact of the proposal on disadvantaged students, including special educational needs, those not in education training or employment and other vulnerable groups
- Those from poorer backgrounds, and working families, likely to be most affected
- Comment against the proposal due to the adverse impacts outweighing the forecast savings. Many pointed to the need to encourage young people to stay in education and thus avoid barriers to access
- A number pointed to the unjust impact of school closure, which has necessitated post 16 school transport requirement
- Proposal may lead to greater congestion and a number thought the proposal will disproportionately affect rural areas
- Others agreed that there was a need to review the service and consider the introduction of charges

Mitigation – 80 comments

- Encourage transport alternatives such as walking, cycling, car sharing, and concessionary passes on public transport
- Establishing a reasonable charge would limit the impact, as would phasing the introduction over a few years
- Reduce the impact through means testing
- Reconfigure routes and integrate with public transport services. Consider charging the public to use surplus seats on college bus transport
- Reduce the need for travel by keeping educational provision locally

Welsh Language – 35 comments

- Concern that this may affect the ability of young people to attend learning in language of their choice, where Welsh provision not available locally
 - Some comments expressed the view that the proposal would have no effect on Welsh, or would equally effect both languages
-

Other relevant information:

- Insight session – in favour given the relatively small number of students affected, that some are able to drive and the fact that the Educational Maintenance Grant could be used to support the costs of transport.
- Minimal saving for such a big effect on pupils. (Plaid Llanelli).
- The most vulnerable will suffer and may affect their access to education; greater effects on families with more than one child in school. (Church Minister/School Governor, GSN Ltd.).
- More efficient transport, better logistics in the communities. Taxi service for special units need to be streamlined and shared when possible. (GSN Ltd., Richmond Park School).
- Possible health and safety issues, especially in rural areas. (Kidwelly Industrial Museum).

Councillor engagement:

- N/A

Equality Impact Assessment summary:

Description of impact
Introduce a charge for discretionary post-16 transport to school or college
Affected groups:

Relevant pupils and their families (particularly low income and those distant from educational centres)

Mitigation

- introduce means testing
- encourage other forms of travel – walking, cycling and car share
- integrate journeys with public transport services

Assessment undertaken: November 2013 (revised May 2015, June 2015)

12. Music Service

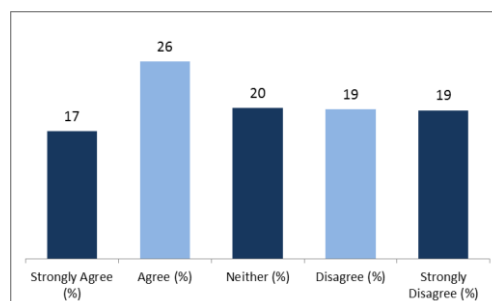
Total budget: £143,000
3 Year Savings: £130,000

2017 - 18	2018 - 19	2019 - 20
30	0	100

Description: Decrease core funding of the service over a three year period. This will be compensated for by increasing the charge to schools by £3per hour, from £56 to £59. This may mean schools will pass the extra charge on to parents by changing their Parental Charging policy. The service is also proposing to generate further income by charging parents £10 per term for the junior county ensembles.

Increase in Council tax if not adopted: 0.16%

Average index score: 0.01
Overall Rank (of 15): 12
Sample Size: 595



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	0.06	0.00	0.18	-0.04	0.12	-0.04	0.08	0.12	-0.04	0.06	0.04
Sample	132	3	11	377	182	278	288	69	290	16	93

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	0.05	0.15	-0.12	0.04	-0.15	0.14	0.24	0.23	0.11
Sample	155	158	159	172	60	174	59	82	79

Key themes from the public consultation:

Impact – 125 comments

- Widespread comment that parents should pay, given wider financial climate

- Some concern that the proposal will affect low income families
- The impact on take up and the viability of the service was noted
- Music considered a key element within the overall development of young people
- The need to support music because of its cultural significance to Wales was noted

Mitigation – 70 comments

- Means testing to ensure the charge isn't a barrier for those from low income backgrounds
- A number of other suggestions, including: local fund raising and sponsorship; money making concerts; and making use of teachers who can play instruments or musical volunteers

Welsh Language – 35 comments

- A number noted the importance of music to Welsh culture and possible impacts on contributions to the Eisteddfod and other Urdd activity
 - Others considered there to be no effect on Welsh, or an equal effect on English and Welsh speakers
-

Other relevant information:

- Insight session – adverse impacts on creative development and staffing emphasised. Runs the risk of privileging access. Questioned why music service has been singled out, compared to sports and drama clubs (also stakeholder session).
- Not a basic life skill, ask parents/individuals to contribute towards the costs. (Church Minister/School Governor, Plaid Llanelli, GSN Ltd.).
- Use the Peripatetic Music Service to offer PPA Assistance to schools, bringing music to the whole class rather than to individuals. (Richmond Park School).

Councillor engagement:

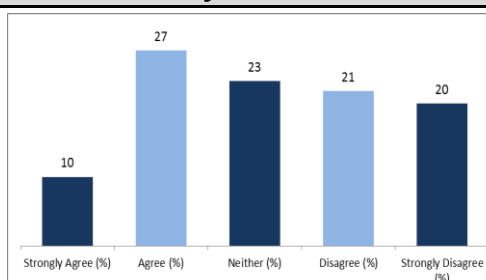
- Budget seminar – noted that the charges compare very favourably with the private sector. Mitigation: a phased increase and collaboration with other counties (to maximise use of specialist teachers and instruments)
- TCCLF – shield pupils on FSM from any increased costs

Equality Impact Assessment summary:

Description of impact
A possible reduction in take up by school and parents which could affect Welsh cultural participation
Affected groups:
Young people from low income backgrounds. Girls are more likely to use the service than boys
Mitigation
<ul style="list-style-type: none"> • Fundraising, including that undertaken by the Music Service Parents and Friends group • Encouraging curriculum tuition for all pupils, through schools
Assessment undertaken: December 2016

13. Housing and Public Protection – Grants to the Voluntary Sector

Total Budget: £170,000
3 Year Savings: £170,000



2017 - 18	2018 - 19	2019 - 20
170	0	0

Description: Cessation of voluntary sector funding for Citizens Advice Bureau.

Increase in Council Tax if not adopted: 0.21%

Average index score: -0.15
Overall Rank (of 15): 13
Sample Size: 621

Previous AIS 0.15 (2014)

	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	-0.29	1.00	0.25	-0.16	-0.05	-0.16	-0.08	-0.32	-0.01	-0.13	-0.07
Sample	136	2	12	395	184	290	298	72	299	15	94

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	-0.16	-0.22	0.13	-0.25	-0.36	-0.06	0.02	0.05	-0.07
Sample	164	165	162	190	61	175	60	82	82

Key themes from the public consultation:

Impact – 165 comments

- Acknowledgement that many vulnerable families/individuals would be affected by this proposal.
- Many commended the work of this organisation stating that it provided an essential service giving free, independent advice whereas some solicitors/organisations may have conflicts of interests with some issues.
- Proposal will impact on the overall well-being of the most deprived and vulnerable in the county
- Some support for cutting the funding for this organisation as there are other organisations providing a similar service without receiving any funding.
- As this service assists people to access the correct welfare benefits which would not be claimed otherwise, this will impact on the economy of the county.

Mitigation – 145 comments

- There were many suggestions to retain the funding as it was whilst others suggested reducing the funding instead of cutting it completely.
- Many comments suggested enlisting more volunteers and a reduction in salary for the paid staff at the organisation.
- Many commented that it would be essential for an alternative service to be provided for those who require it. Suggestions for council staff to be trained to provide this alternative service at the contact centres.
- Some thought that relocating the organisation to a council building would help to reduce costs and assist to maintain the services i.e. the 'Hub' in Llanelli.
- Charging a small fee (means tested), ask for contributions from service users, or obtain sponsorship from local companies.
- There were also suggestions that those in need of the service could be signposted to other organisations that may be able to help them.
- Many stated that there was lots of help available on-line.

Welsh Language – 85 comments

- Many comments reflected the view that this had no impact on the Welsh language. The importance of a bilingual service was emphasised
-

Other relevant information:

- Insight session – contribution should be reviewed, not abolished to allow time for contingency planning. It was felt that the service would remain available to the public after funding ends,
- HDUHB – Key client groups access and depend on service, such as patients with long-term chronic conditions and those in receipt of palliative care
- Carmarthen TC – local charities and organisations are turning to T&CCs to bridge the funding gap, but should be better supported by the county council
- This service provides support for many families, provision for alternative free support within communities will need to be in place (Rhudding Housing Co-op Ltd.).

Councillor engagement:

- Budget seminar – some members expressed opposition given the UK welfare reform programme, though some may accept a reduction in funding. Some concerns expressed about CABs not sharing information. Potential for joining-up with other advice agencies should be explored
- TCCLF – other voluntary agencies should be able to step into the breach

Equality Impact Assessment summary:

Description of impact
The reduction may affect the availability of general and welfare advice; however, there may be duplication of provision
Affected groups:
Those in or facing poverty
Mitigation
<ul style="list-style-type: none"> • Reducing rather than entirely cutting the funding • Training Council staff who could then provide the required advice • Housing the CAB in Council offices • Promotion of the variety of information sources available
Assessment undertaken: December 2015 (revised December 2016)

14. Special Education Needs

Total Budget: £1,679,000
3 Year Savings: £70,000

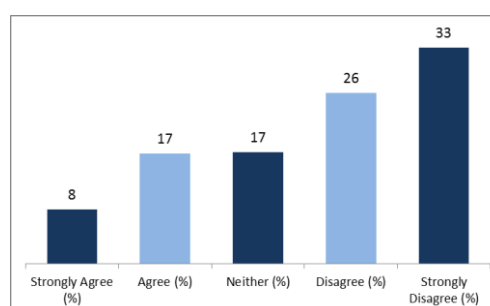
2017 - 18	2018 - 19	2019 - 20
70	0	0

Description: Reduce the core budget to schools. This would be distributed between 82 schools (all those with more than 100 pupils). Each school affected would need to reassess their provision, or realign budgets in order to make up for the shortfall. This could result in less 1:1 support sessions, reduced teaching assistant support or reduced hours for additional learning needs co-ordinators to support learners.

Increase in Council Tax if proposal not adopted: 0.09%

Average index score: -0.28
Overall Rank (of 15): 14
Sample Size: 584

Previous AIS: -0.41 (2015)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	-0.40	0.33	-0.50	-0.69	-0.34	-0.77	-0.39	-0.32	-0.65	-1.00	-0.45
Sample	129	3	12	371	176	271	284	66	281	16	92

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6

AIS	-0.29	-0.62	-0.88	-0.68	-0.27	-0.56	-0.46	-0.63	-0.73
Sample	153	152	158	170	59	169	57	79	77

Key themes from the public consultation:

Impact – 139 comments

- Proposal departs from what is morally right and fair, disadvantaging those in most need of support
- Integration of SEN children within mainstream education without an effective support network will inhibit learning, disrupt classes and increase exclusions
- Widens attainment gap between SEN pupils and their peers, and does not ensure the best start in life
- Specialist teaching and support improves well-being of SEN pupils at school
- A feeling that additional cuts to an underfunded service is unjust
- Importance of preserving right of all children to a fit and proper education emphasised
- A counter-view that overreliance on 1:1 support can be detrimental to SEN pupils' academic and social development

Mitigation – 76 comments

- 3 year saving is minimal and does not warrant probable impacts
- Increase in Council Tax is justifiable to safeguard provision of a necessary service
- Upskill and redeploy central support staff
- Proposal should form part of a wider SEN review that addresses delays in issuing a Statement of SEN, value for money and service monitoring
- A view that individual schools should fund the service as they are best placed to determine whether to maintain, reduce or cease provision
- Bringing retired teachers / TAs back into schools on a voluntary basis
- Involving service users in service redesign (stakeholder session)

Welsh Language – 32 comments

- No discernible impacts on Welsh language
-

Other relevant information:

- Insight session – against proposal as it represents an inequality. It was also posited that investment in young people at this stage would help them play a fuller role in the society and economy of the County longer term.
- Grouping children with needs more effectively across the school, a better assessment on the needs of the individual. (Richmond Primary School, GSN Ltd.).
- Look at how it affects smaller schools - increase number of schools affected by reducing the small school roll from 100 pupils to 60 pupils. (Richmond Park School).

Councillor engagement:

- Budget seminar – some expressed disagreement owing to the need to adequately care for this disadvantaged group

Equality Impact Assessment summary:

Description of impact
Schools will need to develop ways of supporting pupils within the available budget
Affected groups:
Young people with additional learning needs
Mitigation
<ul style="list-style-type: none"> discussions with schools to make sure curricular and access adaptations are made in a timely manner
Assessment undertaken: November 2014 (revised December 2015)

15. Delegated school budget

Total Budget: £109,247,000
3 Year Savings: £11,251,000

2017 - 18	2018 - 19	2019 - 20
3,779	3,485	3,987

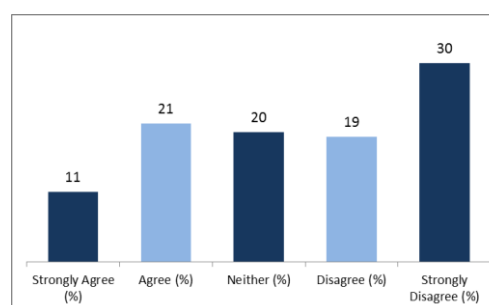
Description: Rationalise primary schools that are disproportionately expensive to operate and unable to sustain educationally effective teaching and learning structures due to financial constraints, through carefully selected decommissioning and strategically driven expanded school federation.

- Reduced school budgets will lead to schools having to review their spending and to consider staffing levels, class sizes and provision.
- To manage this level of reduction there will be an impact on staffing as a high percentage of a school's budget is used to employ staff. A reduction of £3.7m in the first year could possibly result in 60 teachers or 135 support staff (or a combination) being made redundant.
- Schools have been encouraged to work in partnership and collaborate with other schools in matters of resourcing and employment, however the scale of the budget reduction will result in redundancies

Increase in Council Tax if proposal not adopted: 14.15%

Average index score: -0.37
Overall Rank (of 15): 15
Sample Size: 583

Previous AIS: -0.11 (2016);
0.39 (2015)



	Single	BME	16-24	25-64	65+	F	M	Dis-abled	Rel-igion	LGB	Carer
AIS	-0.23	1.00	0.08	-0.52	-0.07	-0.59	-0.14	-0.08	-0.48	-0.50	-0.29
Sample	126	3	12	371	175	269	285	66	282	16	93

	Income <£20k	Income £20–£39k	Income >£40k	CA1	CA2	CA3	CA4	CA5	CA6
AIS	-0.30	-0.42	-0.52	-0.51	-0.25	-0.53	0.05	-0.55	-0.3
Sample	149	153	161	171	60	167	56	78	77

Key themes from the public consultation:

Impact – 155 comments

- Prevailing view that proposal is short sighted – larger class sizes are probable and may become unmanageable, increasing likelihood of disruption, pressure on teachers and turnover of staff
- A concern that fewer teachers and teaching assistants will worsen educational attainment, impeding children’s life chances / career development
- Proposal is penny wise and pound foolish: lower levels of educational attainment will lead to long term social and economic costs
- Proposal will compound ‘achievement gaps’ between schools and pupils of different backgrounds, giving rise to social immobility.
- Endangers important support services such as Team Around The Family
- An ill-advised proposal on grounds that schools are at a ‘tipping point’, with resources stretched and schools underfunded
- Schools are the nucleus of small (rural) communities. Closure will have wider impacts on local amenities and infrastructure
- Some comments in favour: ring-fencing school budgets limits opportunities to become more resourceful and streamlined (primary schools with excess places cited as an example). Another view of rationalising as a ‘necessary evil’ if the alternative is to increase council tax by 14%

Mitigation – 101 comments

- A view that the retention of teachers should be prioritised at all costs
- Comments around the impossibility of mitigating against lower teacher numbers, necessitating a rebuttal of the proposal
- Recognition that shared admin functions and greater collaboration between schools is a justifiable action to reduce costs. Shared senior posts (e.g. head teacher) via school federation also mooted
- Decrease investment in ICT (computers, iPads) and school trips
- Rural schools should be treated differently from urban schools given specific challenges around transport/mobility and remoteness
- Reduce the costs of SLAs with the County (stakeholder event)

Welsh Language – 50 comments

- Overall sense that the Welsh language will not be adversely impacted, though some cautioned it might constrain first and second language Welsh speakers

Other relevant information:

- Schools Strategy and Budget Forum – concern about SEN provision in the context of the SEN proposal and declining schools budgets
- Insight session – strongly against on the grounds that Wales is performing poorly by international standards, and proposal will weaken pupil–teacher relationships. However, it was felt that opportunities to make better use of teachers should be pursued (e.g. sharing between schools).
- Detrimental impact on standards at schools as resources are already stretched. (GSN Ltd., Richmond Park School).
- Schools are a focal point of communities; local schools in the same areas should share facilities. (Rhudding Housing Co-op Ltd., Plaid Llanelli).
- A worry that school staffing will be adversely affected (Trade Union)

Councillor engagement:

- Budget seminar – agreement that much could be achieved through collaboration and sharing of staff resources. It was suggested that (i) reduced fees for the delivery of services by the County (via SLA) could assist, and (ii) council/schools take steps to address sickness absence (reducing the need for supply teaching staff)
- Scrutiny – concern that school reserves are being used as a short term fix, and that their depletion weakens the resilience of schools

Equality Impact Assessment summary:

Description of impact
Schools would be required to run on a reduced budget, while maintaining standards
Affected groups:
Younger people of school age; possibly SEN pupils; reductions could affect provision for Gypsy Travellers and EAL students. School staff are predominantly female; non-Welsh speaking staff may be disadvantaged as services are remodelled. The AIS shows women are against the proposal, with men in favour; the age group most likely to consist of relevant parents (15-64) are against the proposal.
Mitigation
<ul style="list-style-type: none"> • Schools Finance Group established to pursue savings whilst limiting the impact on learners • The Council to continue holding schools to account for standards • Ensure the Education Improvement Grant funding continues to support EAL and Gypsy Travellers • Appropriate arrangements to be in place for any arising staffing issues
Assessment undertaken: November 2015 (revised December 2016)

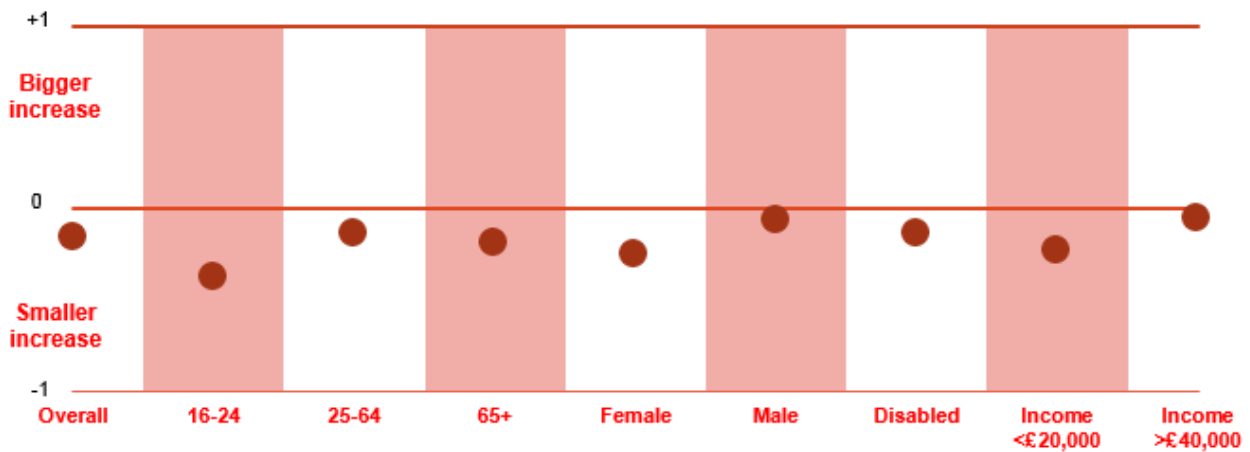
5) COUNCIL TAX

The survey explored public perception and tolerances in relation to council tax increases. It explained that the council is considering an increase to council tax of 2.5% for 2017–18. Respondents were asked if 2.5% represents an acceptable level or whether smaller or larger increases were preferable.

The results indicate support for all three options, to varying degrees. Over half (54%) of respondents felt an increase of 2.5% was just about right, 31% indicated a preference for a smaller increase and 15% desired a greater council tax increase in order to support council services.

An AIS result of -0.16 confirms a relatively neutral position denoting, overall, a preference to increase council tax at the proposed level of 2.5%.

However, an important observation to note is that the balance of opinion diverges for different categories of respondent. The AIS for selected groups is plotted below and shows variance by age, gender and other demographic characteristic.



In particular, respondents under the age of 45 were more sensitive to a council tax increase. AISs of -0.38 for 16–24, -0.27 for 25–34 and -0.22 for respondents aged 35–44 suggest these cohorts were more likely to demand a smaller increase than that proposed. With an AIS closer to zero, respondents aged 45–54 (-0.11) and 55–64 (-0.07) were more amenable to an increase of 2.5% or higher.

Similarly, differences by gender are evident. The AIS for females (-0.25) is lower than that of males (-0.07), signifying that females are less tolerating of a 2.5% increase.

This trend is most pronounced when looking at income. Interestingly, the AIS increases in line with income, suggesting that the lower one’s income, the less likely they are to support a council tax increase of 2.5% or higher.

	< £20,000	£20,000 – £39,999	> £40,000
AIS	-0.23	-0.17	-0.06

Finally, geography can influence feelings toward council tax given residential property values vary across different areas of the county. This is borne out in the AISs for each Community Area, tabulated below. The AISs for CA2, CA3 and CA5 are lower than the overall average and implies that residents in these areas are more likely to prefer a smaller increase in council tax than the 2.5% proposed. Contrastingly, with an AIS of -0.03, respondents living in CA6 were more accepting of a 2.5% increase.

	CA1	CA2	CA3	CA4	CA5	CA6
AIS	-0.16	-0.2	-0.17	-0.15	-0.24	-0.03

6) SUGGESTIONS FOR MAKING SAVINGS OR RAISING INCOME

As in previous years, this budget consultation survey asked whether people had comments or suggestions about how the Council could save money or generate income. Given the commonality of issues raised, the approach to this section has been to combine the results from the previous budget consultation exercise with comments from this exercise.

In total, over 1204 comments were made through the public consultations.⁸ This section reflects the key themes.

The consultation demonstrates widespread **public understanding** of the financial constraints facing the Council. This is reflected in the many very realistic comments and suggestions made. However, where a view is expressed on the subject, the Council is encouraged to exercise restraint in respect of any rises to Council Tax.⁹

A substantial number of comments were made concerning the **staffing structure** of the organisation. This is unsurprising given workforce cost is a major component of Council service delivery. It is typically felt that the need for management roles in general should be critically examined, and that the number, and salary, of senior management ought to be reviewed.

Furthermore, comments suggest the view that effective public service delivery depends to a great extent on staff at the '**front line**'. There is support for the view that maintaining high quality services relies on the 'front line' taking precedence over support and 'back office' functions. Councillors involved in budget consultation discussions have likewise generally supported the view that processes need to be as efficient as possible, in order services deliver the maximum value to the public.

A commonly held view related to reducing the costs associated with the **democratic process**, namely expenses, allowances and number of members. A number believed there was further scope for savings in this area.

A group of responses related to the **approach** the Council ought to take in considering the budget. There was support for the idea that there should be priority to statutory services, reductions should be fair and equitable, and that there should be no areas of protection. An alternative view with support was the idea that certain services need protecting – in particular, public transport, services for vulnerable people, and public toilets. This distinction was also in evidence in relation to each of the 15 proposals discussed earlier.

Another common view was that the Council should seek **different ways of doing things**. There was widespread support for further 3rd sector (charities and non-profit making organisations) involvement in service delivery, though much less support for private sector involvement, especially in areas such as social care. Some stressed the greater role that town and community councils, and volunteers, could play in service delivery.

The matter of maximising the opportunities presented by the **relocation of S4C** was raised through the consultation (Insight session with younger people).

Specific ideas for **saving money** included:

- Consider alternative service delivery methods (to include trading company, third or private sector options)
- Reducing the number of Council buildings and offices and considering the use of alternative premises, where this is more cost effective

⁸ The breakdown of comments is 970 (2014), 135 (2015), and 99 (2016).

⁹ This should not be interpreted as indicating general opposition to Council Tax rises, rather that some respondents identified it as being an issue.

- Outsource maintenance work to private contractors
- Reducing the frequency of domestic waste and recycling collection; consider privatising the service; make more effective use of waste collection vehicles
- Reducing cutting schedules for highway verges, or just maintaining areas such as junctions
- Consider more effective deployment of highways staff and fleet
- Use of libraries as mini Customer Service Centres
- Reducing street lighting
- Reducing publicity and marketing
- Printing documents in either Welsh or English, according to language choice
- Not allowing fleet vehicles to be taken home; and replace less frequently
- Flagship projects are not a priority and can be a drain on resources (sports and entertainment specifically referenced)
- Reducing expenditure on traffic calming measures and unnecessary signage
- Suggestions in relation to council housing. These included reducing voids, undertaking only necessary upgrades, and transferring upkeep to tenants

A number of suggestions for savings were made specifically in relation to the **internal arrangements** of the Authority:

- Share more functions with neighbouring authorities and other public sector organisations
- Cut all forms of waste
- Challenge every budget to ensure value for money
- Undertake a 'zero-based' budget review every five years
- Cut 'back office' provision within the Council and its departments
- Regularly process map procedures to ensure they work in most efficient way possible
- Ensure that procurement achieves best value for money
- Review Council structure and merge departments where this represents an efficiency
- Reduce the 'generous' staff sickness policy, to fall in line with statutory requirements
- Addressing energy use in Council buildings (heating and lighting)
- Delivering more through competitive tenders
- Prohibit use of consultants

Furthermore, a number of ideas were put forward concerning **maximising income**.

- Improving the tourism offer, including running cycle centres and expanding provision for water sports in Pembrey and on the river Towy
- Greater use of school premises to generate income
- Increasing Council Tax on second homes and charge business rates on holiday and 'buy to let' homes
- Charging for the issue of concessionary bus passes
- Linking all charges to the CPI (consumer price index)
- Selling surplus Council assets (land and buildings, etc.)
- Investment in renewable energy, (including on Council premises) and energy efficiency schemes

- Investment in a waste-to-heat plant, producing energy from non-recyclable waste incineration
- Consideration of roundabout sponsorship, and sponsorship of appropriate services (e.g., waste collection sponsorship by fast food companies)
- More effective enforcement of parking charges
- Increasing debt collection rates
- Open residential homes up to the wider community, for example, making cooked food available to local residents

Councillor engagement

The involvement of councillors is critical to effective engagement in respect of the budget consultation. The following issues were highlighted through the councillor budget seminars, or through scrutiny committee budget discussions.

Support for the voluntary sector – some comment as to whether our current support represents value for money.

Housing Revenue Account funding – the Council must make sure this ‘ring fenced’ budget is used to maximum effect in supporting housing-related functions.

Maximising housing occupancy rates – the discussion is relevant across the housing stock, including sheltered housing provision.

Understanding externalities – the ‘knock on’ effects of reductions in a particular service area.

Severance – this can be effective in reducing costs, but care needs to be taken to ensure that the Council retains the skills and knowledge necessary in delivering effective services.

Back office – councillors were keen to ensure functions such as administration are delivered in the most efficient way possible.

Collaboration - which results in cost savings - should be exhaustively pursued. For instance, it is sensible to link with Public Service Board organisations when considering requirements for office space. Furthermore, consideration should be given to the most efficient configuration of highway depots. Can we share facilities with other organisations to achieve savings?

Further issues included:

- Strong support for reducing the use of **external consultants**
- Make further use of public toilets, bus shelter and roundabouts for raising income through **advertising**
- **Back office functions** across the Council. Examine, with a view to achieving reductions.
- **Third sector¹⁰ grants** - review corporate impact to ensure value for money.

¹⁰ The term third sector refers to organisations includes charities and other not for profit organisations.

- **Asset transfer** – (including sports facilities and grounds) discussions need to be concluded with greater urgency, where there is agreement. Disposal of assets should be undertaken as soon as under-utilisation is identified.

SCHOOLS STRATEGY AND BUDGET FORUM MEETING 23RD NOVEMBER 2016

Present:

Gareth Morgans (GM) (Chair); Andi Morgan (AM); Susannah Nolan (SN); Dylan Jones (DJ); Ashley Howells (AH); Tania Morgan (TM); Julie Stuart (JS); Julie Griffiths (JG); Hugh Thomas (HT); S Mason-Evans (SME); Gareth Owen (GO); Kimberley Perry (KP); Ceri Morris (CM); Charlie Meredydd (CM); Julie Price (Minute Taker); Chris Moore (CM), Aeron Rees (AE)

County Council Budget Consultation

Chris Moore (CM), the Authority's Director of Corporate Services addressed the Forum and shared a presentation regarding the Forward Financial Plan for 2017-20

Current Medium Term Financial Plan

2017-18 Efficiencies required (schools) = £6.0m
 2018-19 Efficiencies required (schools) = £6.0m
 2017-18 Welsh Government Funding = £246.65m
 2018-19 Welsh Government Funding = £241.72m

Provisional Statement 2017-18

- The provisional settlement is significantly better than this Council and Local Government in Wales in general anticipated.
- £60k – school transport

Transfers Out:

- £54k Teacher registration fees

Specific Grants:

- Currently stand at some £107m across all services
- Future allocations not available for all at this stage
- Environmental Grant being reduced by 6.7%
- Pupil Deprivation Grant +7.3%
- Financial Plan assumes that all others will be maintained at their existing level

Current Year Considerations

Main Variances:

- *Schools EVR and redundancy costs*

CM stated that the schools EVR and redundancy costs required to be re-looked at as this is an ongoing cost which is putting pressure on the Authority's budget.

Schools Funding

- The last year of WG funding protection for schools was 2015/16
- Current proposals assume no service protection going forward
- Original Budget Strategy proposals reviewed.

Latest position in the Budget Strategy:-

2017-18 = £109.247m
 2018-19 = £107.313m
 2010-20 = £105.527m

Delegated budget for 2017-18 = £107m

Estimated Impact on School Budget

Primary Schools: ranges from £-4k to -£32k calculated on pupil numbers in schools.

Secondary Schools: +£40k to -£127k

Other Potential Impacts

- Catering Service- bringing in admin and banking online payments. Parents of pupils will be able to pay for school meals online. Schools will be contacted to carry out this arrangement as a pilot scheme in the first instance.
- Free School Breakfasts (Catering Service)
- SEN (Inclusion Service)
- Community Leisure Centres
- School Improvement (ERW)
- Post 16 Transport
- School Crossing Patrols
- Music Service
- Educational Psychology

Concerns were expressed by some Forum members regarding pupils within their schools who require significant support.

CM informed Forum members to feed their concerns into the Budget Consultation which is available on the Carmarthenshire County Council website. CM also informed Forum members that the Authority's Executive Board are in a no-win position regarding the Authority's budget.

GM thanked CM for his valued contribution to the meeting.

JG stated that a Seminar is required to discuss school funding- Post 16, ALN etc to explain the formula allocation to Headteachers, Members and School Governors – a seminar to give a better understanding of the formula. GM to discuss this request with SN who will arrange such a seminar in the early part of 2017.

It was agreed that separate sessions be given to Secondary and Primary Schools. Primary School sessions to be arranged inviting a small number of representatives.

Unions Consultation 3rd January 2016

In attendance: UNISON Simon Dunn (SD) , Mark Evans (ME) , Yvonne Dunn (YD)
UNITE Mark Preece (MP)
GMB – Althea Phillips (AP)

The Director of Corporate Services gave an overview of the Revenue Budget Strategy 2017/18 to 2019/20 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 21st November 2016. The report provided Members with the current view of the Revenue Budget for 2017/2018 together with indicative figures for the 2017/2018 and 2019/2020 financial years. The report was based on officers' projections of spending need and took into

account the provisional settlement issued by Welsh Government on 19th October 2016.

It was advised that the announced settlement was significantly better than was expected, however it was recognised that the cash neutral settlement would continue to have a negative impact on the Council's resources.

In summary, the budget proposals would assume full delivery of the £24.6m identified savings. Furthermore, the budget proposals assumed a Council tax increase by 2.5% in the Strategy and a 1% movement equated to +/-£790k.

The following issues were discussed during consideration of the report:

UNISON raised concerns at the "Devastating" budget cuts, and the resultant impact on school staffing, and the adverse effect on the disadvantaged sections of community. Unison will be maintaining its 'No Cuts' campaign, and believe that Members should implement a "no cuts" budget.

Concern was raised regarding the accuracy of the figures used to inform decision making within Library Service. The Director of Corporate Services confirmed that a business case supported the proposals put forward.

UNITE raised concern at the proposed withdrawal of a Mechanical Sweeper and the adverse effect this would have on the Authority's ability to comply with Environmental Protection Act. Unite queried the viability of the savings being proposed and questioned the implications on the budget if the savings are not delivered by departments

UNISON – commented that inflationary pressures are likely to result in pay demand exceeding 1% by year 3, and requested that CCC influence WLGA by making a recommendation supporting higher pay awards.

UNISON queried whether the Authority would be reviewing its policy on the Minimum Revenue Provision. The Director of Corporate Services confirmed that officers were currently reviewing this in conjunction with our Treasury Management Consultants.

Whilst changes to the terms and conditions relating to standby payments are not part of the future year's budget proposals, the Unions do not support reducing the rate. Instead they suggest that the number of officers actually on standby can be reduced.

UNITE raised concern at the amount of money being given to town and community councils in support of Asset Transfer.

Questions were raised as to what the proposals are in relation to the Severance scheme for future years. The Director of Corporate Services advised that the current scheme will run until March 2018, and that no decision had been made in relation to future years as yet.

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Budget Consultation 2017-20**Equality Impact Assessments**

Proposal	Page
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1. Youth Services

Department: Department for Education and Children	Completed by (lead): Gill Adams	Date of initial assessment: 14 th December 2015 Revision Dates: 30 December 2016
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Youth Service use of the Quay Centre, Carmarthen. 2017-18 £20k	
Is this existing or new function/policy, procedure, practice or decision?	Existing function	
What evidence has been used to inform the assessment and policy? (please list only)		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	The Quay Centre Carmarthen will cease to be used by the Youth Support Service (on or before 31st March 2017) and handed over to the LA Corporate Property Service for alternative use. This may produce income for the County Council. Re distributing activities from The Quay Centre will require some planning and require agreements with other locations and providers and is not guaranteed to be fully cost neutral at this stage. There will be maintenance costs for the service (base heating, rates etc) until such time as the building is sold, therefore an exit strategy is being worked up currently.
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups (see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			<p>Risks</p>	<p>Positive effects</p>	
<p>1</p>	<p>Age</p>	<p>L</p>	<p>The Quay Centre is used for post 16 Youth Work currently; this includes a ‘drop in’ for young people and young adults once per week; Youth Workers also carry out one to one work with young people and young adults within the building. The building is also used for staff meetings and meetings with partners and stakeholders.</p>	<p>Relocation opportunities are being investigated within the town. Talks are being advanced with one location for accommodating youth activity, which is more central and, arguably, more suitable for Youth service activity compared to the Quay Centre. Other locations are also being investigated for specific activity such as adult</p>	<p>Transition plan to be formulated so that potentially vulnerable young people are not untowardly affected during the move to the new location.</p>

Page 80				group usage.	
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area	N			Currently no Youth Service staff are based at the Quay Centre; their office base is Parc Dewi Sant and therefore there would be no impact upon their office location.

5. Has there been any consultation/engagement with the appropriate protected characteristics?	NO
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <p>Exploration of alternative venues for the delivery of the work currently undertaken at The Quay Centre. There are alternative suitable facilities available within Carmarthen town centre which can be explored as alternative venues for the engagement of young people and adults by Youth Workers.</p> <p>Meeting rooms are available at Parc Dewi Sant and therefore there should be no negative impact in terms of arranging and holding staff and partnership meetings.</p>			
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>			
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p>			
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>			NO
<p>Approved by:</p> <p>Head of Service</p>	<p>Aeron Rees</p>	<p>Date:</p> <p>30 December 2016</p>	

2. Out of County Placements

Department: Education & Children	Completed by (lead): Stefan Smith	Date of initial assessment: 30 December 2016 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Out of County placements 2019-20: £148k budget reduction	
Is this existing or new function/policy, procedure, practice or decision?	New decision	
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.	Seek to reduce the number of children or young people placed in specialist provision out of county by developing local services, including highly skilled foster placements.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

different groups; and (3) foster good relations between different groups (see guidance notes)			Risks	Positive effects	
Protected characteristics	Age	N			
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A</p>			
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. N</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>			
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N</p>			
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>		<p>YES <input type="checkbox"/></p>	<p>NO <input checked="" type="checkbox"/></p>
<p>Approved by:</p> <p>Head of Service</p>	<p>Stefan Smith, Head of Children's Services</p>	<p>Date:</p> <p>30 December 2016</p>	

3. School Improvement (ERW)

Department: Education & Children	Completed by (lead): Gareth Morgans	Date of initial assessment: 20 December 2016 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	School Improvement (ERW) 2019-20: £150k budget reduction	
Is this existing or new function/policy, procedure, practice or decision?	New decision	
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.	Review annual financial contribution to ERW on the assumption that school standards remain high and continue to improve through enhanced school to school support and collaboration, reducing the need for external intervention.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation; (2) advance equality of opportunity between	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

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different groups; and (3) Foster good relations between different groups (see guidance notes)			Risks	Positive effects	
Protected characteristics	Age	N			
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			
	Any other area				

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?			
7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.			
8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?			
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)		YES <input type="checkbox"/>	NO <input type="checkbox"/>
Approved by: Head of Service	Gareth Morgans, Interim Director of Education & Children's Services		Date: 20 December 2016

4. Libraries

Department: Communities	Completed by (lead): Mark Jewell / Wendy Tiffin/ Steffi James / Estelle Evans.	Date of initial assessment: January 2017 Revision Dates:						
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Library Mobile Service Decision based on potential Financial saving due to PBB's and improving the mobile service making it fit for the 21 st Century, we are looking at opportunities to work with other partners including Goals Club, Community First and Learn Direct and having an IT provision as an added service.							
Is this existing or new function/policy, procedure, practice or decision?	yes							
What evidence has been used to inform the assessment and policy? (please list only)								
<p>Consultation documents, data, statistics, user figures,</p> <p>Our current Mobile Library Service has evolved on an ad-hoc basis with current routes being amended to suit user requirements, which has in turn resulted in an “over provision” of service i.e. one that exceeds the requirements of the WPLS. The current service consists of 4 staff, 4 substantial, ageing and costly vehicles, undertaking 3 or 4 weekly visits to a membership of 1,189 active mobile service users, with 715 stops, over 50 overlapping routes, averaging 1.6 users per stop.</p> <p>The cost per user for the library service as a whole in 2014/15 was £2.88, which meets the median standard set by Welsh Government. The cost per user for the mobile service element was £18.72 per user. This review seeks to reduce mobile service costs considerably, therefore reducing the overall cost per user for the county service as a whole.</p> <p>Usage and performance figures for Carmarthenshire Mobile Library Service</p> <table border="1" data-bbox="91 1177 2168 1315"> <tr> <td>Visitor figures for 15/16 :</td> <td>12,796</td> </tr> <tr> <td>Items Loaned :</td> <td>63,501</td> </tr> <tr> <td>Carmarthenshire population:</td> <td>183,800</td> </tr> </table>			Visitor figures for 15/16 :	12,796	Items Loaned :	63,501	Carmarthenshire population:	183,800
Visitor figures for 15/16 :	12,796							
Items Loaned :	63,501							
Carmarthenshire population:	183,800							
Local Authorities are required to provide an efficient, effective and comprehensive library service. Underpinning this is a set of nationally agreed Welsh Public Library Standards								

[\(WPLS\)](#) that require an authority such as Carmarthenshire to provide a mix of town, community (branch), mobile, and on-line library services.

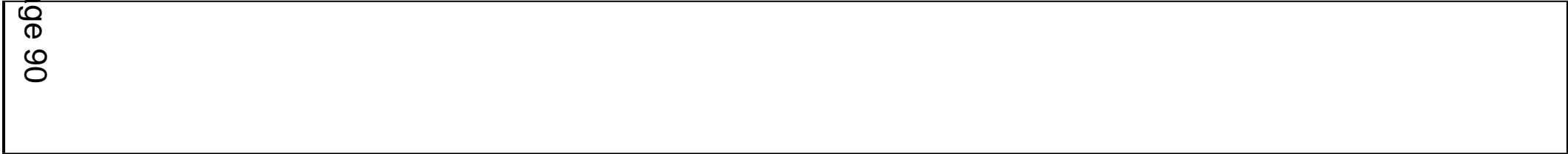
Mobile services are a key component in delivering a library service across a county like Carmarthenshire with its urban rural mix. Importantly, if the provision of fixed base community (branch) libraries reduces, then the mobile service plays an even more prominent role in delivering the service in line with statutory requirements.

The standard relating to the location of service points and mobile library stops is according to population density. Carmarthenshire has a population density of 0.8 persons per hectare and our current provision serves 95% of the population within 3 miles (or 15 minutes travelling time by public transport) of a static service point, or within ¼ mile of a mobile library stop. The requirement is to meet 70% of the population, with half day stops, once every 3 weeks, as a minimum.

INDEX/REFERENCE

- CMOB1: CARMARTHEN MOBILE LIBRARY (1)
- CMOB2: CARMARTHEN MOBILE LIBRARY (2)
- CMOB3: CARMARTHEN MOBILE LIBRARY (3)
- LMOB1: LLANELLI MOBILE LIBRARY (1)

Current service provided at all mobile libraries	Visitors per annum	Routes per mobile	Items Loaned per mobile	Current average time at stop
Adult fiction books, adult nonfiction books, children’s books, welsh books, reference books, and Spoken Word stock	<ul style="list-style-type: none"> • CMOB1,CMOB2, CMOB3: 10,661 • LMOB1: 2,135 	<ul style="list-style-type: none"> • CMOB1: 16 • CMOB2: 16 • CMOB3: 16 • LMOB1: 9 	<ul style="list-style-type: none"> • CMOB1: 15,188 • CMOB2: 15,943 • CMOB3: 21,282 • LMOB1: 11,088 	<ul style="list-style-type: none"> • CMOB1: approx. 12 mins • CMOB2: approx. 12 mins • CMOB3: approx. 12 mins • LMOB1: 15 minutes



<p>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</p>	<p>The aim of this proposal is to improve the current mobile library service in order to increase usage and improve the overall experience for all users in order to create a one stop shop for our community. The purpose is to focus on providing an improved open access service to the mobile library. This is an opportunity for the mobile library service to be examined fully in order to make better use of the existing provisions. The objective is to have an effective, modern, flexible, comprehensive and reliable mobile library service across Carmarthenshire that will bring the mobile service into the 21st Century introducing additional facilities that will compliment traditional services.</p> <p>In order to improve mobile library services, thorough research has been undertaken to identify underused calls/stops and to make changes to these stops in order to make better use of this valuable service. In addition, we are looking to improve services by adopting a “more than books” service approach, which in the main will bring additionality to the services provided by embracing new technologies; thus allowing for and developing digital literacy across the county.</p> <p>It is of utmost importance that mobile libraries bring maximum benefit to their users. To some people, having access to computers, photocopying and printing facilities for use with services such as; Universal Credit, Citizens Advice, Job Searching could potentially change their lives. Therefore, we are seeking to reduce the number of short household intermittent stops, which will allow for lengthier static periods based around areas/villages, providing greater access to the services provided.</p> <p>The decision to improve the mobile library service will provide many benefits to the local communities of Carmarthenshire. This proposal will give users an opportunity to access all aspects of the service which the current mobile library is restricted to. The library will become more accessible to all who wish to use the service. Not only will the new mobile service provide positive changes for the communities, it will also help reduce costs for Carmarthenshire Libraries.</p> <p>This proposal will create many benefits for our users including access to mobile library stops which will operate on a regular, lengthier and with more accessible locations. The proposal includes the enhancement of ICT within the mobile library service allowing access to a number of online services. In addition, it is proposed that the new service will provide community based events, activities and look to work with new partnerships and stakeholders in order to support the communities of</p>
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<p>Page 91</p>	<p>Carmarthenshire.</p> <p>Whilst it is recognised that for some communities, mobile libraries are the only means of accessing library services in an area; an overall strategy needs to be developed that delivers services in line with rural deprivation, digital inclusion, poverty and literacy.</p> <p>A Strategy/5 year plan has been approved in order to keep CCC library services relevant and accessible:</p> <ul style="list-style-type: none"> • The service is to develop around 5 universal offers that promote a core message at national levels, linking with Government Policy, Library Strategies and Frameworks, but allow for adaptation to meet with local needs and priorities. • Categorised into 4 tiers of service provision based on their levels of use, location of the library building and the population served, to deliver the right and effective core offer to the right people at the right place. <p>Tier 1 – Regional Libraries with between 145,00 to over 500,000+ visits per year. (3 of)</p> <p>Tier 2 – Community Libraries open for more than 15 hrs per week. (5 of)</p> <p>Tier 3 – Branch Libraries open for less than 15 hrs per week. (7 + 3)</p> <p>Tier 4 - Mobile libraries (3 of)</p> <p>We Aim To Compare Mobile and Static Services:</p> <ul style="list-style-type: none"> • We aim to Review both branch and new mobile library services usage and positioning as to ascertain their value and contribution within a community; we recognise that some of our “Tier 3” smaller branch libraries now only serve a very small number of borrowers and as such, we need to ensure the continuation of quality library services across the county that are able to demonstrate best value. • Importantly, if the provision of a fixed base community service changes, then the mobile service plays an even more
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>		<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
		<p>Risks</p>	<p>Positive effects</p>			
<p>P 1</p>	<p>Age</p>	<p>Whilst all age groups currently use the mobile library services, it is anticipated that the extra provision of longer stops will provide people who are currently restricted by the time restrictions to be able to have time to search for employment or benefits.</p>		<p><u>Access to Services</u> New routes visiting at least 22 community hubs on a largely weekly (or no less than 3 weekly) basis. Extending the time that a mobile library is available within a community hub (half day stops proposed) Targeting high footfall areas such as major retail store car parks or Leisure/Wellbeing Centres etc, to attract new and additional users. <u>Social Isolation</u></p>		

				<p>The proposed new mobile Provides people with access to other social networks within the mobile library and will work as a hub for the community.</p> <p><u>Travel Time</u> The new proposed mobile library service will be located at a central place where the majority of the area’s population can access. It is envisaged that every stop will be close to a local bus stop or other amenities.</p> <p><u>Impact on Children and Young People</u> 26.4% of the population are under 24 we will continue to provide the current services to these groups with proposed additional services including ICT, Storytime for preschool children and printing facilities.</p> <p><u>Impact on the older generation</u></p>	<p>With the introduction of ICT we will be able to offer more services for children and families in the proposed new service.</p>
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				<p>Carmarthenshire has a high percentage of retired people living in the county. Carmarthenshire Mobile Library staff will be up skilled and fully trained in all new provisions to support all generations and to provide a community hub.</p>	<p>With the introduction of access to online services through ICT provisions, it will allow for access and support for the older generation in areas such as iPad training and introductions to Family History sessions</p>
	<p>Disability</p>			<p><u>Improved access to information</u> Opportunity to signpost users to relevant information about health and well-being services, e.g. local support groups for health conditions or relevant social services information. To work with other CCC & external providers including Ciss and other health related organisations.</p> <p>Support & access to a service for those with mental health issues and it is proposed that the mobile library will support the use of 'Books on Prescription' scheme for those with mild moderate emotional or psychological problems.</p>	

Page 95	Gender reassignment			The mobile library service will continue to work with Transgender groups in Carmarthenshire.	
	Race			Continued and improved use of all services to all groups through working with external partners including Multicultural Network Groups	
	Religion/Belief			A large and diverse range of stock will be available on the mobile libraries. Relevant stock can be ordered via our Online Catalogue either on the mobile or online and can be picked up at the mobile. There is no feedback to suggest that there are any underlying issues group.	
	Pregnancy and maternity			Bookstart can be issued from the new mobile service to support young parents	
	Sexual Orientation			We are not aware that this group would be affected by the proposed new mobile service	
	Sex				

	<p>Welsh language</p>	<p>http://www.carmarthenshire.gov.wales/media/68004/WelshLanguageCarms.pdf According to the above hyperlink it is believed that Carmarthenshire has a high percentage of its overall population speaking welsh. With a population of 183,800 43.9% are welsh speakers.</p>		<p>Carmarthenshire Mobile Libraries will continue to have a welsh language member of staff available. We will continue to provide a good source of welsh fiction and non-fiction books for adults and children. Welsh stock can also be ordered via our online service to be collected at the Mobile Library.</p>	
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<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>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <ul style="list-style-type: none"> • We will welcome feedback from the consultation in order to confirm new routes. • Agree a comprehensive new route plan that meets with Welsh Public Library Standards (WPLS) future framework requirements. • Improve information, digital and health literacy across the county. • Improve employability through access to on-line services and resources through partnership working. • Provide social and community links to people who are usually hard to reach. 	

<ul style="list-style-type: none"> • Roll-out new and improved housebound service to meet with user needs and requirements. 		
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>		
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p>		
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
<p>Approved by:</p> <p>Head of Service</p>	Signature area	<p>Date:</p> Date area

5. School Meals

Department: Education & Children	Completed by (lead): Helen Bailey / David Astins	Date of initial assessment: 5 th November 2014 Revision Dates: 14 th December 2015, 19 th December 2016
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	School meals service <ul style="list-style-type: none"> • 2016-17 £100k (already delivered) • 2017-18 £100k • 2018-19 £70k 	
Is this existing or new function/policy, procedure, practice or decision?	An extension of an existing approach to charging which has seen the cost of school meals rise above inflation in April 2014 (to £2.20 for a primary meal), April 2015 (to £2.30) and April 2016 (to £2.40).	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> • Charging comparisons with other Local Authorities in Wales • Close monitoring of take-up and income following previous price increases – a small (1-2%) decline in take-up has been noted looking at Carmarthenshire as a whole 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Increasing the price of a primary school meal by 10p per year for 3 years (to £2.40 in April 2016, £2.50 in April 2017, and £2.60 in April 2018), with equivalent price rises in secondary school cafeterias. This is expected to generate an additional £100,000 of net income per annum, provided there is not a significant drop in take up.		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation;	2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

(2) advance equality of opportunity between different groups; and (3) foster good relations between different groups (see guidance notes)		H / M / L	Risks	Positive effects	
Protected characteristics	Age	M	Further price increases could have a negative impact on take-up. Some families in 'working poverty', who do not qualify for free school meals, might not be able to afford school meals.		Publicise the availability of Free School Meals so that all who are entitled are aware
	Disability	N			
	Gender reassignment	N			
	Race	N			
	Religion/Belief	N			
	Pregnancy and maternity	N			
	Sexual Orientation	N			
	Sex	N			
	Welsh language	N			

Any other area	N			
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input type="checkbox"/> X NO <input type="checkbox"/> Through the Council's budget consultation we have engaged families and also young people through the <i>Insight</i> programme.
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6. What action(s) will you take to reduce any disproportionately negative impact, if any? We will continue to demonstrate that a school meal is still good value for money, being of good nutritional quality.
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7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. Procurement of good value products can help keep the costs within the school meals service down. Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.
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8. Human resources Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? A fall in take-up / income could lead to a loss in overall hours in the service. This is managed on a location by location basis already, with hours at each location determined by the number of meals served, reviewed 3 times each year.

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 type="checkbox"/> X
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Approved by:	David Astins Strategic Development Manager	Date: 19 th December 2016
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6. Older People and Physical Disabilities Day Services

Department: Community Services	Completed by (lead): Sue E Watts	Date of initial assessment: January 2017 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Day centre provision	
Is this existing or new function/policy, procedure, practice or decision?	Existing function	
What evidence has been used to inform the assessment and policy? (please list only)		
The Review is being guided by the principles of the Social Services and Wellbeing Act 2014. It will also take into account the Wellbeing of Future Generations Act, in particular, the five ways of working (prevention, long term, integration, collaboration and involvement). The Review will be in line with HDUHB's 'Care Closer to Home' objective		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	<p>To review the current local Authority day care support for older persons within Carmarthenshire assessing against identified potential models of care.</p> <p>Proposed outcomes</p> <p>To identify a vision and model for providing day opportunities within Carmarthenshire. The models must be provided more efficiently, effectively and equitably and be financially sustainable. The model will include the reviews currently being undertaken in other client groups.</p> <p>To identify an understanding of the needs and demands for older persons day care provision throughout the County</p>
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		To provide a position statement identifying what the current provision provides and what is needed to reform the services			
		To identify further commissioning, community engagement and income opportunities			
<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			Risks	Positive effects	
Protected characteristics	Age	H (older people)	Older people are the core recipient group	The purpose of the Review is to secure improved, person-centred outcomes for older people	Note: budget consultation (2017) shows support from all age groups, including those 65+
	Disability	H	Many users also have disabilities	The Review will explicitly consider the needs of users, including those arising through disability	Note: budget consultation (2017) shows support from disabled respondent
	Gender reassignment	L	No evidence to	The Review will explicitly	

			suggest other than low risk	consider the needs of users, including those arising through	
Race	L		No evidence to suggest other than low risk	The Review will explicitly consider the needs of users, including those arising through	Note: budget consultation (2017) shows concern about the proposal from ethnic minority respondents (though very low response of 3)
Religion/Belief	L		No evidence to suggest other than low risk	The Review will explicitly consider the needs of users, including those arising through	
Pregnancy and maternity	M		Risk arises if changes to staff working practices will be considered (employees predominantly women)		
Sexual Orientation	L		No evidence to suggest other than low risk	The Review will explicitly consider the needs of users, including those arising through sexual	Note: budget consultation (2017) shows support for the proposal from LGB community, though this is lower than the overall level of

				orientation	support
Sex	M	There is a need to ensure provision is equally attractive for men as well as women. Risk arises if changes to staff working practices will be considered (employees predominantly women)		The Review provides an opportunity to examine lower usage amongst men	Note: budget consultation (2017) shows that both genders support the proposal, though women were more strongly in favour
Welsh language	M	Provision must continue to ensure language need is catered to (particularly dementia)		The Review will explicitly consider the needs of users, including those arising through language need	
Any other area	Families and carers			Working co-productively could enhance experience of carers and families. The Review	

				needs to consider responsibilities to carers under the SSWB Act	
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES	
6. What action(s) will you take to reduce any disproportionately negative impact, if any?		
This EIA has been developed at the formative stages for the Review, and the issues that have been highlighted will be considered as the Review develops. In this way, disproportionate negative impacts can be addressed if they arise and corrective action taken.		
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?		
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 type="checkbox"/>
Approved by:	Sue E Watts	Date: January 2017

Head of Service		
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7. Parking Services

Department: Environment	Completed by (lead): John McEvoy, Road Safety & Traffic Manager	Date of initial assessment: Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £120,000 (by 2019/20). The County Council provides off street car parking facilities in towns and villages, to support the free movement of traffic and allow town centres to function. There are 57 council car parks in the county, with a total of 4,996 marked bays.	
Is this existing or new function/policy, procedure, practice or decision?	No	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget Budget consultation 2014-15; 2016-19. Car parking review decision report to the Executive Board 4 th Oct 2010.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Review of revenue options to support transportation and highways related services
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			Risks	Positive effects	
<p>Protected characteristics</p>	Age	(1) L (2) N (3) N	N/A	N/A	N/A
	Disability	(1) N (2) N (3) N	N/A	N/A	N/A
	Gender reassignment	(1) N (2) N (3) N	N/A	N/A	N/A
	Race	(1) N (2) N (3) N	N/A	N/A	N/A
	Religion/Belief	(1) N (2) N (3) N	N/A	N/A	N/A
	Pregnancy and maternity	(1) N (2) N (3) N	N/A	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	N/A	N/A	N/A
	Sex	(1) L (2) N (3) N	N/A	N/A	N/A

Page 110	Welsh language	(1) N (2) N (3) N	N/A	N/A	N/A
	Any other area	(1) N (2) N (3) N	N/A	N/A	N/A

<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>A public consultation took place between November 2014 and January 2015.</p> <p>The proposed increase in car parking charges resulted in slightly more respondents disagreeing (45.6%) than those in favour (43.3%). Respondents commented that charging was already high and increasing the charge further would deter the public and visitors from shopping in the town centre, and would encourage the use of ‘out of town’ businesses. Other concerns were raised about increase in illegal parking. Some suggestions for reducing the impact included reduced cost of annual parking passes; introduce a very cheap short stay ticket for town centre; improve public transport.</p> <p>A public consultation took place between November 2015 and January 2016.</p> <p>45% of consultees were in favour of the proposal whilst 44% disagreed with it. 11% were neutral to the proposal. This represents a slight shift in opinion from the previous year whereby a slim majority disagreed with the proposal. Key themes from the consultation revealed opposing views – some regarded the charges as ‘prohibitive’, others as ‘reasonable’ in comparison with neighbouring and English authorities. There was some concern that further increases will severely deplete the health of town centres and that the proposal would be a setback for independent shops given tough retail environment. Conversely, some felt that the proposal would ease congestion and encourage use of alternative forms of transport such as buses and walking.</p>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p>		
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p> <p>N/A</p>		
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A</p>		
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input checked="" type="checkbox"/></p>
<p>Approved by: Head of Service</p>	<p>S G Pilliner</p>	<p>Date: 12th January, 2017</p>

8. Educational Psychology

Department: Education and Children's Services	Completed by (lead): SS/ Angela Davies (ASD) Principal Educational and Child Psychologist	Date of initial assessment: 14 th January 2016 Revision Dates: 30 December 2016
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Educational Psychology 2017-18: £60k budget reduction	
Is this existing or new function/policy, procedure, practice or decision?	The services are established; the financial decision is new for 2017/18.	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> see Service Profile 2016-17. 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Reduction of one post through review of existing structure; following the departure of one member of staff who has moved out of the county.		
The Public Sector Equality Duty requires the Council to have "due regard" to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation;	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),	3. Identify the risk or positive effect that could result for each of the group/protected characteristics?	4. If there is a disproportionately negative impact what mitigating factors have you considered?

<p>(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>low (L), no effect (N) for each.</p>	<p>Risks</p>	<p>Positive effects</p>	
<p>Age</p>	<p>M</p>	<p>Possible Impact of reduced service:</p> <ul style="list-style-type: none"> • Later identification of SEN (Special Educational Needs) with less opportunity for prevention • Schools and families less well prepared supported to meet the additional needs of pupils • Impact on education standards, wellbeing and inclusion. • Increased number of statutory assessments of SEN • Increased demands for special provision • Increased exclusions • Increased SEN 	<p>None other than the initial financial saving</p>	<p>There are no alternative services that could provide the same quality of assessment, advice and support. Activity would need to be prioritised to most significant need and earlier preventative work would decrease and lead to less support for schools to raise their capacity to meet the full range of additional learning need inclusively. Parents and pupils would have to fight for scarce resources to meet their needs. We would not be able to meet the increased workforce requirements/duties for the forthcoming ALN Reform in an efficient manner. Therefore there would be a negative impact including potential lack of confidence in a new equality rights based system for identifying and meeting children and young peoples Additional Learning Needs from 0-25.</p>

			<p>Tribunal appeals</p> <ul style="list-style-type: none"> • Out of county residential placements • Increased number of disabled children becoming LAC • Lack of equality of access to the same life chances as their peers 		
<p>1</p>	<p>Disability</p>	<p>M</p>	<p>Possible impact of reduced service:</p> <ul style="list-style-type: none"> • Later identification of SEN with less opportunity for prevention • Schools and families less well prepared supported to meet the additional needs of pupils • Impact on education standards, wellbeing and inclusion. • Increased number of statutory assessments of sen • Increased demands for 	<p>None other than the initial financial saving</p>	<p>There are no alternative services that could provide the same quality of assessment, advice and support. Activity would need to be prioritised to most significant need and earlier and preventative work would decrease and lead to less support for schools to raise their capacity to meet the full range of additional learning need inclusively. Parents and pupils would feel that they have to fight for scarce resources to meet their needs. We would not be able to meet the increased workforce requirements/duties for the forthcoming ALN Reform in an efficient manner. Therefore there would be a systemic negative impact including potential lack of confidence in a new equality rights based system for identifying and meeting children and young peoples Additional Learning Needs</p>

			<ul style="list-style-type: none"> • special provision • Increased exclusions • Increased SEN Tribunal appeals • Out of county residential placements • Increased number of disabled children becoming LAC • Lack of equality of access to the same life chances as their peers • Social isolation for some • Family breakdown for some 		from 0-25.
	Gender reassignment	M	Reduced access to specialist consultation for schools and parents where significant additional needs are identified.	None other than the initial financial saving	
	Race	M	Reduced access to specialist consultation for schools and parents where significant additional needs are identified.	None other than the initial financial saving	
	Religion/Belief	M	Reduced access to specialist consultation for schools and	None other than the initial financial saving	

			parents where significant additional needs are identified.		
Pregnancy and maternity	M		Reduced access to specialist consultation for schools and parents where significant additional needs are identified.	None other than the initial financial saving	
Sexual Orientation	M		Reduced access to specialist consultation for schools and parents where significant additional needs are identified.	None other than the initial financial saving	
Sex	M		Boys tend to be referred more for acting out behavioural difficulties and so girls may have similar needs but not be prioritised.	None other than the initial financial saving	Educational Child Psychologists(ECP) encourage schools to ensure girls needs are identified and significant impact of internal behaviour and wellbeing is also prioritised.
Welsh language	H		Access to Educational and Child Psychologist who is able to function professionally through the medium of Welsh.	None other than the initial financial saving	Two of the three ECPs who have expressed an interest in severance are Welsh speaking and to lose a Welsh speaker would put considerable pressure on service delivery meeting the needs of our bilingual community. We currently have three fluent Welsh speaking ECPs.
Any other area	Parents and carers		Medium risk Impact: <ul style="list-style-type: none"> • Family breakdown • Parent carer's 		There are other services that support parents and carers where children and young people have disability but where there is

			inability to maintain their caring role <ul style="list-style-type: none"> • Out of county residential placements • Increased number of disabled children becoming LAC • Non compliance with Children’s Act, Carer’s and Disabled Children’s Act 		complexity a multiagency approach is required. We would have less service availability to contribute to multiagency planning and problem solving.
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES NO <input checked="" type="checkbox"/>
6. What action(s) will you take to reduce any disproportionately negative impact, if any?	
7. Procurement Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service. N 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 may be TUPE implications for some of the services. N	

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<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</p>	<p>NO <input checked="" type="checkbox"/></p>
<p>Approved by: Head of Service</p>	<p>Stefan Smith, Head of Children's Services</p>	<p>Date: 30/12/ 2016</p>

9a. Sport and Leisure – Community Leisure Centres (Drefach Site only)

Department: Sport and Leisure	Completed by (lead): Berian Allcock	Date of initial assessment: 15/05/2016 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Gwendraeth Leisure Centre, Drefach Site	
Is this existing or new function/policy, procedure, practice or decision?	Existing Function	
What evidence has been used to inform the assessment and policy? (please list only)		
Regular meetings with East CCC Property Group (inc. Education and Corporate Property) on all actions relating to the Drefach site, Meetings with Maes y Gwendraeth Senior Management Team and Governing Body, Sport & Leisure Staff Meetings, Customer Survey (to follow);		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	We are seeking to consult on the impact of the closure of the Drefach Site on existing facility staff and users		
The Public Sector Equality Duty requires the Council to have “due regard” to the need to:- (1) eliminate unlawful discrimination, harassment and victimisation;	2. 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),	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? Existing squash users may have to travel around 11 miles to continue

(2) Advance equality of opportunity between different groups; and (3) Foster good relations between different groups (see guidance notes)		low (L), no effect (N) for each.	Risks Existing squash users may have to travel around 11 miles to continue playing squash	Positive effects Newer and more diverse sporting facilities will be available to the people of the Gwendraeth	playing squash. 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.
Protected characteristics	Age	Medium	Older customers may have mobility issues that could impact on their ability to travel further to take part in physical activity.	Newer and more diverse sporting facilities will be available to the people of the Gwendraeth, improving the quality of the experience and access to the facilities.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Disability	High Services are specifically for individuals who face a critical or substantial risk to their independence, primarily due to disability or frailty.	Customers with a disability may have mobility/carer issues that could impact on their ability to travel further to take part in physical activity.	Newer and more diverse sporting facilities will be available to the people of the Gwendraeth, improving the quality of the experience and access to the facilities.	The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.
	Gender reassignment	Low	Low risk with limited impact on this	Low risk with limited impact on this	N/A

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

		characteristic group	characteristic group	
Sex	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Welsh language	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 Government</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.

			policy requirements.		
	Any other area	N/A			

5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <p>No disproportionate impact has been identified however actions are in place to mitigate any impact which include:</p> <ul style="list-style-type: none"> • Ensure that there is smooth transition of the existing clubs that use the Drefach Site over to the new Cefneithin Site (awaiting confirmation from the new site that existing bookings will be honoured). • The three part time staff members, if placed at risk, will be placed on the redeployment register and we will make every attempt to displace them to other areas within the service if the decision is to close the Drefach site. • We will appraise the options for existing squash users to ensure that they can continue to participate, if the decision is to close the Drefach site.
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<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>N/A</p>
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<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p>
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There may be implications for the three part time staff members, who will be offered an opportunity to be displaced to other areas within the service, if the decision is to close the Drefach site.		
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input checked="" type="checkbox"/>	NO
Approved by: Head of Service	Ian Jones	Date: 15/05/2016

9b. Sport and Leisure – Community Leisure Centres (St Clears only)

Department: Sport and Leisure	Completed by (lead): Gary Price	Date of initial assessment: 3/1/17 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	St Clears Leisure Centre	
Is this existing or new function/policy, procedure, practice or decision?	Existing Function	
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> • Review of the provision of S&L activity at St Clears Leisure Centre • Sport & Leisure management meetings • St Clears Town Council consultation • Corporate property 		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	We are seeking to consult on the impact of the closure of the St Clears Leisure Centre on existing facility staff and users
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups (see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p> <p>The consultation will identify whether staff/users with protected characteristics are disproportionately affected. This EIA will be updated accordingly, and any necessary mitigating actions will be identified.</p>
			<p>Risks</p> <p>Existing Centre users may have to travel between 5 and 11 miles to participate in similar activities, options being Whitland or Carmarthen.</p>	<p>Positive effects</p> <p>Newer and more diverse sporting facilities will be available to those travelling to Carmarthen.</p>	
<p>Protected characteristics</p>	<p>Age</p>	<p>Medium</p>	<p>Older customers may have mobility issues that could impact on their ability to travel further to take part in physical activity.</p>	<p>Newer and more diverse sporting facilities will be available to those travelling to Carmarthen. Additional activities available would include swimming pool related exercise.</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>Disability</p>	<p>High</p> <p>Services are specifically for individuals who face a critical or substantial risk to their independence, primarily due to disability or frailty.</p>	<p>Customers with a disability may have mobility/carer issues that could impact on their ability to travel further to take part in physical activity.</p>	<p>Newer and more diverse sporting facilities will be available to the people of St Clears, improving the quality of the experience and access to the facilities.</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>

			Current disability sessions that occur during the daytime may not have hall/room hire available at alternative venues stated due to School dual use at Carmarthen and Whitland		
	Gender reassignment	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Race	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
	Religion/Belief	Low	Low risk with limited	Low risk with limited	N/A

		impact on this protected characteristic group	impact on this protected characteristic group	
Pregnancy and maternity	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sexual Orientation	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Sex	Low	Low risk with limited impact on this protected characteristic group	Low risk with limited impact on this protected characteristic group	N/A
Welsh language	Medium	There will be a need to ensure that service users are	There will be a need to ensure that service users are able to access	Any alternative service delivery model developed will need to ensure that Welsh language

			<p>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>	<p>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>	<p>provision is catered for.</p>
	Pre School Education	High	<p>The Centre currently accommodates the St Clears Meithrin School and Ty y Fi pre-School Groups, current availability within the area is limited to re-locate</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>

Any other area	N/A			
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5. Has there been any consultation/engagement with the appropriate protected characteristics?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <ul style="list-style-type: none"> • Ensure that there is smooth transition of the existing clubs/groups/users that use the St Clears Site over to the alternative venues at Whitland and Carmarthen (confirmation from the alternative sites that existing bookings can be honoured will need to be investigated). • Day time venues will need to be sought for Disabled groups currently using St Clears • The three part time staff members, if placed at risk, will be placed on the redeployment register and we will make every attempt to displace them to other areas within the service if the decision is to close the St Clears site. • We will appraise the options for existing users to ensure that they can continue to participate, if the decision is to close the St Clears site.

<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>N/A</p>

<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p> <p>There may be implications for the three part time staff members, who will be offered an opportunity to be displaced to other areas within the service, if the decision is to close the St Clears site.</p>

9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)	YES <input checked="" type="checkbox"/>	NO
Approved by: Head of Service	Ian Jones	Date: 3/1/17

10. Cleansing

Department: Environment	Completed by (lead): Daniel W John, Waste Services Manager	Date of initial assessment: Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: £164,000 (by 2019/20) The cleansing service provides the sweeping and de-littering of streets and footways. It 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.	
Is this existing or new function/policy, procedure, practice or decision?	No	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget Budget consultation 2013/14; 2014/15; 2015-18; 2016-19.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Review and reconfigure routine schedule of mechanical sweeping in residential areas with a view to undertaking sweeping and cleansing work on a reactive basis in the future, potentially adopting a zoned approach. In order to achieve the savings identified, the number of mechanical sweepers will need to be reduced, together with a number of drivers through voluntary severance. This will affect all residents of Carmarthenshire and anyone who visits the county on business or within tourism as it will result in a higher level of litter on the streets. Furthermore a decrease in the cleansing index scores.
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			Risks	Positive effects	
<p>Protected characteristics</p>	Age	(1) N (2) N (3) N	N/A	N/A	N/A
	Disability	(1) N (2) N (3) N	N/A	N/A	N/A
	Gender reassignment	(1) N (2) N (3) N	N/A	N/A	N/A
	Race	(1) N (2) N (3) N	N/A	N/A	N/A
	Religion/Belief	(1) N (2) N (3) N	N/A	N/A	N/A
	Pregnancy and maternity	(1) N (2) N (3) N	N/A	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	N/A	N/A	N/A
	Sex	(1) N (2) N (3) N	N/A	N/A	N/A
	Welsh language	(1) N (2) N (3) N	N/A	N/A	N/A

Any other area	(1) N (2) N (3) N	N/A	N/A	N/A
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<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>A public consultation took place between November 2014 and January 2015.</p> <p>44% of consultees were in disagreement with the proposal whilst only 33% were in favour. 23% were neutral to the proposal. It was felt that the emphasis should be on ‘Standards not schedules’; potential impact on civic pride, public health and reputation of county, thwarting efforts to attract tourists and businesses. There was concern that the service is not adequate in rural areas and that the proposal may lead to a rise in fly-tipping and anti-social behaviour. Some said that it was fair compromise assuming obligations are met and that communities should take more responsibility for keeping their area clean. Suggestions include: increase littering fines; better monitoring in town centres; charge nominal fee for blue recycling bags and invest money in cleansing services; outsource costs; responsibility to be taken up by businesses (e.g., fast food), local communities / local councils, JSA claimants / offenders, or volunteers.</p> <p>Another public consultation took place between November 2015 and January 2016 which included some additional Environmental Enforcement proposals.</p> <p>On that occasion 46% of consultees were in disagreement with the proposals with only 32% in favour. 22% were neutral to the proposal. Key themes from the consultation were similar to the previous exercise with the general view that the degree of savings does not justify probable impacts. Routine street cleaning and emptying bins of litter is an important Council function, irrespective of area and that poor cleanliness standards will lead to more littering.</p>
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<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any? N/A</p>		
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal / service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A</p>		
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service? N/A</p>		
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input checked="" type="checkbox"/></p>
<p>Approved by: Head of Service</p>	<p>Ainsley Williams</p>	<p>Date: 12th January, 2017</p>

11. School Transport Policy Review

Department: Technical Services	Completed by (lead): Alwyn Evans, Passenger Transport Manager	Date of initial assessment: November 2013 Revision Dates: May 2014; June 2015;
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Financial savings: Yr 3 £65,000 (2019/20); (with £412,000 in 2020/21). Discretionary provision of transport in the post-16 sector.	
Is this existing or new function/policy, procedure, practice or decision?	Changes to existing policy	
What evidence has been used to inform the assessment and policy? (please list only)		
Budget Budget Consultation 2013/14; Budget Consultation 2014/15; Comprehensive Policy Consultation 2015/16; Budget Consultation 2015/16.		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	Charging / removal of support for discretionary post-16 transport service from 1 st September 2019. A research exercise undertaken in 2015 found that there was a varied approach to this discretionary service throughout Wales, with eight of the twenty two Local Authorities charging for the post 16 transport service. The charges imposed by these Local Authorities range from £60 - £380, with thirteen Welsh Local Authorities stating that they are revising their current arrangements. This exercise is due to be undertaken again in Jan 2017, results to be confirmed. The proposal for charging is acceptable under legislation which allows charging for post 16 travel, The Learner Travel Operational Guidance 2009, Section 2.23 states: ‘When the Local Authority uses its discretion in making learner travel arrangements (under section 6), a charge can be made for
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		these arrangements. For learners who are not of compulsory school age, there is no restriction on charging. With regard to children of compulsory school age, charging must be in accordance with sections 455 and 456 of the Education Act 1996 (as amended by section 22 of the Measure). The means to charge, or pay all or part of a learner’s travel expenses, provides flexibility for local authorities to put in place travel arrangements that exceed the statutory requirements set by sections 3 and 4 of the Measure’.			
<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			Risks	Positive effects	
Protected characteristics	Age	(1) N (2) M (3) N	Services are used by post-16 students and there is a risk that there would be no transport available to their chosen school/college. Further consultation will be undertaken with the students during September 2015 to identify any potential issues.		<p>Transport provision is not a statutory requirement.</p> <p>Other LAs across Wales already charge or are considering a charge or removal of the service.</p>

Disability	(1) N (2) N (3) N	Potential Impact on SEN transport will be evaluated during the consultation process.	N/A	Potential to exempt SEN students form a charge. Further Legal input is being obtained.
Gender reassignment	(1) N (2) N (3) N	There is no impact in terms of gender reassignment as the proposal makes no differentiation to the right to join the scheme, transport provided or charging for the service based on gender reassignment. There is no data available for 16+ students of gender reassignment.	N/A	N/A
Race	(1) N (2) N (3) N	A full analysis is to be undertaken prior to formal consultation.	N/A	N/A
Religion/Belief	(1) N (2) N (3) N	No differentiation is made to the right to join the scheme, transport provided or the charging system based on the grounds of religion or belief including a lack of belief.	N/A	N/A

Page 139	Pregnancy and maternity	(1) N (2) N (3) N	No differentiation is made to the right to join the scheme, transport provided or the charging system based on the grounds of pregnancy and maternity.	N/A	N/A
	Sexual Orientation	(1) N (2) N (3) N	No differentiation is made to the right to join the scheme, transport provided or the charging system based on the grounds of sexual orientation.	N/A	N/A
	Sex	(1) N (2) N (3) N	No differentiation is made to the right to join the scheme, transport provided or the charging system based on the grounds of sex.	N/A	N/A
	Welsh language	(1) N (2) N (3) N	No differentiation is made to the right to join the scheme, transport provided or the charging system based on the grounds of Welsh Language.	N/A	N/A
	Any other area	(1) N (2) M (3) N	Students from families with a low income may be affected, but those	N/A	Students and their families should be made aware of available grants and support for school and college

			who meet the free school meals criteria will be exempt from the proposed charge.		transport.
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<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>The public consultation undertaken in 2013/14 resulted in 50.3% of respondents supporting this proposal, with 34.8% in disagreement – this response was further supported in the latest budget consultation (14/15), with 53% in support of either removal or charging for the service, with 29% in disagreement. Following the 2013/14 consultation, some respondents stated that the proposal would have a negative impact on those unable to pay and those in rural areas, given lack of suitable alternatives; while others said that it will affect participation rates. Some respondents felt that it must not be allowed to affect Welsh medium provision. It was suggested that if a charging option was to be introduced that it should be means tested to ensure low income families would not be disproportionately affected. The majority of these views were repeated during the 2014/15 consultation also.</p> <p>During 2014/15 respondents also noted their concern in relation to urban/rural divide and the potential for the increase in the number of young people classified as NEET (Not in Education or Training). Some comments received in support of the proposal included the benefit of encouraging young people to manage money responsibly; the saving was necessary to protect front line services and college users should bear some of the costs in order to maintain the service. The Youth Council raised concerns in relation to the proposal resulting in the constraint of take-up of further education opportunities and force students to select courses that do not suit their career path (as may not be offered within nearest college).</p> <p>A comprehensive statutory consultation was undertaken during September 2015, which included a wide range of stakeholders including: all post-16 institutions where we currently send learners; all Carmarthenshire secondary schools; future post-16 students; learners and parents of learners;</p>
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	<p>school staff and Governors (through provision of drop-in sessions at each of the sites); etc The consultation and engagement process included options for completing a questionnaire online, by post or in person at a drop-in session. A drop-in session was held at each of the County’s secondary schools and colleges and will be open for anyone to attend. The consultation will be widely promoted through local press, literature to all schools and colleges (approximately 17,000 postcards) the Council’s website, primary school web sites and social media. As a result of this exercise 576 questionnaires were completed. 62% of respondents were students; 33% were a parent/guardian; and the remainder (5%) were made up of teachers/lecturers and ‘other’. When asked the question: “The options being considered are ceasing the service altogether or charging to ensure it continues. Which do you think is the best approach?” 7% wanted to cease the service, 19% wanted to introduce charges; whilst the majority (74%) chose ‘other’. The majority of respondents that chose ‘other’ specified that they wished to see the service maintained in its existing format. When participants were asked if they would you consider using the service if you had to pay, 19% said Yes and 81% said No. 70% of respondents said that the introduction of charges would deter students from attending school / college.</p> <p>A public budget consultation took place between November 2015 and January 2016. 54% of consultees were in favour of the proposal whilst 29% disagreed with it. 17% were neutral to the proposal. Some respondents felt the proposal was reasonable as further education is not mandatory. Others suggested that college users should bear some of the cost in order to maintain the service. Other comments included: savings necessary to protect front-line services; urban/rural divide and imbalance with an adverse impact on rural residents; discriminates Welsh speaking sixth formers in schools.</p>
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6. What action(s) will you take to reduce any disproportionately negative impact, if any?

We will promote the different grants that are available to some students, such as, students of low income families are eligible for EMA (Education Maintenance Allowance) which is intended to “help with the costs of further education”.

A charge will be introduced on a phased approach to impose minimum impact.

The fee proposed is a flat rate in order to avoid penalising those in rural areas with greater distances to travel and less alternatives.

The proposed fee has been kept as low as possible and is cheaper than equivalent public transport even for the shortest journeys

Those students that are eligible for free school meals will be exempt from the charge.

We will encourage operators to offer and develop public transport options where possible. The withdrawal of free transport may have a beneficial effect by encouraging growth of the public transport network with subsequent benefits to all members of the community.

7. Procurement

Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.

Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice. N/A

8. Human resources

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

<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 checked="" type="checkbox"/></p>
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<p>Approved by: Head of Service</p>	<p>S G Pilliner</p>	<p>Date: 12th January, 2017</p>
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12. Music Service

Department: Education & Children	Completed by (lead): Aeron Rees	Date of initial assessment: 30 December 2016 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Music Service 2017-18 £30k 2019-20 £100k	
Is this existing or new function/policy, procedure, practice or decision?		New decision
What evidence has been used to inform the assessment and policy? (please list only)		
Consultative discussions with: Chief Education Officer; Music Service Coordinator; DMT; Members' Challenge Session; ECS Scrutiny Committee; Insight Session with sixth formers		

1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.	The primary aim of this proposal is driven by a corporate request to find departmental savings. Additional income to be generated by increasing the charge to schools by £2 per hour, from £57 to £59. This may mean schools will pass the extra charge on to parents for additional lessons by changing their Parental Charging policy. The service is also proposing to generate further income by charging parents of participating pupils £10 per term for the junior county ensembles. Both proposals may place additional burdens on schools and/or families. The schools' increase could pose a risk to the continuation of the service. This potentially conflicts with our vision to evolve and develop innovative and sector leading Music Service provision in Carmarthenshire, in tune with the new curriculum for Wales and a renewed focus on pupils' creative and aesthetic development.
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<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups (see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty? Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
			<p>Risks</p>	<p>Positive effects</p>	
<p>Protected characteristics</p>	<p>Age</p>	<p>High</p>	<p>Peripatetic music tuition is offered to upper primary and secondary pupils. A diminished service may discriminate against 8-18 year olds who might find that schools and / or parents may not be able to afford the elevated costs for the service. (see also 'any other area' below)</p>	<p>Increasing the cost of the service could have positive benefits in that pupils will be more prepared to practice and attend lessons if a charge were to be applied.</p>	<p>Advice given to schools about charging policies</p> <p>Evolving the service to other areas of delivery such as developing curriculum tuition for all pupils</p>

Page 145	Disability	Low	The Music Service have plans to expand its repertoire in respect of Music Therapy and Music for harder to reach groups, such as pupils with ALN. These plans may need to be shelved.		
	Gender reassignment	None			
	Race	None			
	Religion/Belief	None			
	Pregnancy and maternity	None			
	Sexual Orientation	None			
	Sex	Medium	Proportionally, more females receive peripatetic tuition than males – this is especially true of choral tuition. This		

			<p>could cut off an important extra-curricular avenue for girls, especially those not predisposed to engage with other activities such as sport in schools.</p>		
	<p>Welsh language</p>	<p>Medium</p>	<p>Welsh medium schools are generally strong buyers of the service, as advocates of the cultural curriculum. The decision could risk the ability of schools and individuals to complete in local and National Eisteddfodau, which is an integral component of many schools' pupil experiential provision. The decision could</p>	<p>This could motivate school staff to get more involved – though this is also fraught with risk, as it could affect teacher workload and pose a challenge to standards if music tuition is deferred to non-specialists</p>	<p>Conduct an audit of Eisteddfod-related activity currently supported by the service and plan proactively around any findings</p>

			<p>discriminate against Welsh speakers or, alternatively, motivate schools to concentrate upon those cultural experiences, to the detriment of non-Welsh speakers</p>		
	<p>Any other area</p>	<p>High</p>	<p><i>(Age related – for children and young people of statutory school age – 3-16)</i> This decision may well affect low income groups and / or pupils who may find themselves in schools with challenging financial issues. This will be compounded by schools facing other budgetary cutbacks deciding not to renew</p>	<p>Increasing the cost of the service could have positive benefits in that pupils would be more prepared to practice and attend lessons if a charge were to be applied.</p>	<p>Encourage schools to use EIG grant funding to support eFSM pupils who might experience additional difficulties accessing the service.</p> <p>Music service could diversify into targeted supply cover provision, staff development; in providing bespoke activities in tune with the emerging aesthetic and creative curriculum espoused by the Donaldson report and the Lead Creative Schools programme.</p> <p>The Music Service Parents and</p>

			<p>the Music SLA. There is already evidence for this, which is predicted to escalate in the current financial climate.</p> <p>Carmarthenshire's Music SLA is amongst the highest in Wales and any further increases to the SLA by cutting back on core funding could prove fatal.</p> <p>There is a clear risk therefore of discrimination on economic grounds for the school-aged population.</p> <p>Schools may refuse to administer a charging policy to parents on</p>		<p>Friends group may need to raise more funds and officers may need to seek alternative sources of grant funding.</p>
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			<p>moral grounds and, where a charging policy is applied, parents may be unwilling or unable to afford the extra cost of tuition.</p> <p>Parents may not be able to afford supporting their child to attend county orchestras, choirs and ensembles – thus leading to diminished opportunities and a dip in standards.</p> <p>Schools may experience further difficulties in staging concerts and productions.</p>		
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<p>50 Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input checked="" type="checkbox"/> x</p>	<p>NO <input type="checkbox"/></p>
<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any?</p> <p>Consult with the Music Service Management Group; further consultation with Head teachers and the Strategy and Budget Forum. Write to parents, explaining the position and canvassing their support; work with schools to formulate creative charging policies and options for parents to pay. Evolve the music service to new delivery areas and develop the curriculum provision component – so that the service can be deployed by schools to deliver the statutory curriculum as well as peripatetic and county ensembles i.e. attempting to consolidate Music Service income. Investigate further cost-finding efficiencies e.g. through enhanced cross-border collaboration.</p>		
<p>7. Procurement</p> <p>Following collation of evidence for this assessment, are there any procurement implications to the activity, proposal, service.</p> <p>Please take the findings of this assessment into your procurement plan. Contact the corporate procurement unit for further advice.</p>		
<p>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p> <p>There may be cut backs in Music Service staffing, though all steps will be taken to avoid compulsory redundancy.</p>		
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)</p>	<p>YES <input checked="" type="checkbox"/> x</p>	<p>NO <input type="checkbox"/></p>
<p>Approved by:</p> <p>Head of Service</p>	<p>Aeron Rees</p>	<p>Date:</p> <p>30 December 2016</p>

Music Service - Detailed Equalities Impact Assessment Template

Department:	Please see initial impact assessment
Completed by (lead):	Aeron Rees
Date of Detailed assessment:	31.12.16
Area to be assessed: (Policy, function, procedure, practice or a financial decision))	Please see initial impact assessment
Is this existing or new function/policy/Procedure/ practice	Please see initial impact assessment

1. Describe the aims, objectives or purpose of the function/policy, practice or procedure and who is intended to benefit.	<p>Please see initial impact assessment</p> <p>Additionally, the primary aim is to contribute departmental savings as requested corporately. Ways to work more efficiently and effectively are being pursued: seeking to maximise income and cut costs. Above all, we're looking to enhance and develop the Music Service not to close it down. This entails looking for creative solutions so that very high standards are maintained and that the profile of Music in Carmarthenshire schools goes from strength to strength.</p> <p>We wish to: build upon recent successes (Music for Youth – Birmingham Symphony Hall and Albert Hall; Cor Cymru); are taking the Senior Orchestra to New York to perform in a premiere with the UN School; will be taking the Senior Choir to Llangollen International Eisteddfod and will be rebranding the county Big band as Carmarthenshire Youth Jazz orchestra in advance of UK-level competition next year.</p> <p>These exciting opportunities fly in the face of the very challenging fiscal challenge presented and we wish to minimise any negative</p>
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	<p>effect on current and past achievements.</p>
<p>2. Please list any existing documents, evidence, research which have been used to inform the Detailed equality impact assessment. (This must include relevant data used in this assessment)</p>	<p>Analysis of SLA charging data on a national scale indicates that Carmarthenshire, at £57/hour, has a rate which ranks amongst the highest in Wales. This is compounded by the fact that Music Services in Carmarthenshire receive a lower amount of core funding than a number of other centrally funded authorities. The Music Service saw a drop in ‘buy back’ from schools of just over 8% during the 2016/17 academic year. This is attributed to: (i) added financial pressures on schools; (ii) A large number of primary school closures and secondary school mergers over the last four years having had a significant impact on the service.</p> <p>Additionally, over 60% of the SLAs were returned after the 31.3.16 deadline, making forward planning for MS SLT very difficult.</p> <p>It is anticipated, from corporate documentation, that schools will be required to find some £15.487 million in efficiencies over the next 3 years. Almost inevitably, this will lead to reduced buy back. Additionally, if the SLA is to go up £3 to £59/hour, it could well prove unsustainable for an additional percentage of schools. It is already anticipated that there will be a 10% fall in SLA buy-back for 2017/18 at the current SLA tariff. This will inevitably lead to staffing reductions, which will result in a diminished service and possible shortage of coverage in many areas of specialism.</p>
<p>3. Has any consultation, involvement been undertaken with the protected characteristics to inform this assessment? (please provide details, who and how consulted)</p>	<p>Young people were consulted at the Insight event, held on 8.12.16. Sixth formers from across the county were consulted on a whole host of proposed county council efficiencies. With respect to the Music Service, young people told us that it was a very valued service and that this area of curriculum delivery should not be treated any differently to other areas of learning such as PE and sport. At least one group voted against the proposal.</p> <p>Further imminent stakeholder consultation is planned.</p>
<p>4. What is the actual/likely impact?</p>	<p>Less schools buying in the Music Service; Less young people benefitting from instrumental provision; staffing reductions; a dip in standards; less county-wide activity with respect to ensembles, choir and orchestras; potential de-construction of one of the most successful music services in Wales (reaching 6.000 pupils weekly, from 90 of our schools i.e. 73%); challenges to delivering the</p>

	statutory music national curriculum at Key Stage 2.			
5. What actions are proposed to address the impact? (The actions needs to be specific, measurable and outcome based)	What are we going to do	Who will be responsible	When will it be completed	How will we know we have achieved our objective
	Further Consultation, esp. with parents of junior county ensemble pupils re £10 termly charge and termly, rather than weekly, rehearsals	Mr Gareth Kirby (GK), Music Services Coordinator	January 2017	Termly rehearsals should yield £25-30K saving Parents agree to £10 termly charge
	Incentivise early return of SLAs	GK and MS SLT	c. End of March 2017	75%-100% of SLAs returned by deadline
	Complete Music Curriculum review and offer a revised menu of provision to schools	GK and task and finish Group	Early February 2017	T&F group produce report with recommendations to evolve Music Service delivery in Carmarthenshire
	Model Phasing in the SLA increase (yr1: no change; yr2: +£1.00; Yr. 3: &1.00)	GK, and Susannah Nolan, Group Accountant	January 2017	Modelling exercise provides sustainable solution and is consulted upon (Strategy

				and Budget Forum; Head teachers and Governors)
	Review MS staffing and voluntary reductions, initially from the vocal team	GK, AR and Julie Stuart, Principal HR Officer	March 2017	Staffing possibly rationalised by voluntary reduction
	Continue to investigate efficiencies through cross border collaborative working	GK	April 2017	Carmarthenshire plays an active and lead role in discussions, with recommendations for genuine efficiencies by cross-border working
6. How will actions be monitored?	<p>Regular updates and timetabled supervision sessions (GK and AR)</p> <p>Progress reported to DMT</p> <p>Substantive proposals to remodel service, outcome of curriculum review and cross border recommendations reported to scrutiny at the end of the first quarter of the new financial year / performance cycle.</p>			
Approved by: Head of Service	Aeron Rees		Date: 31.12.16	

13. Housing and Public Protection – Grants to the Voluntary Sector

Contact Name	Roger Edmunds	Title	TS MANAGER
Budget title	Citizens Advice Service		
Amount £	100000		
Saving £	100000		
Description	General/Core Citizens Advice and Welfare Rights (which is restricted funding)		
Will this proposal have an adverse impact on any of the protected groups (Age, Disability, Gender reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion and Belief, Sex and Sexual Orientation). Please also give consideration to the Welsh language and the impact on Welsh speakers. Will it impact disproportionately on those in lower income groups?			
<u>Yes</u>	<p>Having managed the previous cut of £95,000 any further reduction in funding will severely impact on the ability to maintain the existing level of service currently being provided. 2015/16 showed an overall recorded contribution to the local economy of £8,179,838. 11,327 people were recorded using the service bringing 14,891 issues. The uniqueness and diversity of this service is highlighted in above figures.</p> <p>The CAB is a leading high street brand that plays a major part in supporting the local community. The service aims stipulate “regardless of Race, Gender, Sexuality or disability and promotes Equality.</p> <p>The Equality Act 2010 introduced a new public sector “equality duty” the aim is to “ensure that public authorities and those carrying out a</p>		

	<p>public function consider how they can positively contribute to a fairer society through advancing equality and good relations”. The law also requires that “Due Regard” be demonstrated in the decision making process. The CAB service aims and principles supports these requirements and through their work they support Carmarthenshire County Council to deliver and meet their requirements this is a seamless partnership. To withdraw/reduce Core funding would fundamentally demonstrate a negative contribution to a “Fairer Society” by withdrawing/reducing the availability of the service to those in most need who would be the hardest hit.</p> <p>There is a Welsh language policy, and at present the service is delivered in the medium of Welsh and English from each office. Withdrawal of funding would impact on the ability to commit to this level. There is a dedicated welfare benefit telephone advice service, of which two of the three specialists are Welsh speaking. The protected groups as above are the higher proportion of service users at approximately 70% of service users.</p>
No	
If Yes, please briefly describe the nature of the impact. Which groups are likely to be affected and in what way?	
Description of impact	<p>Any reduction of funding would impact in the following way:</p> <ul style="list-style-type: none"> • Reduce the number of hours the service is available to all above protected groups in the community • Withdrawal of the dedicated Welfare Benefits and Money Advice telephone services removes affordable specialist advice to the rural community, lower income and protected groups. • Loss of specials welfare benefit and Debt advisors removes the

	<p>support mechanism that enables us to prepare and represent those clients with the highest level of need and vulnerability.</p> <ul style="list-style-type: none"> • Loss of outreach services eg: weekly service delivered at the YMCA Llandovery, Advise days held in rural communities, home visits for vulnerable clients that can't leave their homes. • The whole structure and core being of Carmarthenshire CAB will be under threat, this will weaken the service in so many areas. Overall impact “the protected and vulnerable groups will suffer the most”. <p>The confidence shown by Carmarthenshire County Council to the CAB through Core funding enables us as a one stop partnership delivery service to continue the fight against poverty, support the most venerable and strive to improve the quality of life within our Community. In addition Core funding demonstrates to other funders the confidence the local authority has in Carmarthenshire CAB making them a competitive applicant when competing on the open market for funding projects.</p>
<p>Consultation Have you consulted any of these groups or their representative bodies? If so please give details, What was the outcome?</p>	
<p>Description of</p>	<p>Yes met with Director of CAB to discuss proposed cut.</p>

consultation	
Mitigation What can be done to mitigate any adverse impact?	
Details of steps to be taken to mitigate any adverse impact	Very little, as the funding supplied by the Authority provides for the core delivery and for Welfare rights benefit to the protected groups and community as a whole, removal of this fund will create collateral issues for other service providers e.g. other benefit providers who if they cannot meet the extra need and capacity and will lead to increased poverty, vulnerability and debt which will in turn impact the local economy.
Context Is this proposal part of a wider plan which would place it in context? (E.g. closure of an individual facility in the context of a wider investment programme).	
Details of context of the proposal	Debt, poverty and reduction in client empowerment County wide. And economic implications for the wider Community but particularly for those in most need.
Monitoring Do you have any plans to monitor the ongoing impact on the affected group(s)?	
	Yes
Other information Is there anything else which ought to be recorded?	
Authorised by:	Pp Roger Edmunds.

Head of Service	
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14. Special Education Needs

Department: Education & Children	Completed by (lead): Rebecca Williams	Date of initial assessment: 5 th November 2014 Revision Dates: 16/12/2015, December 2016
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Special Educational Needs 2017-18: £70k budget reduction	
Is this existing or new function/policy, procedure, practice or decision?		New decision
What evidence has been used to inform the assessment and policy? (please list only)		
<ul style="list-style-type: none"> • Draft Additional Learning Needs Education Tribunal (Wales) Bill • Welsh Government ALN White Paper on ALN Reform (July 2014) • Data on falling requests for Statutory Assessment – ALN Inclusion Panel Minutes for April 2014 – October 2014 • ALN Annual Report 2013 – 2014 • Supporting children with Speech Language and Communication Needs (SLCNs) within integrated children’s services (Gascoigne 2006) • The Bercow Report (Bercow 2008) – overview of provision for children and young people with SLCN • The Better Communication Research Programme : Improving provision for CYP with SLCN • What really makes a difference for CYP with SLCN? Delivering services for maximum impact (Gascoigne) • Evidence of consultation with elected members via the Education and Children’s Services Scrutiny Committee 		

<p>Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</p>	<p>Reduce the core budget to schools. This would be distributed between 82 schools (all those with more than 100 pupils). Each school affected would need to reassess their provision, or realign budgets in order to make up for the shortfall. This could result in less 1:1 support sessions, reduced Teaching Assistant support or reduced hours for Additional Learning Needs Coordinators to support learners.</p> <p>The action is proposed due to the current and impending challenges for this service in the next three years which include:</p> <ul style="list-style-type: none"> • Reducing local authority budgets • Reducing Welsh Government budgets/grants • In line with WG White paper on ALN Reform WG/LA strategy of meeting needs of CYP with ALN outside of statutory processes • ALN Reform envisages that schools will build capacity to deal with all ALN needs at a local level • Delegation of funding to schools, tightening of statementing criteria and more ALNs being met outside statutory systems will lead to more flexible use of school-based resources (including improvements in the use of learning support - for example deployment of TAs) and pooling of resources for collaborative ALN work between school clusters which in turn will lead to efficiencies • Improvements in impact monitoring systems and greater flexibility in the management of ALN provision in schools will lead to more effective use of resources in schools <p><u>Secondary Speech and Language provision</u></p> <ul style="list-style-type: none"> • The Speech and Language provision for CYP with specific language/speech/communication needs (SLCN) is currently being reviewed and it is proposed that changes should be made to the service for secondary age pupils with language and communication needs. The evidence around Speech and Language Therapy intervention and provision for pupils with SLCNs suggests that early, intense and frequent intervention is most effective. As pupils move up through the school system, their needs become much more functional and strategy-based and there is less evidence for direct unit
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		<p>intervention at a secondary level.</p> <ul style="list-style-type: none"> To this end it is proposed that the secondary language unit at Bro Dinefwr will be phased out over the next two years. Secondary schools across the LA will be supported, to include additional training if required, to develop their capacity to provide appropriate language support for pupils with specific language impairment/SLCNs in order to access the mainstream curriculum and extra-curricular activities. 			
<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>		<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p>		<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
	Age	H	<p>Risks</p> <p>The range of provision and training to meet the needs of school-aged CYP with ALNs may be reduced in some smaller mainstream schools who may be unable to meet their statutory duties and as a result are liable under the Equality Act. Potential increase in appeals to SENTW</p>	<p>Positive effects</p> <p>Schools will build capacity to offer a range of interventions and strategies to meet the needs of all pupils with ALN in the most cost efficient manner. Well-documented research suggests that secondary aged pupils with SLCNs have their needs met more effectively with their peers in mainstream</p>	<p>LA is ultimately responsible for ensuring that schools meet pupils’ ALNs and make appropriate provision in line with parental preference – there are no mitigating factors.</p>

			<p>against LA decisions. High cost to LA in man-power/legal fees in defending Tribunal cases</p> <p>Secondary aged pupils with SLCNs will no longer be offered the choice to attend a specialist language unit setting with specialist staff and high pupil/staff teaching ratio.</p> <p>Potential cost to schools of additional learning support in secondary schools/cost to LA of providing ELKLAN/Afaisic Language training</p>		
p	Disability	M	<p>Some small schools may be unable to meet the needs of some pupils with a disability due to insufficient resources – this would mean they would be discriminated against in accessing local provision.</p> <p>In larger schools a reduction in resources may lead to discrimination in the</p>	<p>Secondary pupils with SLCNs will be supported in local mainstream schools with appropriate strategies/interventions to meet need.</p>	<p>Discussions with schools to ensure timely planning is undertaken to ensure the necessary curricular and building adaptations for pupils with a range of disabilities.</p>

			form of reduced opportunities		
Gender reassignment	L		Less resources available for awareness raising	NA	NA
Race	L		As above	NA	NA
Religion/Belief	L		As above	NA	NA
Pregnancy and maternity	L		Secondary schools may not be able to provide support in line with statutory obligations	NA	NA
Sexual Orientation	L		Less resources available for awareness raising	NA	NA
Sex	L		NA	NA	NA
Welsh language	M		Welsh language pupils with ALN may have reduced access to the full range of ALN provision	NA	NA
Any other area					

<p>5. Has there been any consultation/engagement with the appropriate protected characteristics?</p>	<p>YES <input checked="" type="checkbox"/> CCC staff/elected members/Head teachers in schools NO <input checked="" type="checkbox"/> CYP, families and</p>
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	wider disabled community
<p>6. What action(s) will you take to reduce any disproportionately negative impact, if any? Identify training opportunities to train school based staff to build capacity</p> <ul style="list-style-type: none"> • Strategy to convert existing statements to IDPs releasing funding currently tied up in individual support • Cease statements for targeted ALN groups/individuals (eg Dyslexia, SLCNs) • Bro Dinefwr secondary language unit – redeploy specialist language teacher/TAs to support pupils with SLCNs in mainstream secondary schools 	
<p>7. Procurement</p> <p>None</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>8. Human resources</p> <p>Following collation of evidence for this assessment, are there any Human resource implications to the activity, proposal or service?</p> <p>Yes – the changes have the potential to impact on workforce deployment in mainstream schools (deployment of fewer Teaching Assistants)</p> <p>Bro Dinefwr secondary language unit – redeployment of specialist staff</p> <ul style="list-style-type: none"> • Specialist Teacher x 1 (fte) • TA2 x1(fte) • TA3 x 1 (fte) 	
<p>9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed</p>	

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	Gareth Morgans, Chief Education Officer	Date: 7 th January 2016	

15. Delegated Schools Budget

Department: Education & Children	Completed by (lead): Gareth Morgans	Date of initial assessment: November 18 th , 2015 Revision Dates:
Area to be assessed: (i.e. name of policy, function, procedure, practice or a financial decision)	Delegated schools budget 2017-18: £3,779,000 2018-19: £3,485,000 2019-20: £3,487,000 2019-20 Additional £500k (New Policy) Over the next three years this equates to a reduction per pupil to the value of approximately £400.	
Is this existing or new function/policy, procedure, practice or decision?	Existing policy proposal and a <i>New policy proposal</i>	
What evidence has been used to inform the assessment and policy? (please list only) <ul style="list-style-type: none"> • School Funding arrangements in Wales. • Carmarthenshire’s Scheme for Financing Schools • Consultation with school leaders, Governors and staff from the Education Service. 		

<p>1. Describe the aims, objectives or purpose of the proposed function/policy, practice, procedure or decision and who is intended to benefit.</p>	<p>Reduced school budgets will lead to schools having to review their spending and to consider staffing levels, class sizes and provision.</p> <p>To manage this level of reduction there will be an impact on staffing as a high % of a school’s budget is used to employ staff. A reduction of £3.7m in the first year could possibility result in 60 teachers or 130 support staff (or a combination) being made redundant.</p> <p>Schools have been encouraged to work in partnership and collaborate with other schools in matters of resourcing and employment, however the scale of the budget reduction will result in some redundancies.</p> <p>Reduced provision could impact on the high standards achieved by Carmarthenshire's learners and the support provided for pupils.</p>					
<p>The Public Sector Equality Duty requires the Council to have “due regard” to the need to:-</p> <p>(1) eliminate unlawful discrimination, harassment and victimisation;</p> <p>(2) advance equality of opportunity between different groups; and</p> <p>(3) foster good relations between different groups</p> <p>(see guidance notes)</p>	<p>2. What is the level of impact on each group/ protected characteristics in terms of the three aims of the duty?</p> <p>Please indicate high (H) medium (M), low (L), no effect (N) for each.</p>	<p>3. Identify the risk or positive effect that could result for each of the group/protected characteristics?</p> <table border="1" data-bbox="1093 1066 1733 1318"> <tr> <td data-bbox="1093 1066 1393 1318"> <p>Risks</p> </td> <td data-bbox="1393 1066 1733 1318"> <p>Positive effects</p> </td> </tr> </table>		<p>Risks</p>	<p>Positive effects</p>	<p>4. If there is a disproportionately negative impact what mitigating factors have you considered?</p>
<p>Risks</p>	<p>Positive effects</p>					

Age	H	Reduced funding will lead to schools needing to review their budgets. This could lead to reduction in staffing levels, increased class sizes and reduced provision.	Schools will need to work collaboratively and consider joint posts, cooperation on back office support, specific areas of responsibility and possibly shared/improved leadership.	Schools and the County Council will need to be proactive in planning for this budget reduction. A TIC Post is being recruited to develop ideas to mitigate impact on front line services to learners.
Disability	H	The support and provision for pupils could be affected.	Review of current systems and structures and collaboration with other settings.	The County Council will have to ensure that schools meet the diverse needs of all pupils and hold school leaders to account.
Gender reassignment	N			
Race	M	There could be a reduction in funding to support EAL/Gypsy Travellers.		Finance and Education colleagues to find ways of protecting this element of the Education Improvement Grant funding.
Religion/Belief	N			
Pregnancy and maternity	N			
Sexual Orientation	N			
Sex	M	A high % of school staff are female. A reduced budget could mean a reduced workforce with females being affected.		Ensure appropriate support and challenge from Human Resources section in respect of redundancy process and equality issues.
Welsh language	M	Non-Welsh speaking staff might be at a disadvantage as schools remodel to		Ensure appropriate support and challenge from Human Resources section in respect of redundancy process and equality issues.

			manage with reduced resources and implement Welsh Government and local strategies.		
	Any other area	N			

5. Has there been any consultation/engagement with the appropriate protected characteristics?		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
6. What action(s) will you take to reduce any disproportionately negative impact, if any? Ensure challenge and support to schools from respective divisions e.g. HR, Inclusion, Finance to ensure that pupils and staff are treated fairly and consistently.			
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? Schools will require HR support when remodelling/reducing staffing complement to ensure that all staff are treated fairly and consistently.			
9. Based on the information in sections 2 and 6, should this function/policy/procedure/practice or a decision proceed to Detailed Impact Assessment? (recommended if one or more H under section 2)		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Approved by:			

Head of Service	Gareth Morgans	Date: 20-12-16
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	TARGETS			
	2017/18	2018/19	2019/20	Total
	£'000	£'000	£'000	£'000
Chief Executive	600	605	424	1,629
Education	418	225	898	1,541
Schools Delegated	6,000	6,000	3,487	15,487
Corporate Services	174	262	177	613
Community Services	2,792	2,072	2,548	7,412
Environment	1,469	990	1,246	3,705
	11,453	10,154	8,780	30,387

Current Proposals		Pages 2 to 11				Page 12				Pages 13 to 14				TOTAL PROPOSALS				Variance on Target
		MANAGERIAL				EXISTING POLICY PROPOSALS				NEW POLICY PROPOSALS								
		2017/18	2018/19	2019/20	Total	2017/18	2018/19	2019/20	Total	2017/18	2018/19	2019/20	Total	2017/18	2018/19	2019/20	Total	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	1 - 4	547	661	287	1,494	0	0	0	0	0	0	0	0	547	661	287	1,494	-135
Education	5 - 6	138	225	75	438	180	70	0	250	100	0	398	498	418	295	473	1,186	-355
Schools Delegated					0	3,779	3,485	3,487	10,751	0	0	500	500	3,779	3,485	3,987	11,251	-4,236
Corporate Services	7	207	148	258	613	0	0	0	0	0	0	0	0	207	148	258	613	0
Community Services	8 - 9	2,294	2,421	1,663	6,378	29	36	40	105	247	181	60	488	2,570	2,638	1,763	6,971	-441
Environment	10 - 11	1,249	1,007	657	2,913	0	0	0	0	0	0	349	349	1,249	1,007	1,006	3,262	-443
		4,435	4,462	2,940	11,836	3,988	3,591	3,527	11,106	347	181	1,307	1,835	8,770	8,234	7,774	24,777	-5,610

Department	16-17 Budget	FACT FILE	'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	EFFICIENCY DESCRIPTION
Chief Executive	£'000		£'000	£'000	£'000	£'000	
Chief Executive							
Corporate Savings Target	Specific budgets yet to be identified	Health and Safety responsibilities rest with all managers and staff. However, the Corporate Health and Safety Centre provides strategic and operational advice and develops a corporate policy framework together with relevant health and safety training.	100	35	0	135	Restructuring of Health & Safety functions across the authority to yield savings from a reduction in expenditure on external contractors and eliminate duplication of Health & Safety Management, following a TIC Review that made a series of recommendations to deliver a more efficient and cost effective service.
Chief Executive	342	Business Support function.	45	32		77	Severance as part of departmental admin review
Total Chief Executive			145	67	0	212	
Information Technology							
Information Technology	3708	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 72.3 FTE's which has reduced over the last 5 years from 109 FTE's and we have delivered £2.08m in efficiency savings over that period. The FTE's being put forward as savings are from applications for severance and we are looking to continually rationalise the systems we support to provide further efficiencies.	117	176	119	412	2017/18 - Removal of two FTE posts (£72K) £45k from IT Operational Costs. 2018/19 - Removal of one FTE (£42K) and £134K from IT Operational Costs. 2019/20 - Removal of one FTE (£47k) and £72K from IT Operational Costs.
Total Information Technology			117	176	119	412	
People Management & Performance							
Human Resources	704	HR provides advice and guidance to people managers as well as ensuring the Authority is compliant with employment legislation . Employment Policy framework development and maintenance. The service is currently being reviewed with a view to providing a more integrated HR/Payroll Support service to its users and meet the challenges of the Education agenda and collaborative working.	0	40	0	40	Severance
Learning & Development	528	The service is currently responsible for meeting the corporate, generic learning & development needs of Carmarthenshire County Council's workforce & through a strategic partnership enabling the needs of the social care sector workforce in Carmarthenshire to be met. All corporate L&D programmes are developed to meet the needs of the organisation by closely aligning with the vision, objectives & priorities of the organisation. Social care workforce development is closely aligned with WAG/Care Council/SSIW regulations, guidance & frameworks and the needs of changing service provision, in particular the integration of Health & Social Care. It coordinates the Investors in People programme supporting the organisation via the IIP Steering group to maintain IIP recognition	40	35	0	75	The service is being re-aligned to include the Consultancy element of the People Management function. Part of this realignment will refocus the learning and development provision across the authority with the aim of reducing training administration and delivering effective collaboration with partner agencies to provide value for money and improve the evaluation/outcomes of investment in learning.
Total People Management & Performance			40	75	0	115	
Administration & Law							
Departmental - Legal	1,143	The function of Legal Services is to provide a comprehensive legal service to the Council and the Dyfed Powys Police and Crime Panel, including advocacy and representation in Courts and Tribunals and Inquiries in the course of civil and criminal proceedings. The Service also prepares legal documentation and gives legal advice across the whole range of Council functions. The client base is the Council, its Committees and Departments, Schools and some outside organisations including Town and Community Councils. 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 is part of the South West Wales Legal Service.	12	0	0	12	2017/18 - £10k - Reduction in working hours; £2k - Reduction in costs of Practising Certificates
Net Departmental Administration	187	The Unit discharges the budget monitoring and acts as the support role for the services of the department based at County Hall, i.e. Chief Executive, Regeneration and Policy and Administration and Law, together with departmental staffing functions and business support including the central mail service and the management of access to buildings under the Council's Security Card System and the issuing of identification cards.	29.5	26.5	0	56	2017/18 - £47k severance and the release of a post as part of the departmental admin review will not impact on the quality of work undertaken by the unit as the work will be absorbed by other members of the team; £3k Other Hired and Contracted Services; £3k Reduction in printing
Corporate Management	20	This budget is used to fund corporate initiatives, e.g. Agresso Financial Management System and the Chubb Security System	2	0	0	2	2017/18 - £2k Printing; £2k
Democratic Process	1,660	This budget is for provision of Members Salaries and Allowances and Democratic support, e.g. Printing, postage costs, supplies, IT and provision of Broadband and telephone line rental	3	0	0	3	2017/18 - £1k - Further reduction in fuel; £2k - remaining balance on Civic vehicle;
Departmental Democratic	486	The Democratic Services Unit provides a high quality procedural and administrative support service for 74 elected Councillors and is located at County Hall, Carmarthen. It provides a dedicated support service for the Chair of Council, Leader of the Council, Executive Board Members and the Leader of the Main Opposition Group to include diary co-ordination, daily correspondence, and research and information gathering.	0	20	0	20	2018/19 - Possible Reduction in Working hours/VER
Total Administration & Law			47	47	0	93	
Total Chief Executive, IT, PMP & Administration & Law			349	365	119	832	

Regeneration, Policy & Property
Customer Focus & Policy

Registrars	141	Carmarthenshire Registration Service is a single district civil registration authority, co-terminous with the county boundary, called Carmarthenshire Sir Gaerfyrddin district 822. The district is managed and delivered by Carmarthenshire Registration Service. The Carmarthenshire Registration Service consists of 26 members of staff, who work across the county as one team with three offices open to the public in Carmarthen, Llanelli and Ammanford. In any given year the service registers approximately 500 marriages / civil partnerships, 2700 births and 2300 deaths.	13	4	5	22	Reduce expenditure by reviewing casual staff hours. Increase income by continuing to increase the number of available appointments for registration. Home Office legislation is changing in 2017 where some current statutory services will change and new fees will be introduced.
Communications - Press	87	The Press Office plays a key role in communicating and promoting Council services and developments. The business unit is responsible for providing information to the media, public and stakeholders.	0	46	0	46	Supporting of severance application
Customer Services	51	The Customer Services Business Unit have a team of 44 full and part-time staff providing a front-line first-point-of-contact for most council services via the Contact Centre and three Customer Service Centres in Ammanford, Llanelli and Carmarthen. The unit deals with the majority of queries without the need to hand customers over to the specialist departments.	18	0	0	18	Service has been transferred into the Media and Marketing Business Unit. Review of the service to be undertaken.
Direct Communications	262	The Unit manages and supports internal and external communications with staff, residents and businesses within the county. The team also delivers and support digital communications, advertising, translation service; print and graphic design internally and to a number of partners.	35	4	0	39	Scope to increase income by providing service to additional partners / clients.
Policy	453	Corporate Policy - this Service is responsible for developing and monitoring delivery of the Council's corporate policies as well as liaising and advising Council departments on ensuring compliance and implementation in a number of different policy areas including well-being of future generations, equalities, Welsh language and tackling poverty. The Service supports the Council's approach to consultation and engagement and directly facilitates and supports the Carmarthenshire Citizens' Panel and Carmarthenshire 50+ Network. The Service also works with various Council departments to provide information and data on Carmarthenshire's demographics and undertakes further research as required. The Service also facilitates the corporate response to matters relating to the Armed Forces.	0	35	0	35	Supporting of severance application
Contact Centre	503	The Contact Centre Team is responsible for handling incoming telephone contacts from customers, email traffic, and enquiries raised on social media. Staff are trained to deal with a wide range of enquiries, eg, housing repairs, recycling and domestic waste, payments, public protection, street scene, etc. The contact centre also provides a 'switchboard' service to the organization, routing requests to speak to specific individuals or services to the correct extension numbers.	30	5	0	35	Service review which will result in increased use of 'self help' via council website, increase in telephone call traffic arising from further reductions in CSC opening hours, plus introduction of appointments only CSC service (appointments made via contact centre)
Customer Service Centres	305	The Customer Services Business Unit have a team of 44 full and part-time staff providing a front-line first-point-of-contact for most council services via the Contact Centre and three Customer Service Centres in Ammanford, Llanelli and Carmarthen. The unit deals with the majority of queries without the need to hand customers over to the specialist departments.	20	65	0	85	Service review and potentially reducing opening times. Also a possibility of moving to an 'appointments only' service with as much traffic as possible encouraged towards online self-service, or failing that, to the telephone, and wider distribution of simple services, eg blue bag provision, via libraries and other possible outlets
Performance Management	539	The Performance Management Unit is responsible for providing a corporate lead on performance management for the Council that ensures a strong ethos of continuous improvement runs through everything the Council does.	30	5	0	35	2017-18 & 2018-19 Income generation from provision of Performance Management software to other Authorities
Marketing and Media (contact centres, press, communication, translation and customer services)	Specific budgets yet to be identified	Newly formed business unit comprising of translation, marketing and tourism, contact centres, customer services, press and communications.	0	0	91	91	Continued service review within the newly formed Marketing and Media section (this also to include contact centres and customer services)
Total Customer Focus & Policy			146	164	96	406	

Regeneration

Marketing Tourism Development	371	The Marketing and Tourism Business Unit act as the main agency to ensuring Carmarthenshire is effectively promoted via destination website, public relations, national campaigns, as a vibrant area for tourists to visit. The Unit manages a number of externally funded tourism programmes. They provide marketing campaign support to numerous services to internal departments and external partners / agencies. Our effective marketing campaigns include all media including direct mail/email, inter and intra net, local and service specific press, directories, events, public relations and other business media, in order to deliver the key customer acquisition targets. The unit also provides a management of programme of annual events including corporate launches and community carnivals as well as liaison to large externally funded events.	52	19	0	71	Realignment of whole of the Division to focus on new economic priorities
3 T's Community Regeneration	291	The Community Regeneration Unit has historically supported local communities to develop projects that alleviate poverty and improve quality of life. This has been achieved through working in partnership with key agencies and community members to improve existing services and develop new ones. During 2015 we will continue to develop our new key account management system supporting new and existing social enterprises and those organisations delivering vital services in our communities, supporting them to grow and become sustainable. Another key aspect of our work is working with local authority departments to identify opportunities for the delivery of services via the third sector, from asset transfer to public sector out-sourcing. Our core grants continue to support via one discretionary enterprise finance fund. Supporting third sector led projects that make a real difference in our communities and contribute to economic outputs and outcomes and a high return on investment. We have a successful track record of sourcing external funding for our communities, leveraging in over £8 million additional community investment into Carmarthenshire per year. Our Community Bureau continues to be a one stop shop for all information and funding enquiries for community, voluntary groups and third sector as a whole, supporting over 600 organisations per year. We also administer other grants for the authority and external partners including Welsh Church Fund and Mynydd Y Betws Community Benefit Fund. We also lead on the theme of digital inclusion for the authority.	0	48	0	48	Severance of post. Responsibilities being re distributed as part of ongoing Regeneration service realignment.

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Business Support Services	226	The Business Support Unit leads in the flexible delivery and management of the division's support resources, staff, processes, facilities and any assets to maximise use and delivery of an efficient, effective central support function. The team supports all business units of the Division.	0	25	0	25	Realignment of service area to focus on wider departmental services within Chief Executives.
West Wales European Centre	114	The External Funding Team is responsible for overseeing CCC's external grant funding activities. It plays an instrumental role in ensuring that Carmarthenshire is able to maximise the potential benefits for its citizens and communities through its lobbying and advocacy role and through highly successful funding applications. External funding is sourced from the wide range of different European and domestic funding pots. The External Funding Team developed the new Local Development Strategy 2014-2020 for Carmarthenshire. WWEC has been responsible for developing the new Local Development Strategy for rural Carmarthenshire and will be responsible for managing the LEADER programme in Carmarthenshire for the 2014-2020 period. The unit has also secured a contract with WEFO to lead on the South West Wales Regional Engagement Team for the new European programmes. The Centre takes a leading role in advising project teams throughout the authority on project development and grants management at each stage of the project cycle.	0	40	0	40	Supporting of severance application
Economic Development	Specific budgets yet to be identified	Economic Development Division forms part of Carmarthenshire County Council's Chief Executive Department. Led by the Assistant Chief Executive who is also the Head of Service, it plays a fundamental role in regenerating both Carmarthenshire and the Region through investment and support. Economic Development is an extremely proactive service which has to constantly change to address the needs of Carmarthenshire's businesses and communities through the Integrated Community Strategy as well as addressing and contributing to the delivery of the policies and strategies of the newly formed Swansea Bay City Region, European Commission, UK and Welsh Governments.	0	0	72	72	Continue to work with external funding partners to maximise income streams. Continue to review the contributions to current programmes and activities.
Total Regeneration			52	132	72	256	
Total Regeneration, Policy & Property			198	296	168	662	
Chief Executive Total			547	661	287	1,494	

Education & Children			'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	
			£'000	£'000	£'000	£'000	
Strategic Development & Schools' Catering							
Catering Services - Free School Breakfasts	796	Free breakfasts are provided in most Carmarthenshire primary schools as required by legislation. The Catering Service has reviewed staffing levels at each site to ensure they are run as efficiently as possible, whilst ensuring the health & safety of all children who wish to have a free breakfast. This is the final part of implementing the previously approved Policy decision spanning 2 financial years.	10			10	Remodel provision for Free Breakfasts in primary schools to reduce average time from 45 minutes to 30 minutes.
Catering Services	168	A central management & support team exists to support front line school catering staff. 'Back office' processes are continually being reviewed to make them as efficient as possible. As a result the team can manage with one less staff member.	40			40	Review of catering central support resulting in 1 FTE reduction through severance
Catering Services	168	School Meals Administration and Income banking arrangements		70	75	145	<ul style="list-style-type: none"> Provide the ability for parents to pay online for school meals (& other school payments, e.g. trips) through the Council web-site Introduce electronic meal registers in primary schools, removing paper based systems
Business Support	513	The central Business Support Team provides a range of support services to the Department and Building 2 at St. David's Park, Carmarthen. This includes reception duties, management of meeting rooms, management of pool cars, processing applications for Free School Meals, School Milk, and School Clothing Grants. It is expected that a reduction of 1 member of staff will be managed by reviewing existing processes and reducing the level of support available in some areas.		20		20	Release of staff member through severance
Business Support		A small team supports the work of the Department including taking notes at key meetings, arranging meetings, and undertaking other support work required by senior officers. Through re-allocating work and changing ways of working, the team will reduce from 4 to 3 staff members.	10	10		20	Reduction in support to Departmental Management Team through severance
Total Strategic Development & Schools' Catering	1,645		60	100	75	235	
Education Services & Inclusion							
Information & Improvement	415	We have annual licenses for IT packages from external companies to manage SEN and School Governor data and information. It is important that we manage the SEN Process effectively and have easy access to information. It is proposed to build our own solutions at a reduced cost.	20			20	Remove external licensed software for SEN and Governor management and replace with internal solution
Youth Support Services	855	<ul style="list-style-type: none"> Youth Support Service Staff are funded from both core and grant income sources. A review of current arrangements suggests that we can further maximise use of external funding to support staffing costs. This will alleviate pressure on core funding which can be offered up as a saving 	11			11	<ul style="list-style-type: none"> Salaries for two members of staff (who are currently 100% core funded) will be part funded from one of our most stable grant income sources. This has no effect on service delivery. However, the source of grant funding is open to review and it may challenge job security in the future
Total Education Services & Inclusion	1,269		31	0	0	31	
Children's Services							
Education Welfare	429	The Education Welfare Service supports schools and families in securing regular school attendance. The service has been restructured to include the Young Carers service and enhance the capacity of both service areas, therefore, the reduction of one FEW post is not expected to affect the level of service provided.		25		25	Release of staff member through severance
Children's Services	5,590	We are currently reviewing a number of working methods and processes to identify where efficiencies can be made by providing a service in a different way, rationalising or by further amalgamating similar sections. As a result we expect to be able to release funding in those areas affected.	47			47	Reduction of staff member by not replacing vacant post / natural reduction / severance opportunities
Accommodating Looked After Children	3,593	The number of children coming into the care of the local authority has been reducing for the past 4 years. It is anticipated that this will continue. On this basis it is possible to save the cost of their accommodation as foster carers only receive payment when children are placed with them		100		100	Reduce the budget for accommodating Looked After Children in the expectation that the trend of less children becoming Looked After continues.
Total Children's Services	9,612		47	125	0	172	
Education & Children Total	12,526		138	225	75	438	

Department	16-17 Budget		'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	
Corporate Services	£'000		£'000	£000	£000	£000	
Financial Services							
Accountancy	1408	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)	109	91	178	378	2017-18 £20k NI savings Car leasing scheme, £73k CA Post, £16k balance of GA. 2018-19 £17k Clerical post, £30k Acc Technician post, Balance - structure realignment. 2019-20 Structure Realignment.
Treasury Management	108	Management of Treasury Management and Pension Fund Investments Service including statistical and legislative research and development work	75	0	0	75	2017-18 Re-scheduling of Employers and Employees Superannuation deduction payments to the Pension Fund
Revenues & Benefits	670	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	0	57	0	57	2018-19 Realignemnt of management Structure
Payroll/Payments	229	Payroll: administering pay for all employees and members, managing payroll records and providing a number of returns and statistics on staffing. The corporate Payments Service provides a range of payment solutions that support both internal and external clients in the settlement of supplier invoices relating to the receipt of goods and services.	23	0	40	63	2017-18 Structure realignment
Total Financial Services	2416		207	148	218	573	

Audit, Risk & Procurement

Audit, Risk & Procurement	713	The Division's costs are primarily made up of staffing costs: Head of Division (1 FTE), Internal Audit (10.8 FTE), Risk Management / Insurance (3 FTE), Corporate Procurement Unit (8.8 FTE) and Corporate Services Business Support Unit (2.6 FTE). Audit Committee have made consistent representations to maintain and strengthen the Internal Audit provision which currently stands at 10.4 FTE. The Risk Unit maintains the Corporate Risk Register and co-ordinates the approach to Risk Management across the Authority whilst also dealing with the Authority's Insurances (including management of all "live claims" made against the Council by employees and the public). The Corporate Procurement Unit supports Departments in ensuring cost effective legally compliant procurement of the array of goods and services utilised by the Authority's various Services (savings emanating from better procurement are shown in Departmental savings). Finally a small Departmental Business Support Unit supports the whole Corporate Services Department's approach to Performance & Development work and the range of administrative requirements including FOIA and Appraisal Monitoring.	0	0	40	40	Structure Realignment
Total, Audit Risk & Procurement	713		0	0	40	40	

Corporate Services Total	3129	207	148	258	613
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Department	16-17 Budget		'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	
	£'000		£'000	£'000	£'000	£'000	
Community Services							
Housing & Public Protection							
Housing Licensing Fees	267	The housing licensing fees are split into three main categories which are as follows: Certain types of houses in Multiple Occupation (HMOs) must be licensed. The fees for a HMO licence fees vary between £240- 840 depending on the size and type of the property. All private rented properties in the Tyisha Ward of Llanelli must also be licensed. The fees for single household properties (family houses) is between £180-240 per property. The fee is per property not per landlord, therefore, landlords with multiple properties will have to pay for each one.	10	0	0	10	Upgrading of existing licensing scheme for private sector landlords will generate some additional fees
Temporary accomodation	93	The Council (Housing Options and Advice Team) has a general duty to place homeless clients, that are considered priority need, in interim accommodation whilst they investigate their case. The Council used to use B&Bs to meet this duty, however, this was very costly and was not the most appropriate type of accomodaton to place homeless households in. We now procure/ lease properties from the private rented sector which saves cost and allows us to place clients in appropriate accommodation. Lease contracts are currently being reviewed so that they are fit for purpose, thus allowing us to control income, loss of income and general expenditure	90	0	0	90	The way we fund the service was recently reviewed and it is more appropriate for temporary accomodation to be funded through Housing Revenue Account releasing council fund resources.
Pest control	80	Since the removal of the pest control service, the Public Health team have continued to give advice on pest control including means of elimination and removal of sources and harbourage. As a result of feedback on recurring pest problems in Council Home occupants, these visits have recently also include treatments for rats and mice in addition to providing advice. This will improved the health and wellbeing of the tenants	5	0	0	5	Limited fee income from diversification of duties of dog wardens
Trading Standards	0	Trading Standards officers enforce around 40 Acts of parliament and over 1,000 associated regulations, which impact on all aspects of your life, from the safety of your children's toys, to the honesty of property descriptions when buying your home. Whether you're buying a loaf of bread, a pint of beer or arranging credit, we are responsible for ensuring that sales are carried out within the law. Trading Standards list a number of local handypersons and gardeners on the Registered Traders Scheme.	0	50	50	100	Development fund application for a Financial investigator - forecast income streams (net of salary costs)
Divisional Staffing costs	267	The staffing complement of Housing (Council Fund) ,Public Protection and Support & care services total nearly 400 FTE's with a pay budget of over £8M. Reviews of service provision will include staffing as part of that process, which will produce savings over the medium term. This also includes acceptance of severance requests.	150	150	100	400	Divisional restructure to include on-going severences for Housing, Public Protection and Care & Support Services
Divisional supplies & services	202	The Housing and Public Protection Division has non-staff controllable budgets of approx £1.826m. The Deapartment has identified that some of these budgets will not have an inflationary uplift and budgets will be held at the same level as the year before.	35	34	0	69	Reduction in supplies, transport and premises etc
Public Protection & Trading Standards	50	Better analysis of work undertaken to discharge our duties in the public health/trading standards division. Many initiatives are targeted at specific client groups including HRA tenants.	50	0	0	50	Identification of additional work carried out on HRA related services and re-assessment of services delivered by of housing staff
Savings from new IT systems across division	202	The division has a number of business critical IT systems for services that it provides to clients and members. These include APP for the Public Protection Service, Northgate OHM's for Housing services and Jontek for Care and Support Services.	0	50	25	75	Savings as a result of investment in new I.T. system for Care & Support. There will be a requirement to replace/upgrade existing systems which will require investment (possibly capital)
Total Housing & Public Protection			340	284	175	799	

Older People Physical Disabilities

Residential Homes	3,079	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As of the 30th September 2016 there were 858 clients funded in a Residential Care Home.	200	0	0	200	Improved commissioning utilising Intermediate Care Funding
LA Residential Homes	3,079	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As of the 30th September 2016 there were 200 clients funded in a Local Authority Residential Care Home.	25	25	0	50	Additional income through extra in-house residential beds
Domiciliary Care	6,056	Domiciliary Service, also known as home care, provides practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2016 there were 1041 clients receiving a Domiciliary Service	20	10	0	30	Dom Care operational efficiency
LA Residential Homes	3,079	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As of the 30th September 2016 there were 200 clients funded in a Local Authority Residential Care Home.	0	25	0	25	Based on 5% savings on energy and other running costs following capital investment
Domiciliary Care	7,317	Domiciliary Service, also known as home care, provides practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2016 there were 1041 clients receiving a Domiciliary Service	80	0	0	80	Use of electronic call monitoring facility to ensure that delivered care hours are 1% less than contracted hrs as per new framework

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Domiciliary Care	7,317	Domiciliary Service, also known as home care, provides practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2016 there were 324 clients receiving a Domiciliary Service with double handed care	100	446	569	1,115	Reduce existing double handed care packages as appropriate while ensuring that care provided is safe and proportionate to their needs
Domiciliary Care	7,317	Domiciliary Service, also known as home care, provides 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 July 2016 there were 125 clients receiving 4+ calls per day	35	55	25	115	Reduce existing high frequency care packages while ensuring that care provided is safe and proportionate to their needs
LA Domiciliary Night Services	6,056	If you are assessed as needing care at times during the night, to support you and avoid unnecessary admission to hospital or residential care there are Domiciliary Support Workers who work through the night. The "Through the Night Domiciliary Service" works in conjunction with other night services providing non-medical personal care to people living in the community through the Community Alarm Service. For the period April 2016 to September 2016 the department carried out 3906 planned night calls and 355 unplanned night calls.	150	50	0	200	Review and remodel Community and Extra Care service to align with falling demand.
Divisional Supplies	835	Services provided to Older People and Physical Disabilities client groups have non-staff controllable budgets of approx £34m. The Department has identified that some of these budgets will not have an inflationary uplift and budgets will be held at the same level as the year before.	93	122	0	215	no inflationary uplift
Management & Support	835	Management and operational workforce	0	45	50	95	review of staffing
Reablement	7,317	A programme of reablement encourages service users to regain their confidence and skills following a period of illness or an injury. The programme is agreed by a multidisciplinary team and supports individuals to meet their expressed goals to return to a level of independence and includes support with daily living activities and other practical tasks. The programme may last up to 6 weeks.	30	167	111	308	Through effective MDT intervention increase number of people requiring long term care following reablement
Domiciliary Care	7,317	Domiciliary Service, also known as home care, provides practical or personal care for someone in their own home. This could be because health or mobility is declining, or a person may have been in hospital or they have a long term health condition. As at the end of August 2016 there were 194 clients receiving a small package of Domiciliary Care.	31	62	62	155	Reduce the number of care packages of less than 5 hours by 50% through effective MDT working and sourcing alternatives to meet client outcomes
Information Advice & Assistance	7,317	The provision of an Information, Advice and Assistance (IAA) service is a new duty under the Social Services and Wellbeing(Wales) Act. Evidence has demonstrated that providing a robust IAA service to the public empowers individuals to find solutions to support their needs. This focus on prevention helps people to maintain their own independence and wellbeing and can reduce demand on formal care services	0	186	186	372	To provide the public with robust information and advice to enable them to 'help to help themselves' and avoiding formal services where appropriate
LA Extra Care	7,317	Extra care is a good compromise between sheltered housing and a care home. It allows residents to continue living independently, typically in a self-contained flat or bungalow, while benefiting from personal care support. As at the end of August 2016 there were 74 clients receiving a small package of Domiciliary Care.	50	0	0	50	Review and promote reablement interventions to reduce levels of dependency
Careline	-105	Careline is a personal alarm service that the department provides. The alarm is monitored 24 hours a day, 7 day a week, every day of the year. The service can help people with different needs from older people who may live alone (providing them with the knowledge that help is always at hand) to those living with medical conditions, learning difficulties or maybe mobility problems (enabling them to continue to live independently). It provides peace of mind for family members knowing that loved ones can access help immediately, if needed. There are currently 1,236 clients receiving Telecare from the department.	127	0	0	127	Careline income from corporate clients
Total Older People Physical Disabilities			941	1,193	1,003	3,137	

Learning Disabilities

Private Sector Residential Homes	6,891	People may move into a care home because they have gradually found it more difficult to manage at home, or because an illness or accident has affected their ability to live independently. Residential care homes offer services such as laundry and meals and help with personal care. Some homes offer short-term stays but normally they provide more long-term or permanent care. As of the 30th September 2016 there were 185 Mental Health & Learning Disability clients funded in a Private Residential Care Home.	400	450	125	975	Reviewing and rightsizing of residential placements and community care packages to ensure an appropriate level of support, this will include stepping down provision to maximise independence and collaborative funding opportunities with health partners. This savings target also takes account of growth in demand based on data over the last three years.
Supported Accommodation	6,891	Supported living is a type of residential support that helps vulnerable adults, including people with learning disabilities, to live independently in the community. Supported living arrangements are very flexible and are designed to give each person choice and control over their home and the way they live their life. As of the 30th September 2016 there were 146 Mental Health & Learning Disability clients receiving supported accommodation.	50	100	100	250	
Other Non Residential services	1,891	Services provided to clients to meet identified need including community support, day care, day opportunities, direct payments, respite care and Shared Lives / Adult Placement	20	60	40	120	

Supported Accomodation	5,207	Supported living is a type of residential support that helps vulnerable adults, including people with learning disabilities, to live independently in the community. Supported living arrangements are very flexible and are designed to give each person choice and control over their home and the way they live their life. As of the 30th September 2016 there were 146 Mental Health & Learning Disability clients receiving supported accommodation.	300	0	0	300	Introduction of a Capped Hourly rate for service providers of supported accomodation.
Ordinary Residence	5,207	Section 35 of the Social Services and Wellbeing (Wales) Act 2014 requires a local authority to meet the care and support needs of individuals who are ordinarily resident in their area. The concept of 'Ordinary residence' is used to determine which local authority has a duty to assess and meet the care and/ or support needs of an individual. A person is ordinarily resident if they are normally residing in the UK (apart from temporary or occasional absences), and their residence here has been adopted voluntarily and for settled purposes as part of the regular order of their life for the time being, whether for short or long duration. An example of this would be someone from Carmarthen who has moved to live in a property in a neighbouring authority and has the mental capacity to make that decision.	50	100	100	250	Transfer of funding to other authorities for clients with Ordinary Residence Issues
Divisional Staffing costs	1,105	Management and operational workforce	50	80	100	230	Divisional restructure including on-going severences
Total Learning Disabilities			870	790	465	2,125	

Support Costs

Support Costs	1,856	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	71	69	0	140	Reduction in staffing
Total Support Costs			71	69	0	140	

Leisure**Sport & Leisure West**

Bro Myrddin Indoor Bowling Club	21	Bro myrddin Bowls Centre transferred to the local Authority in approx 2004, reason being the management committee could no longer sustain the costs on operating the centre. After a number of years within Leisure services we negotiated an asset transfer back to the members(2015) whom created a trust with charitable status enabling opportunities to draw down grants etc. part of the agreement is a reduced subsidy over three years. We are now in the second year and accounts from the club show excellent results. The club membership is growing and signs that long term sustainability is achievable!	5	5	0	10	Asset transfer already agreed and completed. Reducing subsidy support to new management body. No subsidy from 2019/20
Total Sport & Leisure West			5	5	0	10	

Sport & Leisure East

Dinefwr Bowling Club	24	Around 8,000 visits last year to the club.	5	5	5	15	Asset Transfer already agreed and completed. Reducing subsidy to support new management body. No subsidy from 2020/21
Total Sport & Leisure East			5	5	5	15	

Countryside Facilities

Pembrey Country Park	-54	Pembrey Country Park has been transformed into one of Wales's top visitor attractions providing a unique blend of coast and countryside. Eight miles of golden sands set against the spectacular backdrop of the Gower Peninsula and overlooking the coastal scenery of Carmarthen Bay. There is everything from caravan and camping (with electric), 550 acres of idyllic woodlands, 130m long dry ski slope to the longest toboggan run in Wales - all providing a perfect family day out or a relaxing holiday in idyllic surroundings.	15	15	15	45	Increased barrier income relating to caravan, camping and events
Total Countryside Facilities			15	15	15	45	

Culture & Heritage

Theatres	327	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 2015/16 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	20	0	20	Realignment of staffing structure with delivery of 1-2 FTEs
Libraries	2,367	Carmarthenshire libraries provides an extensive choice of books, DVDs, CDs, online services, newspapers and magazines, there is something for everyone! With over half a million books on offer between 3 regional, 13 branch and mobile libraries you're never too far away from a centre of knowledge. Public access computers and Wi-Fi are available at all libraries. Keeping up to date with technology there is now the Playstation 4 available at Llanelli, Carmarthen and Ammanford library. Carmarthenshire is the 4 th busiest Library in Britain. There have been over 600,00 issues of books per year. Promoting a new mobile service in January 2017 as an out of reach service, linking up with various partners to deliver this new service.	47	40	0	87	More efficient procurement of Library books, using a national framework supplier to purchase and deliver books to our Library sites. Potentially 3 FTE's affected
Total Culture & Heritage			47	60	0	107	

Total Leisure

72 85 20 177

Community Services Total

2,294 2,421 1,663 6,378

Department	16-17		'2017-18	'2018-19	'2019-20	Total	
	Budget		Proposed	Proposed	Proposed		
	£'000		£'000	£'000	£'000		
Environment							
Business Support and Performance							
Operational compliance training	597	The Policy and Performance Division provides support and advice to all sections of the Department by providing a variety of financial, administrative, democratic, business support and performance management services.	0	15	0	15	To generate external income through the provision of Operational compliance training.
Business Support review		A review of business support within the department is currently ongoing with a view to streamlining processes and functions.	0	100	0	100	Efficiencies generated as a result of the implementation of the Business support review recommendations.
Total Business Support and Performance division			0	115	0	115	
Waste & Environmental Services							
Waste and Environmental Services Division	904	The newly-formed division includes the Waste services section, Cleansing, Grounds Maintenance, Flood defence and Environmental Enforcement.	30	0	0	30	Divisional review to be undertaken following the departmental re-alignment with a view to rationalising service provision.
Ammanford Cemetery	18	Operation and maintenance of Ammanford Cemetery.	4	0	0	4	Testing and remedial works now complete. Remaining budget to be utilised to undertake routine grounds maintenance work and routine cyclical testing of headstones/monuments.
Cleansing & Grounds service	3,823	Cleansing : 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. Grounds : maintenance of CCC grounds, parks, playgrounds and amenity areas.	100	0	0	100	Efficiencies to be generated from the amalgamation of the Cleansing and Grounds services. This will include savings on pay costs, sub-contractors and plant and vehicles.
Maintenance of transferred assets		Transfer of Parks, Playgrounds and Amenity areas to Town Councils, Community Councils or Sports organisations.	20	100	200	320	Reduction in maintenance costs following the transfer of assets to Town/Community Councils or sports organisations.
Total Waste & Environmental Services division			154	100	200	454	
Highways & Transport							
General - Public & School Transport	4,311	The County Council provides financial support to enable the provision of socially necessary bus and community transport services where the commercial sector does not provide. Over 1.07 million passenger journeys are supported each year. The bus network covers 13,658 kms every day. 55% of the overall network is subsidised to sustain access for communities. The Authority also provides school and college transport for 8,258 pupils/students who are eligible for assistance. Circa 3.07 million passenger journeys per annum are undertaken on the school/college network of services.	40	100	0	140	Supply chain efficiencies across both public and school transport networks
Highways & Transport division	237	The Highways and Transportation services merged into a single division in August 2016. This will provide an opportunity to reduce areas of duplication.	40	35	0	75	Divisional review to be undertaken following the departmental re-alignment with a view to rationalising service provision.
Highway Lighting	1,262	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. LED lamps are replacing the previous Sodium lamps.	173	107	0	280	Saving in energy consumption arising from investment in LED lighting and installation of timers for part night illumination. WG invest 2 Save funding has been approved. Proposal is to reduce operating costs without turning lights off. Delivery programme is underway.
Parking Services	-1,520	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.	36	0	0	36	Reconfiguration of car park long and short stay spaces to secure better utilisation of space where there is high demand in certain car parks and lower demand in others. This mainly affects St Peters and John Street Car Parks.
Highways	8,237	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.	292	292	292	876	Improving the efficiency across the supply chain from supplies and services, programme management and works delivery.
GPS contract	-1,436	The County Council has installed GPS technology in over 420 vehicles operated in the fleet. The contract for the supply of the system has been retendered and will deliver efficiency savings	70	0	0	70	GPS Contracted retendered
School Crossing Patrols	179	The County Council currently provides a school crossing patrol service at 51 sites across the county. The service is a non statutory service.	55	0	0	55	Efficiencies can be gained where site assessments deem that the threshold criteria for the provision of a Safe Crossing Patrol is no longer met. The site assessments will only take place when an opportunity arises to review the safe crossing patrols.
Fleet Management	-1,436	The Winter Maintenance Fleet has been reviewed and is being modernised. Dual purpose tipper/gritter combinations are being introduced which will enable the Council to reduce the number of vehicles operated from 34 to 21..	94	0	0	94	Winter maintenance - Fleet rationalisation and innovation.
Total Highways & Transport division			800	534	292	1,626	
Property							
Building Services	-1,106	Providing the day to day management, design and procurement of maintenance services across all the Authority's buildings which includes Housing, Corporate and Educational establishments.	85	0	0	85	Divisional review to be undertaken following the departmental re-alignment with a view to rationalising service provision.
Admin Buildings	2,394	Energy, rates, telephone and cleaning costs for Administrative Office buildings including St David's Park	90	116	65	271	Savings on the running costs of the Council's office accommodation following vacation and subsequent sale or rental: 2017-18: £40k Vacation and Sale of Ty'r Nant, £50k vacation of Pibwrlwyd Offices; 2018-19: £116k reduction in office accommodation costs following staff reduction / agile working; 2019-20: £11k Sale of Nurses Home & Job's Well House, St David's Park plus £54k reduction in office accommodation costs following staff reduction / agile working
Total Property division			175	116	65	356	

Planning

Development Management	224	<ul style="list-style-type: none"> The Development Management Unit manages the statutory planning application process (including pre application and also discharge of conditions and variation of conditions post approval). The Unit deals with between 1700 and 1900 applications on average each year (roughly 150 cases per annum per Officer). The unit is also responsible for planning enforcement matters including enforcement of planning conditions and unauthorised development and built conservation matters, dealing with roughly 500 cases per annum. 	33	20	0	53	Savings have been identified in both 2017/18 and 2018/19 in terms of staffing. This is part of overall reconfiguration of posts within the Development Management section aimed at improving resiliency and efficiency and re-targeting of resources within the Business Unit.
Building Control	167	<ul style="list-style-type: none"> The Building Control Unit has overall responsibility for the management and administration of building control compliance in accordance with statutory requirements. 	30	0	0	30	The savings identified are to be achieved through a combination of: <ul style="list-style-type: none"> - a reduction in travel as far as appropriate which should be significantly assisted by new ways of working particularly agile working; and - overall gains to be achieved through office co-location with Development Management and also a reconfiguration of the technical Team to ensure future resilience but at the same time achieving some financial savings.
Minerals & Waste	147	<ul style="list-style-type: none"> The Team ensure that the significant aggregate resources and waste within Carmarthenshire are provided and managed in a sustainable way. This involves dealing with applications for waste and mineral workings/sites, dealing with enforcement matters relating to such sites and also required monitoring regarding the operation of such sites. The Team also undertake the above functions in whole or in part for another 7 Local Authorities in South and West Wales. 	10	15	0	25	New Service Level Agreements are being progressed by the Council and therefore the Team's income should be increased by £10k during 2017/18. This increase will result from a combination of revising existing SLAs and through the introduction of new SLAs. In 2018/19 there will continue to be some increase in income 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	436	<ul style="list-style-type: none"> Division responsible for producing and assisting with implementation, including on-going monitoring of plan delivery and on-going revision of evidence base, of all development plans which cover or part cover Carmarthenshire. These plans include: <ul style="list-style-type: none"> o Spatial plans – the potential for plans to span more than one (or part of) County in future years o the Local Development Plan which was adopted for Carmarthenshire in 2014 and o Development Briefs for specific sites and areas - a number of which have now been produced for the County. Also involved in assisting with development and or disposal of Council owned land/property in relation to advising on potential uses and providing consultancy role regarding preparation of planning applications on behalf of the Council. 	7	7	0	14	Opportunity for overall cost saving for the Council corporately in terms of external consultancy costs. The Team will deliver, where possible, a consultancy product in the form of development briefs and planning application submissions to assist the corporate function of the Council in relation to future use of Council land and property.
Planning division	381	<ul style="list-style-type: none"> Budget covers Head of Service functions along with business and administrative support to all functions within the Planning Division including: Development Management (incl. Enforcement); Building Control, Rural Conservation, Waste and Minerals, Forward Planning (Development Plans) and the Tywi Centre Heritage Centre. Functions include general research and policy work, publishing and printing, business planning, budget planning, orders and payments, monitoring, health and safety, IT systems and licenses, general procurement. 	40	0	0	40	Review of publishing and printing budgets now that large proportion of Divisional work is covered electronically resulted in identified reduction in those budgets. Efficiencies to be achieved through entering into Service Level Agreements with a few identified specialist external consultants (where skill cannot be provided by Forward Planning) with regard to recurring contracts rather than entering into one off contracts. Rationalisation of various printers across the division – increased emphasis on sharing specialised printers – will lead to reduced license and running costs.
Total Planning division			120	42	0	162	
Service rationalisation	0		0	100	100	200	Review of service basis currently being undertaken with a view to producing efficiencies in the forthcoming years.

Environment Total**1,249 1,007 657 2,913**

Department	16-17 Budget	FACT FILE	'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	EFFICIENCY DESCRIPTION
			£'000	£'000	£'000	£'000	
Education & Children							
Catering Services - School Meals	168	<ul style="list-style-type: none"> The Catering Service provides school meals in all Carmarthenshire primary schools and 11 of our 12 secondary schools. The budget, including primary breakfasts, is some £7.7m. Taking account of income and Welsh funding for Free School Meals, the net cost of the service to the Council is in excess of £200k, not including indirect costs (such as Human Resources support, Health & Safety support etc). Based on current charges for a primary school meal, Carmarthenshire prices are the joint highest in Wales. Costs have been saved over recent years by reducing staffing levels and smarter purchasing of food and other supplies. 	100	70		170	Increase the cost of a primary school meal price to £2.50 in April 2017 and £2.60 in April 2018. There will be similar increases in charges for food in secondary schools. The price was increased by 10p per meal this financial year 2016-17 and there has been some reduction in the number of children having school meals.
Youth Services	855	<ul style="list-style-type: none"> Youth Services currently uses the Quay centre in Carmarthen for activities including meetings (youth groups, referral order panels, Duke of Edinburgh Open access Awards, training events and working with young offenders. Some 20 young people from two youth clubs also use the centre each week. The building is currently underutilised with weekday occupancy of just 10% (half a day per week). There are escalating costs in relation to maintenance and repair which include the surrounding grounds, which the Youth Support Service is unable to meet. Prior to vacating the building, suitable alternative venues would be sought in Carmarthen so that a youth service presence and provision for young people would be maintained within the town. 	20			20	<ul style="list-style-type: none"> The Quay Centre Carmarthen will cease to be used by the Youth Support Service (on or before 31st March 2017) and handed over to the LA Corporate Property Service for alternative use This may produce income for the County Council Re distributing activities from The Quay Centre will require some planning and require agreements with other locations and providers and is not guaranteed to be fully cost neutral at this stage.
Educational Psychology	906	<ul style="list-style-type: none"> The Educational Psychology service provides specialist educational and emotional support to children and young people. It is a statutory service under the Education Act 1996. The budget for the service is £928k, and there are 13 staff in the team. A loss of one post will mean the service standard will reduce accordingly. 	60			60	Reduction of one post through review of existing structure; following the departure of one member of staff who has moved out of the county. .
Delegated school budget	109,247	<ul style="list-style-type: none"> This is the budget delegated to every school under the Fair Funding formula. The budget is to meet all the costs associated with running a school e.g. staff costs, premises costs, SEN specialist support, Service Level Agreements for specific services such as HR, IT, legal, grounds maintenance, music. 	3,779	3,485	3,487	10,751	<ul style="list-style-type: none"> Reduced school budgets will lead to schools having to review their spending and to consider staffing levels, class sizes and provision. To manage this level of reduction there will be an impact on staffing as a high % of a school's budget is used to employ staff. A reduction of £3.7m in the first year could possibly result in 60 teachers or 130 support staff (or a combination) being made redundant. Schools have been encouraged to work in partnership and collaborate with other schools in matters of resourcing and employment, however the scale of the budget reduction will result in some redundancies. Reduced provision could impact on the high standards achieved by Carmarthenshire's learners and the support provided for vulnerable/disabled pupils.
Education & Children Total	111,176		3,959	3,555	3,487	11,001	

Department		FACT FILE	'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	EFFICIENCY DESCRIPTION
			£'000	£'000	£'000	£'000	
Community Services							
Libraries	2,367	Carmarthenshire libraries provides an extensive choice of books, DVDs, CDs, online services, newspapers and magazines, there is something for everyone! With over half a million books on offer between 3 regional, 13 branch and mobile libraries you're never too far away from a centre of knowledge. Public access computers and Wi-Fi are available at all libraries. Keeping up to date with technology there is now the Playstation 4 available at Llanelli, Carmarthen and Ammanford library. Carmarthenshire is the 4 th busiest Library in Britain. There have been over 600,00 issues of books per year. Promoting a new mobile service in January 2017 as an out of reach service, linking up with various partners to deliver this new service.	29	36	40	105	To ensure a library service continues to be available in Carmarthenshire, the proposal is to close or co-locate the least cost effective branch libraries and provide the service through an enhanced mobile library service if they were to close. A desktop review of branch libraries has been carried out to determine usage, costs, staffing, opening hours, and to consider other community provision, however a detailed review would be required with full consultation if the proposal was taken forward
Community Services Total			29	36	40	105	

Department	16-17 Budget		'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	
Community Services	£'000	FACT FILE	£'000	£'000	£'000	£'000	EFFICIENCY DESCRIPTION
Housing & Public Protection							
Grants to voluntary sector	170	These services support CAB's core funding and also includes Client Home Visits Welfare Benefits assessment in Carmarthenshire. As well as advice on services provided by local authorities they also advise on work, relationships, law, discrimination, tax etc.	170	0	0	170	Grants – cessation of voluntary sector funding (currently £170K for CAB)
Older People Physical Disabilities							
Day Services	997	Day opportunities (Services) in Carmarthenshire provide a chance for people to take part in activities outside of the home whilst also providing a break for carers. Some day opportunities are for people with mental health needs, learning disabilities and/or physical disabilities. As of the 30th September 2016 there were 550 clients receiving a Day Service	50	150	0	200	Review and redevelop day services in order to meet the diverse needs of our population.
Sport & Leisure							
Community Leisure Centres	119	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 2015/2016. The Amman Valley Leisure Centre Gym Refurbishment is underway as part of a 1 million investment plan for gyms.	27	31	60	118	Closure of the Gwendreath (Canolfan Carwyn) facility with transfer of provision to new Maes Y Gwendraeth community school nearby. The new facility caters for demand, with squash users potentially re-located to under-utilised facilities at Carmarthen or Llanelli Leisure Centres. Proposals also include the asset transfer (or possible closure) of St Clears Leisure centre, which is one of the smaller facilities within the portfolio, where demand could be met through Carmarthen Leisure Centre and / or Dyffryn Taf School facilities.
Community Services Total			247	181	60	488	

Department			'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	
Environment		FACT FILE	£'000	£'000	£'000	£'000	EFFICIENCY DESCRIPTION
Parking Services	-1,520	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.	0	0	120	120	Review of revenue options to support transportation and highway related services.
Cleansing	1,834	The County Council maintain over 3,500km of roads throughout the County. The Cleansing Service provides for the sweeping and de-littering of streets and footways. The service includes mechanical sweeping of highways, footways and pedestrianised town centre areas, hand litter picking and emptying bins, chewing gum removal, graffiti and illegal poster removal, clearing up illegal dumping of rubbish and dog mess. On average the County Council removes around 40 tonnes of litter every week, the equivalent of 5 elephants.	0	0	164	164	Review and re-configure the routine scheduled mechanical sweeping of residential areas with a view to undertaking sweeping/cleansing work on a reactive basis in the future, potentially adopting a zoned approach. In order to achieve the saving identified, the number of mechanical sweepers will need to be reduced, together with the number of drivers through voluntary severance.
School transport policy review	624	The County Council provides school and college transport for 8,258 pupils/students who are eligible for assistance. Circa 3.07 million passenger journeys per annum are undertaken on the school/college network of services. Elements of the service are provided on a non statutory basis - many authorities have chosen to restrict free school/college transport provision to the statutory requirements.	0	0	65	65	Review of non statutory service provision
Environment Total			0	0	349	349	

Department		FACT FILE	'2017-18 Proposed	'2018-19 Proposed	'2019-20 Proposed	Total	EFFICIENCY DESCRIPTION
Education & Children			£'000	£'000	£'000	£'000	
School Improvement (ERW)	1,089	<ul style="list-style-type: none"> There is presently a legal agreement in place governing the level of contribution made by Carmarthenshire to the regional School Improvement Service (ERW). This agreement would need to be amended and would require the approval of the Welsh Government and other ERW partners. 			150	150	Review annual financial contribution to ERW on the assumption that school standards remain high and continue to improve through enhanced school to school support and collaboration, reducing the need for external intervention.
Out of County Placements	669	<ul style="list-style-type: none"> Due to the extremely complex and specific needs of a small number of children and young people, their needs cannot be met within Carmarthenshire. Suitable provision is procured from settings which specialise in meeting these complex needs. There are currently 5 children in out of county placements. 			148	148	Seek to reduce the number of children or young people placed in specialist provision out of county by developing local services, including highly skilled foster placements.
Music Service	143	<ul style="list-style-type: none"> The music service provides peripatetic tuition to around 6,000 pupils. It arranges a number of high quality county ensembles and choirs. Music service staff also provide curriculum tuition to all pupils in a number of schools. Maintaining and evolving the service is being planned in tune with proposed reforms to the Welsh schools' curriculum. The aim is for music to thrive in support of young people's creative and aesthetic development. 	30		100	130	Additional income to be generated by increasing the charge to schools by £3 per hour, from £56 to £59. This may mean schools will pass the extra charge on to parents for additional lessons by changing their Parental Charging policy. The service is also proposing to generate further income by charging parents of participating pupils £10 per term for the junior county ensembles. Both proposals may place additional burdens on schools and/or families. The schools increase could pose a risk to the continuation of the service.
Special Education Needs (SEN)	1,679	<ul style="list-style-type: none"> Schools are delegated a budget to provide support to pupils with additional learning needs e.g autism, speech and language difficulties, dyslexia. Currently 947 pupils in Carmarthenshire have a statement of Special Educational Needs. There are other pupils who access support at school action/school action+ stages of the SEN Code of Practice. The funding is used for various services such as additional specialist teaching, teaching assistant support, specialist teaching resources and special educational needs co-ordinators. 	70			70	Reduce the core budget to schools. This would be distributed between 82 schools (all those with more than 100 pupils). Each school affected would need to reassess their provision, or realign budgets in order to make up for the shortfall. This could result in less 1:1 support sessions, reduced Teaching Assistant support or reduced hours for Additional Learning Needs Coordinators to support learners.
Delegated school budget	109,247	<ul style="list-style-type: none"> This is the budget delegated to every school under the Fair Funding formula. The budget is to meet all the costs associated with running a school e.g. staff costs, premises costs, SEN specialist support, Service Level Agreements for specific services such as HR, IT, legal, grounds maintenance, music. 			500	500	Rationalise primary schools that are disproportionately expensive to operate and unable to sustain educationally effective teaching and learning structures due to financial constraints, through carefully selected decommissioning and strategically driven expanded school federation.
Education & Children Total	112,828		100	0	898	998	

	2017-18 £'000	2018-19 £'000	2019-20 £'000	Total £'000	Comment
Chief Executive's					
Coroners	100			100	Review of pay arrangements plus further costs due to more post-mortems/clinical tests etc.
Wellness project	25			25	CCC contribution to Wellness Manager post
Premises costs for Nant-y-ci	50			50	Efficiency not delivered and due to new structure re-alignments the premises is now needed in the medium to long term therefore a re-instatement of premises budgets is required.
	175	0	0	175	
Education & Children					
Leaving Care/When I'm ready	100			100	Statutory Code of Practice relating to Part 6 of the Social Services and Well-being (Wales) Act 2014 sets out a local authority's legal responsibilities in respect of post-18 living arrangements for young people in foster care. Local authorities are required to set up local 'When I am Ready' schemes in line with the requirements in the code. Estimated costs in relation to accommodation, education, training, work and maintenance
Respite centres	100			100	£100k efficiency in 2015-16 was on the basis of agreeing additional income from the LHB for the level of medical related care required at the respite centres. This is to be progressed as part of wider collaboration discussions and there is no timescale currently which has created a budget deficit in a challenging service.
Psychology and ALN reform/CFU expansion	40	20		60	Legislative changes within the ALN reform bill planned by December 2016, to be implemented during 2017/18, anticipated that additional staffing resource will be needed.
Education Other than at School	100			100	Demand is increasing at an accelerated pace with the budget having overspent by an increasing amount over the past 2 years or more
Total Education & Children	340	20	0	360	
Communities					
Burry Port Harbour	30				Increase in the mechanical sand dredging budget (net of anticipated increased moorings income).
Residential Care Pressures	850	1,200	1,600	3,650	Cost and demand pressures in older people residential care.
Total Communities	880	1,200	1,600	3,650	
Corporate Services					
Procurement	93				Realignment to strengthen the section to assist in delivering the Procurement Strategy and the TIC procurement review.
Total Corporate Services	93	0	0	0	
Environment					
Streetscene					
Waste strategy	268	453	711	1,432	Waste strategy costings. Legislative pressure due to Part 4 of the Environment Bill (increase trade waste recycling rates)
Potential reduction in Environmental Grant	260	260	260	780	Estimated shortfall in the Single Revenue grant based on the reduction between 15/16 and 16/17.
Residual Waste treatment	460	0	0	460	Estimated increase in prices of £20/tonne in RDF costs
Transport					
Safe walking routes to schools	39	39	39	117	Implementation of revised statutory guidance on the criteria for Safe Walking routes to School
	1,027	752	1,010	2,789	
Total Growth Bids	2,515	1,972	2,610	6,974	

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EXECUTIVE BOARD

6TH FEBRUARY 2017

FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2017/18 TO 2021/22

EXECUTIVE BOARD RECOMMENDATIONS:

That County Council approve:

1. The Five Year Capital Programme and funding as detailed in Appendix B, with 2017/18 being a hard budget and 2018/19 to 2021/22 soft/indicative budgets.
2. That the 2021/22 budget be reviewed over the coming year in order to address the funding shortfall.
3. That the programme be reviewed, as is usual, if anticipated External or County Council funding does not materialise.

REASONS:

To enable the Authority to agree a Five Year Capital Programme 2017/18 to 2021/22.

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

Executive Board Member Portfolio Holder – Cllr D.M. Jenkins

Directorate: Corporate Services Report Author: Chris Moore	Designation: Director of Corporate Services	Telephone: (01267) 224160 E-mail address: cmoore@carmarthenshire.gov.uk
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EXECUTIVE SUMMARY
EXECUTIVE BOARD
6TH FEBRUARY 2017

**FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) – 2017/18
TO 2021/22**

The report brings together the latest proposals for the Five Year Capital Programme 2017/18 to 2021/22. The report also takes account of the consultation exercise undertaken and the revenue implications arising from the capital programme.

The capital programme proposed gross expenditure for 2017/18 is £71.760m with the projected funding of the programme being £46.642m from the County Council through the use of borrowing, capital receipts, reserves and general capital grant. The balance of funding of £25.118m will come from external sources.

The capital programme is projected to be fully funded over the first 4 years from 2017/18 through to 2020/21 while the final year 2021/22 shows a shortfall which will be reviewed over the coming year.

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 from 2017/18 through to 2020/21 but 2021/22 has a funding shortfall of £1.000m which will be reviewed over the coming year. If any of the currently anticipated funding does not materialise, the Capital Programme will need to be revisited.

Physical Assets

New assets created from the Capital Programme will be added to the Council's portfolio. In addition the Programme proposes expenditure to improve the existing assets and comply with statutory responsibilities.

CONSULTATIONS

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

Signed: C. Moore

Director of Corporate Services

1. Local Member(s) N/A.
2. Community / Town Council N/A
3. Relevant Partners Full consultation has been undertaken
4. Staff Side Representatives and other Organisations Full consultation has been undertaken

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
These are detailed below

Title of Document	File Ref No.	Locations that the papers are available for public inspection
2016-21 Capital Programme		Corporate Services Dept, County Hall, Carmarthen
2017-22 Capital Programme		Corporate Services Dept, County Hall, Carmarthen

REPORT OF DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD

6th FEBRUARY 2017

FIVE YEAR CAPITAL PROGRAMME – 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

DESIGNATION	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Corporate Services	01267 224160
AUTHOR & DESIGNATION	DIRECTORATE	TELEPHONE NO.
C Moore, Director of Corporate Services	Corporate Services	01267 224160

1. INTRODUCTION

- 1.1. Executive Board on the 21st November 2016 considered and endorsed the Five Year Capital Programme 2017/18 to 2021/22 report for consultation purposes.
- 1.2. This report updates members on the latest position taking account of the consultation results and aims to establish the Authority's Five Year Capital Programme.
- 1.3. The Authority is required to approve a rolling capital programme each year as part of the budget process. This facilitates forward planning, is consistent with the requirements of the Prudential Code in terms of financial planning and funding, and assists officers in bidding for external funding.
- 1.4. 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 Budget Strategy has been subject to a full consultation exercise since the initial report was presented to Executive Board on the 21st November 2016, and comprehensive feedback is detailed within the Revenue Budget report which is being presented to the same meeting.
- 2.2. The detailed Capital Programme (Appendix B) has also been presented to Scrutiny Committees to seek their views on the 5 year proposals. The minutes for the Scrutiny Committee meetings are attached in Appendix A for review.

3. FUNDING

- 3.1. The final settlement that has recently been received from the Welsh Government indicates capital funding of £9.400m for the Authority in 2017-18. This is made up of Supported Borrowing of £5.844m and General Capital Grant of £3.556m, which was unchanged from the provisional settlement. This means a small decrease in funding of £9k or 0.1% compared to the current financial year 2016-17. In the absence of any forward indications by WG this level of funding has been assumed for each year of the five year programme.
- 3.2. The level of capital receipts funding included within the programme has been revised in line with latest estimates. General capital receipts of £11.096m are forecast over the 5 year period together with earmarked Education receipts from the sale of school buildings at £1.739m. The level of receipts is continually monitored during the year and may require future capital programmes to be adjusted if there is a shortfall. Capital receipts for 2020/21 and 2021/22 are notionally included at £1.500m for each year, but no individual assets have been identified at this time.
- 3.3. Usage of earmarked reserves were approved as part of previous year's reports and were included as funding for the current capital programme. Additional funding has now been identified and allocated within the new proposed programme that has been submitted by Departments. In total some £26.722m of reserve funding is included over the five years of the programme as set out in this report.
- 3.4. Within the Modernising Education Programme (MEP) additional resources have been approved in recent years for the Band A 21st Century Schools projects. This has arisen as the WG had asked Authorities 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 coming from the WG. The Authority will need to monitor closely the development of this programme in order to ensure that funding is available to cover the projects as they are committed.
- 3.5. The Revenue Budget Strategy elsewhere on the agenda today, outlines the work currently being undertaken to review the Minimum Revenue Provision within the annual budget, taking account of the discretion allowed in the regulations. The report outlines the potential sum available from a change in our policy, and how such funding could be utilised. Within this capital programme therefore, an anticipated sum of £1.5m has been utilised in the funding for 2017/18, with £600k per annum thereafter on the basis that expenditure on future capital schemes will only be committed when the change in policy is agreed and funding is secured.
- 3.6. Members will further be aware from the Extraordinary meeting of Council held on the 25th January 2017, that delegated authority was granted for the Leader of Council or the Chief Executive to sign the city deal agreement on the basis set out in that report. The exact level of borrowing and structure and terms of the borrowing in respect of the projects is yet to be confirmed, and when further details of the investment are known, a full business case

appraisal of the individual projects will be completed. By the very nature and scale of the projects included within the City Deal, the capital programme over the 5 years will need to change to accommodate these developments. Future reports will be presented as and when the detailed information becomes available.

4. CAPITAL PROGRAMME 2017/18 TO 2021/22

4.1. When the capital programme was approved at County Council on 23rd February 2016, it was fully funded by the end of the 4th year but showed a shortfall of £2.789 in 2020/21. This shortfall was subsequently addressed during the closure of the 2016-2017 accounts.

4.2. The review looked at both the existing projects and the new proposals put forward and the revised capital programme is set out within this report for consideration.

Community Services

4.3. Within Community Services the main additions include the Restaurant/Café, Visitor Hub, Indoor Activity Centre and Beach Sports Zone Area at Pembrey Country Park in 2017/18. A further investment of £500k into Carmarthen Museum £250k (2018/19) and £250k (2019/20). Elsewhere on the Executive Board agenda today is a report relating to the urgent future maintenance needs at Burry Port harbour, which includes urgent works to the harbour walls and significant dredging works. The Capital Programme has therefore been updated to reflect the £2.340m required over the 5 years. There will also be longer term requirements beyond the 5 year life of this programme.

4.4. Included within the Social Care section, is the budget of £5.5m for the Llanelli Area Review. This budget will be used in conjunction with the £1.5m allocated in 2016/17. Thereby the total budget for this scheme still stands at £7.0m

4.5. In 2021/22 within Private Sector Housing, funding is provided for Disabled Facility Grants £2m, while in Leisure the Rights of Way Improvement Programme is allocated £50k and to replace the Astro Pitch at Carmarthen Leisure Centre £250k

Environment

4.6. A number of new proposals for the 2021/22 year have been included. Some of these are a continuation of existing rolling programmes of work such as Highway Improvements £600k, Bridge Maintenance £400k and Road Safety Improvement £500k.

4.7. There is also further funding allocated in 2021/22 to existing projects such as the Cross Hands Economic Link Road Phase 2 with £750k CCC funding and the Tywi Valley Transport Corridor Concept £500k CCC funding.

- 4.8. A new proposal has been included in 2021/12 for a further phase of redevelopment of the Glanamman Industrial Estate at £1m. The continuation and ongoing investment into Capitalised Maintenance of £2.9m is retained for 2021/22

Education and Children

- 4.9. In the Education and Children Services capital programme the MEP includes the continuation of the Band A 21st Century Schools improvement programme. The programme has been reprofiled to reflect updated costs and the phasing of work. New schemes have also been included for proposed works at Gorslas, Dewi Sant and Laugharne, to the value of £17.250m (17/18 to 19/20) which are jointly funded by Welsh Government grant and the Authority .
- 4.10. Further funding has also been allocated in 2021/22 for the next stage of the 21st Century Schools improvement programme. The Band B projects have been allocated County Council funding of £7,078m for Ammanford Primary, Llandeilo Primary, Kidwelly Primary and Five Roads Primary and it has been assumed that WG will provide grant funding for these schemes, although the rate is yet to be confirmed.
- 4.11. In 2021/22 the continuation of the Pupil Referral Unit scheme has been included for the upgrade on an existing site at Porth Tywyn old site £1.800m.

Chief Executive and Corporate Services

- 4.12. In the Chief Executive and Corporate Services programme, which now includes Economic Development, funding has also been allocated in 2021/22 for various IT Developments £900k and in 2017/18 and 2018/19 £200k per annum has been allocated to Digital tranformation scheme development.

Following the recent completion of the Parry Thomas Centre at Pendine, Economic Development are looking to pursue the next phase of investment. The proposals consist of a suit of five individual but complimentary projects and includes; Sands of Speed Visitor Attraction Museum; Carmarthenshire Heritage Coast Centre; Hotel; visitor external enhancement project; and a Dunes Eco Activity Holiday resort. The £15m development is looking to attract external match funding from a number of sources, with £1.5m already secured from Welsh Government. Advanced discussions with other funders including Europe, Heritage Lottery Fund amongst others are progressing. A £2.5 million contribution (which is partly funded from the 2016-17 capital programme) from this Authority is required to progress the development aspirations. The proposals at Pendine are an integral part of the Transformation Regeneration Strategy and will look to regenerate a key coastal resort within the County. More detail on the scheme will be found elsewhere on the agenda for today's Executive Board meeting.

5. WELLBEING OF FUTURE GENERATIONS (WALES) ACT 2015

5.1. In considering the capital programme, members need to take into consideration the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Act requires 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’

5.2. In doing so, we must demonstrate the following 5 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 the 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. Collaboration – Working with others in a collaborative way to find shared sustainable solutions
- v. Involving a diversity of population in decisions that affect them

5.3. The Act identifies 7 well-being goals, they provide a shared vision for public bodies to work towards. We must work towards achieving all of them.

- i. A prosperous Wales
- ii. A resilient Wales
- iii. A healthier Wales
- iv. A more equal Wales
- v. A Wales of cohesive communities
- vi. A Wales of vibrant culture and thriving Welsh Language
- vii. A globally responsible Wales

5.4. As a Council we must set and publish well-being objectives by the 31st March 2017. Our well-being objectives must be designed to maximise our contribution to achieving the 7 well-being goals of the Act.

5.5. We must also publish a Well-being Statement that sets out how we will achieve our objectives and explain how we ensure resources, including financial are allocated to meet our objectives.

5.6. Carmarthenshire completed the assessments by end of 2016. Consultation will commence this month and will last 4 weeks. Comments and feedback will then be taken account and an Action Plan formulated by April 2018.

6. SUMMARY

The table below shows an overall summary of the expenditure and its funding both by County Council and externally.

Capital Programme Summary

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
<u>Expenditure</u>					
Community Services	21,710	11,280	2,700	2,450	2,900
Environment	16,196	11,095	11,780	9,085	11,390
Education & Children	22,899	24,226	7,669	10,500	13,375
Chief Executive and Corporate Services	10,955	5,225	4,750	4,750	5,400
Total Expenditure	71,760	51,826	26,899	26,785	33,065
<u>Funding</u>					
External Funding	25,118	24,727	9,925	11,775	13,792
Net Expenditure Funded by CCC	46,642	27,099	16,974	15,010	19,273
<u>CCC Funding</u>					
Supported Borrowing	5,844	5,844	5,844	5,844	5,844
Unsupported Borrowing	5,500	250	0	0	0
General Capital Grant	3,556	3,556	3,556	3,556	3,556
Additional Borrowing – LGBI	675	325	0	0	0
Capital Receipts	2,994	3,245	1,857	1,500	1,500
Capital Reserves	13,906	2,814	0	3,510	1,773
Outcome Agreement Grant	1,328	0	0	0	0
Additional Borrowing - MEP	2,438	4,401	4,987	0	0
Prudential Borrowing - Fleet Replacement	1,826	0	0	0	0
Prudential Borrowing – 21 st Century Schools	2,311	0	0	0	0
MEP Revenue Contribution/Cap Receipts	2,764	3,564	130	0	5000
Joint Venture Funding Llanelli Leisure Centre	2,000	2,500	0	0	0
Direct Revenue Financing	1,500	600	600	600	600
Overall Net Position - Surplus (+)/Deficit (-)	0	0	0	0	-1,000

6.1. To summarise the overall position, the capital programme is funded for the first 4 years from 2017/18 to 2020/21. There is currently a small shortfall of £1.000m in the final year of the programme 2021/22.

- 6.2. The total cost of the programme is £210.335m which is funded by the County Council £123.998m and External Funding £85.337m, leaving the shortfall of £1.000m.
- 6.3. External funding will vary during this programme and the schemes will require amendment as and when we receive notification of funding.
- 6.4. The full detail of the proposed capital programme for the five year period 2017/18 to 2021/22 is attached in Appendix B.

7. REVENUE IMPLICATIONS

- 7.1. No revenue implications have been validated within the revenue budget and if funding is required, departments will need to find resources from within their existing budgets.

8. RECOMMENDATIONS

8.1 That Executive Board approve and recommend to County Council:

8.1.1 The Five Year Capital Programme and funding as detailed in Appendix B, with 2017/18 being a hard budget and 2018/19 to 2021/22 soft/indicative budgets.

8.1.2. That the 2021/22 budget be reviewed over the coming year in order to address the funding shortfall.

8.1.3. That the programme be reviewed, as is usual, if anticipated External or County Council funding does not materialise.

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APPENDIX A

REPORT OF DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD

6th FEBRUARY 2017

Capital Budget Consultations

DESIGNATION. C Moore, Director of Corporate Services	DIRECTORATE Corporate Services	TELEPHONE NO. 01267 224160
AUTHOR & DESIGNATION C Moore, Director of Corporate Services	DIRECTORATE Corporate Services	TELEPHONE NO 01267 224160

SCRUTINY COMMITTEES – BUDGET CONSULTATIONS COMMENTS

1. COMMUNITY SCRUTINY COMMITTEE – 5th DECEMBER 2016

The Committee considered the Five Year Capital Programme 2017/18 to 2021/22 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 21st November 2016. It was noted that feedback from the consultation process, along with the outcome of the final settlement, would inform the final budget report which would be presented to members for consideration in February, 2017.

The proposed capital programme was £208m over the 5 years, which aimed to deliver a number of key projects including, to create jobs and improve the quality of life for the people of Carmarthenshire.

The report highlighted the provisional settlement received from the Welsh Government on the 19th October 2016, which indicated capital funding of £9.400m for the Authority in 2017-18. The funding was made up of Supported Borrowing of £5.844m and General Capital Grant of £3.556m. It was noted that in the absence of any forward indications by Welsh Government this level of funding had been assumed for each year of the five year programme.

In summary, the overall position of the capital programme was funded for the first 4 years from 2017/18 to 2020/21 with a current shortfall of £3.123m in the final year of the programme 2021/22.

The following issues were discussed during consideration of the report:

In response to a query regarding the future of external funding the Assistant Chief Executive (Regeneration & Policy) stated that European Funding would cease as a

result of Brexit and that it was hoped that the Welsh Government would assist in providing some of the shortfall. However, the Authority would continue to seek alternative funding opportunities.

It was asked about the current position of the improvement works to Carmarthenshire County Museum Abergwili. The Head of Leisure informed the Committee that improvement work had commenced and that some funding had been allocated from the current financial year. Furthermore, an additional application would seek further funds in 2018/19.

Reference was made to Safe Routes in the Communities where it was asked why there was no Carmarthenshire Council funding in 2018/19. The Head of Transportation & Highways stated that the figures were indicative at this stage. Furthermore, throughout the year communities would be invited to apply for a scheme. The Authority is permitted to bid for 3 schemes per annum, each application is assessed against the criteria for the grant as determined by the Wales Government. The authority is allowed to submit bids for 3 schemes per annum. The figures included within the programme were indicative amounts but are dependent of the outcome of the bidding process. It was noted that there were limited funds in relation to County Farms. The Head of Property advised that the funding in 2017/18 was in addition to funds allocated in the current and previous years. In addition that portfolio would continue to receive appropriate maintenance from the general capital maintenance budget each year. Furthermore, members were informed that the fund would be primarily utilised to ensure that Council Farm Houses were brought up to a reasonable standard.

Concerns were raised regarding the A4138 Hendy Link Road and the lack of plans in place to fund any improvements. The Head of Transportation & Highways stated that discussions were currently taking place with Welsh Government and the Trunk Road Agency. In response to an additional concern regarding the closure of the junction the Head of Transportation & Highways stated that there were no plans to close the junction, The investment priorities are set out in the approved Local Transport Plan and schemes are developed accordingly.

It was asked, who would be maintaining the Towy Valley Cycle Way? The Head of Transportation & Highways stated that whilst Carmarthen County Council would have some responsibility there were ongoing discussions with relevant partners.

A concern was raised in relation to road repair at Dafen that was not completed to a satisfactory standard. The Head of Transportation & Highways requested the Member for more information to be forwarded to him.

Resolved to note the Five Year Capital Programme 2017/18 to 2021/22.

2. SOCIAL CARE AND HEALTH SCRUTINY COMMITTEE – 12th DECEMBER 2016

The Committee received the Five Year Capital Programme 2017/18 – 21/22 as part of the budget consultation and considered the projects relating to its service

areas. It was noted that feedback from the consultation process would inform the final budget report to be presented to Members in February, 2017.

The Director of Corporate Services highlighted that one of the main projects was the Llanelli Area Review and that £7m was still earmarked for this project. The Committee requested more information of progress on this project and in particular when the new care home would be built. The Head of Integrated Services explained that no definite proposals had been agreed and further information had been requested at the next meeting of the Committee as part of the ARCH project update.

Concern was expressed about existing residential homes in the Llanelli area that were declining and required investment to modernise them and it was asked if this was going to be addressed. The Director of Corporate Services explained that there was £3m allocated to a priority fund and maintenance was captured within this fund. However, the Council did not want to duplicate work that would be part of the ARCH project and priorities would be determined by the forthcoming proposals. The Executive Board Member for Social Care and Health also informed the Committee that there was a review underway of residential homes to identify what investment was required and a report on the review would be brought to a future meeting.

The Committee noted that the report proposed funding for Llanelli Leisure Centre and officers explained that this was also dependent on the progression of the Llanelli Area Review. Clarification was also provided regarding the new site development for Ysgol Dewi Sant and the Committee was informed that consultation was ongoing regarding the preferred site.

Members queried whether recipients of the Disabled Facility Grants, particularly those in rural areas, could use their own builders to undertake the required work rather than having a builder allocated by the Council. It was agreed that the question would be referred to the Housing Department.

RESOLVED that the report be unanimously received.

3. ENVIRONMENTAL AND PUBLIC PROTECTION SCRUTINY COMMITTEE – 16th DECEMBER 2016

The Committee considered the Five Year Capital Programme 2017/18 to 2021/22 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 21st November 2016. It was noted that feedback from the consultation process, along with the outcome of the final settlement, would inform the final budget report which would be presented to members for consideration in February, 2017.

The report highlighted the provisional settlement received from the Welsh Government on the 19th October 2016, which indicated capital funding of £9.400m

for the Authority in 2017-18. The funding was made up of Supported Borrowing of £5.844m and General Capital Grant of £3.556m. It was noted that in the absence of any forward indications by the Welsh Government this level of funding had been assumed for each year of the five year programme.

The proposed capital programme was £208m over the 5 years, which aimed to deliver a number of key projects including, to create jobs and improve the quality of life for the people of Carmarthenshire. In summary, the overall position proposed funds of £120.035m by the County Council with external funding equating to £85.337m, thus leaving a shortfall of £3.123m.

The following issues were discussed during consideration of the report:

Reference was made to the lack of funds dedicated to Coastal Defence from 2018/19 onwards and it was suggested that the Council should be pro-active in this area by allocating funds as a preventative measure, which in turn, would avoid unplanned reactive spend. In response, the Director of Environment informed the Committee that it was planned that funds would be allocated to specific schemes on a rolling programme.

RESOLVED to note the Five Year Capital Programme 2017/18 to 2021/22.

4. EDUCATION AND CHILDREN COMMITTEE – 22nd DECEMBER 2016

The Committee considered the Five Year Capital Programme for 2017/18 to 2021/22 (Appendix A) which had been endorsed by the Executive Board for consultation purposes at its meeting on 21st November 2016. It was noted that feedback from the consultation process, along with the outcome of the final settlement, would inform the final budget report which would be presented to members for consideration in February 2017. The Committee noted that proposed capital programme worth £208m over the 5 years, was aimed at delivering a number of key projects including, to create jobs and improve the quality of life for the people of Carmarthenshire.

The following issues were discussed during consideration of the report:

Clarification was sought as to why Laugharne had been included in the MEP Programme when no decision had been taken in respect of the future of the schools in this area. The Interim Director of Education & Children informed the Committee that it had been included so that re-profiling work could be undertaken, should the proposals for the area's schools go ahead and a new extension be required to accommodate more pupils.

It was noted that Gorslas was now included in the programme with a new school to be built in the near future, even though it was the Committee's view that there were many other schools in dire need of new facilities. Members recalled their visit to Hendy earlier in the year and voiced concern that this school was not included in

the programme even though they were of the view that it required a new build. The Interim Director for Education & Children acknowledged the Committee's concerns.

The Committee UNANIMOUSLY RESOLVED that the 5-Year Capital Programme 2017/18 to 2021/22 be endorsed

5. POLICY AND RESOURCES SCRUTINY COMMITTEE – 11th JANUARY 2017

The Committee considered the 5 year capital programme which had been approved by the Executive Board for consultation on the 21st November 21. It was noted that feedback from the consultation process, along with the outcome of the final settlement, would inform the final budget report which would be presented to members for consideration in February, 2017. The proposed capital programme was £208m over the 5 years, and was aimed at delivering a number of key projects that would create jobs and improve the quality of life for the people of Carmarthenshire, with the key investment headings being Schools - £79m; Housing - £10m; Lesiure - £23m, Regeneration - £28m; Environment - £60m.

The report highlighted the provisional settlement received from the Welsh Government on the 19th October 2016, which indicated capital funding of £9.400m for the Authority in 2017-18. The funding was made up of Supported Borrowing of £5.844m and General Capital Grant of £3.556m. It was noted that in the absence of any forward indications by Welsh Government this level of funding had been assumed for each year of the five year programme. In summary, the overall position of the capital programme was funded for the first 4 years from 2017/18 to 2020/21 with a current shortfall of £3.123m in the final year of the programme 2021/22.

UNANIMOUSLY RESOLVED that the Five Year Capital Programme 2017/18 – 2021/22 be endorsed.

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Appendix B

Five Year Capital Programme 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

Capital Programme

COUNCIL FUND	County Council Funding 2017/18 £'000	External Funding 2017/18 £'000	Total Scheme 2017/18 £'000	County Council Funding 2018/19 £'000	External Funding 2018/19 £'000	Total Scheme 2018/19 £'000	County Council Funding 2019/20 £'000	External Funding 2019/20 £'000	Total Scheme 2019/20 £'000	County Council Funding 2020/21 £'000	External Funding 2020/21 £'000	Total Scheme 2020/21 £'000	County Council Funding 2021/22 £'000	External Funding 2021/22 £'000	Total Scheme 2021/22 £'000
COMMUNITY SERVICES															
Private Sector Housing															
Disabled Facility Grants	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000	2,000		2,000
Social Care															
Llanelli Area Review	5,500	0	5,500	0	0	0	0	0	0	0	0	0			0
Leisure															
Sports & Leisure															
Llanelli Leisure Centre	6,000	2,000	8,000	6,000	2,500	8,500	0	0	0	0	0	0			0
AstroTurf Pitch (ATP) replacement at CLC	0	0	0	0	0	0	0	0	0	0	0	0	250		250
Parks & Countryside															
Rights of Way Improvement Programme	50	50	100	50	50	100	50	50	100	50	50	100	50	250	300
Rights of Way Bridge Strengthening Programme	200	200	400	0	0	0	0	0	0	0	0	0			0
Strategic Open Spaces - site development and linkages	400	400	800	0	0	0	0	0	0	0	0	0			0
Pembrey Country Park - strategic infrastructure development - Visitor hub & Café	600	0	600	0	0	0	0	0	0	0	0	0			0
Pembrey Country Park - Indoor Activity Centre & New Beach Sports Zone	700		700												
Burry Port Harbour	860	0	860	430	0	430	350	0	350	350	0	350	350		350
Arts & Culture															
Oriel Myrddin Gallery Redevelopment, Carmarthen	250	750	1,000	0	0	0	0	0	0	0	0	0			0
Libraries & Museums															
Carmarthenshire County Museum Abergwili	0	0	0	250	0	250	250	0	250		0	0			0
Carmarthenshire Archive Relocation	1,750	0	1,750	0	0	0	0	0	0	0	0	0			0
Total Community Services	18,310	3,400	21,710	8,730	2,550	11,280	2,650	50	2,700	2,400	50	2,450	2,650	250	2,900

Appendix B

Five Year Capital Programme 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

Capital Programme																
COUNCIL FUND	County Council Funding 2017/18 £'000	External Funding 2017/18 £'000	Total Scheme 2017/18 £'000	County Council Funding 2018/19 £'000	External Funding 2018/19 £'000	Total Scheme 2018/19 £'000	County Council Funding 2019/20 £'000	External Funding 2019/20 £'000	Total Scheme 2019/20 £'000	County Council Funding 2020/21 £'000	External Funding 2020/21 £'000	Total Scheme 2020/21 £'000	County Council Funding 2021/22 £'000	External Funding 2021/22 £'000	Total Scheme 2021/22 £'000	
ENVIRONMENT																
Street Scene																
Highways Infrastructure																
- Highways	750	0	750	600	0	600	600	0	600	600	0	600	600	0	600	
- Bridges	1,050	0	1,050	400	0	400	400	0	400	400	0	400	400	0	400	
Street Lighting Replacement & Upgrade	360	0	360	360	0	360	0	0	0	0	0	0	0	0	0	
Coastal Defence	300	0	300	0	0	0	0	0	0	0	0	0	0	0	0	
Pantyglyn Retaining Wall & Culvert	100	0	100	0	0	0	0	0	0	0	0	0	0	0	0	
Transportation																
Multi Storey Car Park, Llanelli	50	0	50	60	0	60	60	0	60	60	0	60	60	0	60	
Road Safety Improvement Schemes	250	0	250	250	0	250	250	0	250	250	0	250	500	0	500	
Cross Hands Economic Link Road Phase 3	75	2,425	2,500	0	3,000	3,000	1,750	1,750	3,500	300	1,200	1,500	750	530	1,280	
Tywi Valley Cycle Way	300	950	1,250	325	950	1,275	550	950	1,500	500	1,000	1,500	500	800	1,300	
Ammanford Distributor Road Phase 3	0	0	0	0	100	100	100	400	500	150	350	500	0	0	0	
Llanelli Rail Station	25	475	500	0	0	0	0	0	0	0	0	0	0	0	0	
Walking & Cycling Linkages	25	725	750	25	725	750	125	875	1,000	125	875	1,000	125	2,875	3,000	
Transport Interchange & Bus Corridor Improvements	0	200	200	0	200	200	20	200	220	0	0	0	0	0	0	
Safe Routes in the Communities	25	225	250	0	250	250	25	225	250	25	225	250	25	225	250	
Wind St/Tirydail Junction Ammanford	100	900	1,000	25	325	350	0	0	0	0	0	0	0	0	0	
A4138 Hendy Link Road	25	225	250	25	475	500	100	400	500	25	0	25	0	0	0	
Highway Junction Improvements/Signals Upgrade	25	75	100	25	75	100	25	75	100	25	75	100	25	75	100	
Carmarthen West New Road - Developer Contribution	0	110	110	0	0	0	0	0	0	0	0	0	0	0	0	
Fleet Replacement - Prudential Borrowing	1,826	0	1,826	0	0	0	0	0	0	0	0	0	0	0	0	
Property																
Capital Maintenance	3,150	0	3,150	2,900	0	2,900	2,900	0	2,900	2,900	0	2,900	2,900	0	2,900	
County Farms - Farm houses & Outbuildings	300	0	300	0	0	0	0	0	0	0	0	0	0	0	0	
St Davids Park	1,150	0	1,150	0	0	0	0	0	0	0	0	0	0	0	0	
Glanamman Industrial Estate Redevelopment	0	0	0	0	0	0	0	0	0	0	0	0	1,000	0	1,000	
Total Environment	9,886	6,310	16,196	4,995	6,100	11,095	6,905	4,875	11,780	5,360	3,725	9,085	6,885	4,505	11,390	

Appendix B

Five Year Capital Programme 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

Capital Programme

COUNCIL FUND	County	External	Total	County	External	Total	County	External	Total	County	External	Total	County	External	Total	
	Council			Council			Council			Council			Council			Council
	Funding	Funding	Scheme	Funding	Funding	Scheme	Funding	Funding	Scheme	Funding	Funding	Scheme	Funding	Funding	Scheme	
	2017/18	2017/18	2017/18	2018/19	2018/19	2018/19	2019/20	2019/20	2019/20	2020/21	2020/21	2020/21	2021/22	2021/22	2021/22	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<u>EDUCATION & CHILDREN</u>																
<u>Modernising Education Programme</u>																
Coedcae Phase 1	100	0	100			0			0	0	0	0			0	
Seaside - New School	2,861	1,864	4,725	818		818			0	0	0	0			0	
Llanelli Vocational Village	87	0	87			0			0	0	0	0			0	
Trimsaran	1,500	800	2,300	1,300		1,300	144		144	0	0	0			0	
Cwm Tywi - New Area Primary School	1,061	939	2,000	1,064	1,000	2,064	100		100	0	0	0			0	
St John Lloyd Phase 1	504	1,436	1,940	38	73	111			0	0	0	0			0	
Ammanford Primary - Major Development	75	0	75	75		75	75		75	1,325	1,250	2,575	3,813	3,812	7,625	
Llandeilo A	60	0	60	70		70	70		70	1,810	1,700	3,510	1,725	1,725	3,450	
Parc Y Tywyn	3,761	2,339	6,100	1,275		1,275	170		170	0	0	0			0	
Carmarthen West New School	0	500	500	0	1,500	1,500	0	2,000	2,000	0	0	0	0	500	500	
Pontyberem	500	500	1,000	500	1,500	2,000	800		800	0	0	0			0	
21st Century Schools Band B	90	0	90	90		90	90		90	325	215	540			0	
Kidwelly Band B	10			10			10			790	785	1,575			0	
Five Roads Band B	10			10			10			750	750	1,500			0	
Gorslas	500	0	500	2,946	1,904	4,850	1,550		1,550			0			0	
Laugharne	200	0	200	300	1,000	1,300	400		400			0			0	
Dewi Sant	1,287	1,000	2,287	1,863	3,550	5,413	750		750			0			0	
Rhys Prichard	300	200	500	550	1,550	2,100	800		800			0			0	
Pupil Referral Unit	15	0	15	40		40	120	0	120	500	300	800	1,800		1,800	
Rhydygors School Refurbishment	400	0	400	200	1,000	1,200	200	0	200	0	0	0			0	
<u>Catering</u>																
Ysgol Griffith Jones Kitchen Refurbishment	0	0	0	0	0	0	130	0	130	0	0	0			0	
Emlyn Comprehensive Kitchen Refurbishment	0	0	0	0	0	0	150	0	150	0	0	0			0	
Brynsaron Kitchen Refurbishment	0	0	0	0	0	0	100	0	100	0	0	0			0	
Total Education & Children	13,321	9,578	22,879	11,149	13,077	24,206	5,669	2,000	7,649	5,500	5,000	10,500	7,338	6,037	13,375	

Appendix B

Five Year Capital Programme 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

Capital Programme																
COUNCIL FUND	County Council Funding 2017/18 £'000	External Funding 2017/18 £'000	Total Scheme 2017/18 £'000	County Council Funding 2018/19 £'000	External Funding 2018/19 £'000	Total Scheme 2018/19 £'000	County Council Funding 2019/20 £'000	External Funding 2019/20 £'000	Total Scheme 2019/20 £'000	County Council Funding 2020/21 £'000	External Funding 2020/21 £'000	Total Scheme 2020/21 £'000	County Council Funding 2021/22 £'000	External Funding 2021/22 £'000	Total Scheme 2021/22 £'000	
CHIEF EXECUTIVE & CORPORATE SERVICES																
IT Strategy Developments																
Enhancements to County Backbone Network	200	0	200	200	0	200	0	0	0	0	0	0				0
Licence Management	50	0	50	50	0	50	0	0	0	0	0	0				0
E Government / Service Transformation Developments	75	0	75	75	0	75	0	0	0	0	0	0				0
IT Security Provision	50	0	50	50	0	50	0	0	0	0	0	0				0
Systems Consolidation	50	0	50	50	0	50	0	0	0	0	0	0				0
Mobile Developments	50	0	50	50	0	50	0	0	0	0	0	0				0
Applications Interfacing	50	0	50	50	0	50	0	0	0	0	0	0				0
Virtual Unix Replacement	200	0	200	0	0	0	0	0	0	0	0	0	110			110
I/O Virtualisation	200	0	200	0	0	0	0	0	0	0	0	0				0
IT Strategy Developments	0	0	0	0	0	0	250	0	250	250	0	250				0
Information Security and Governance	0	0	0	0	0	0	0	0	0	0	0	0	60			60
Virtualised Server & Storage Environment Replacement	0	0	0	0	0	0	0	0	0	0	0	0	315			315
Digital Transformation	0	0	0	0	0	0	0	0	0	0	0	0	75			75
Disaster Recovery	0	0	0	0	0	0	0	0	0	0	0	0	190			190
Legacy Network & Telephony Equipment Replacement	0	0	0	0	0	0	0	0	0	0	0	0	150			150
Digital Transformation - Scheme development	200		200	200		200			200							
Regeneration																
Transformation Strategy Project Fund (Including Pendine redevelopment)	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500	1,500	3,000	4,500	
Rural Enterprise Fund	1,000	1,000	2,000	0	0	0	0	0	0	0	0	0				0
Transformation Commercial Property Development Fund	1,500	1,830	3,330	0	0	0	0	0	0	0	0	0				0
Total Chief Executive & Corporate Services	5,125	5,830	10,955	2,225	3,000	5,225	1,750	3,000	4,750	1,750	3,000	4,750	2,400	3,000	5,400	
TOTAL COUNCIL FUND	46,642	25,118	71,740	27,099	24,727	51,806	16,974	9,925	26,879	15,010	11,775	26,785	19,273	13,792	33,065	

Appendix B

Five Year Capital Programme 2017/18, 2018/19, 2019/20, 2020/21 and 2021/22

Capital Programme

COUNCIL FUND	County Council Funding 2017/18 £'000	External Funding 2017/18 £'000	Total Scheme 2017/18 £'000	County Council Funding 2018/19 £'000	External Funding 2018/19 £'000	Total Scheme 2018/19 £'000	County Council Funding 2019/20 £'000	External Funding 2019/20 £'000	Total Scheme 2019/20 £'000	County Council Funding 2020/21 £'000	External Funding 2020/21 £'000	Total Scheme 2020/21 £'000	County Council Funding 2021/22 £'000	External Funding 2021/22 £'000	Total Scheme 2021/22 £'000
County Council Funding															
Supported borrowing	80			4,098			5,464			344			5,844		
Supported borrowing-MEP	5,764			1,746			380			5,500					
Unsupported borrowing	5,500			250			0			0					
Additional Borrowing (Highways)	675			325											
General Capital Grants	3,556			3,556			3,556			3,556			3,556		
Capital Receipts	2,994			3,245			1,857			1,500			1,500		
Reserves	13,906			2,814			0			3,510			1,773		
Outcome Agreement Grant	1,328			0			0			0					
Additional Borrowing MEP	2,438			4,401			4,987			0					
Joint Venture Funding Llanelli Leisure Centre	2,000			2,500			0			0					
Education Revenue/Reserve Contribution	2,355			2,364			0			0			5,000		
Education Capital Receipts	409			1,200			130			0					
Direct Revenue Financing	1,500			600			600			600			600		
Prudential Borrowing - Fleet Replacement	1,826			0			0			0					
Prudential Borrowing - 21st Century Schools LGBT	2,311			0			0			0					
Total County Council Funding	46,642			27,099			16,974			15,010			18,273		
Net Position (Minus = Shortfall)	0			0			0			0			-1,000		

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EXECUTIVE BOARD 6TH FEBRUARY 2017

Housing Revenue Account Budget 2017/18 to 2019/20 and Housing Rent Setting for 2017/18

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 rent in line with WG guidelines:-
 - Properties at target rents will increase by 2.5% (CPI + 1.5%)
 - Properties where rent is below target rent, rent will increase by 2.5% (CPI + 1.5%) plus a maximum progression of £2
 - Those rents above target are frozen until such time that they meet the target.

This will produce an average housing rent increase of £2.84 and will produce a sustainable Business Plan, maintain CHS+ and resource the Affordable Homes programme.
- 2) To continue with maximum progression of £2, for rents below target, until target rents are achieved
- 3) To increase garage rents to £9.00 per week (from £8.75 in 2016/17) and garage bases to £2.25 per week (from £2.20 in 2016/17)
- 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 increase.
- 6) To approve the proposed Capital Programme and applicable funding for 2017/18 and the indicative spends for the future years 2018/19 to 2021/22 as set out in Appendix A.
- 7) To approve the Housing Revenue Account Budget for 2017/20 (with 2018/19 and 2019/20 being soft budgets) as set out in Appendix B

REASONS:

To enable the Authority to set its Housing Revenue Account Budget and the Housing Rent levels for 2017/18.

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>Directorate: Corporate Services Name of Director: Chris Moore</p> <p>Report Author: Andrea Thomas</p>	<p>Designations: Director of Corporate Services</p> <p>Group Accountant</p>	<p>Tel No's / E Mail Addresses: 01267 224160 CMoore@carmarthenshire.gov.uk 01267 228742 AndThomas@carmarthenshire.gov.uk</p>
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**EXECUTIVE SUMMARY
EXECUTIVE BOARD
6TH FEBRUARY 2017**

**Housing Revenue Account Budget and Housing Rent
Setting for 2017/18**

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 2017/2020. The report has been presented to the Community Scrutiny Committee on the 20th January 2017 as part of the budget consultation process.

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 commences investment for our Affordable Housing Commitment.

Appendix A provides the proposed Capital Programme for 2017/22.

Appendix B of this report provides the proposed Revenue Account Budget for 2017/20.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

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

Signed: Chris Moore

Director of Corporate Services

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

FINANCE

The report details the HRA proposals to be considered by Executive Board. If the proposals are agreed the budget for the HRA will be set for 2017/18 with an expenditure level of £38M. The average rent will increase from £78.93 to £81.77 (3.6%)

The proposed Capital Programme will be £19.2M for 2017/18, £16.7M for 2018/19, £20.8M for 2019/20, £16.8M for 2020/21 and £13.2M for 2021/22.

Physical Assets

The capital programme continues the works to bring the housing properties up to/maintain the Carmarthenshire Home Standard+ as per the 30 year business plan.

CONSULTATIONS

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

Signed: Chris Moore

Director of Corporate Services

1. Local Member(s) - Not applicable
2. Community / Town Council – Not applicable
3. Relevant Partners - Not applicable
4. Staff Side Representatives and other Organisations – Not applicable

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Social Housing Rents Policy		Financial Services, County Hall, Carmarthen
30 year Housing Business Plan		Financial Services , County Hall, Carmarthen

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REPORT OF DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD

6th FEBRUARY 2017

Housing Revenue Account Budget 2017/18 to 2019/20 and Housing Rent Setting for 2017/18

DESIGNATION. C Moore, Director of Corporate Services	DIRECTORATE Corporate Services	TELEPHONE NO. 01267 224120
AUTHOR & DESIGNATION A Thomas, Group Accountant	DIRECTORATE Corporate Services	TELEPHONE NO 01267 228742

1. INTRODUCTION

1.1. This report explains the proposed 2017/18 Housing Revenue Account (HRA) budget for both revenue and capital. It has been prepared in conjunction with officers from the Communities Department and was presented to Community Scrutiny 20th January 2017 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 2017/18 HRA budget and Housing Rents.

1.2. The HRA budget for 2017/18 is being set to reflect:

- Social Housing Rent Policy (set by WG)
- Proposals contained in the Carmarthenshire Homes Standard *Plus* (CHS+) Delivering What Matters

1.3. Exit from HRAS reform

Carmarthenshire County Council along with the other 10 local authorities (LAs) in Wales, exited the Housing Revenue Account Subsidy (HRAS) on 1/4/15.

For Carmarthenshire, this entailed borrowing £79million with annual repayments of approximately £4.8million. We would have paid approximately £6.2million to WG for HRAS, which would have been repaid annually to the UK treasury. Carmarthenshire currently has a limit of indebtedness (borrowing cap) of £228million.

At the same time, LAs with retained stock were required to adopt the new Social Housing Rents Policy set by the Welsh Government (WG) as a result of the Essex review 2008. 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.

1.4 Capital investment

A capital investment of £231m has been undertaken to deliver the CHS+ by 2015. This includes £117million of unsupported borrowing. This investment has been 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).

The (CHS+) Delivering What Matters 2017-20 report highlights the approach that will be taken over the next three years and will be presented by the Head of Housing in this meeting. It includes further investment over the next 5 years of £50million to maintain the CHS+ and £36million for our affordable homes programme. This is 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, while retaining the current target of £620k to support the Business Plan. It is recognised that CHS+ supports the building of new council homes and utilising existing Council land for future housing opportunities.

The profile of capital expenditure required to maintain the CHS+ and invest in affordable homes is detailed in appendix A. The plan is extremely sensitive to change and is currently being fully reviewed every 6 months, with ongoing monthly monitoring to identify any potential issues.

2. BUSINESS PLAN ASSUMPTIONS

2.1. There are many assumptions within the Business Plan, including future rental levels, interest rates, inflation etc. Business Plan guidance from the WG is yet to be received for 2017/18 as the date for submission has been changed from February to March.

The main Business Plan assumptions are currently as follows:

- **Rents** continue with the Social Housing Rents Policy introduced by the Welsh Government (WG) for 2015/16. Every year the WG will increase the target rent by CPI plus 1.5%, and for those properties below the target rent with a maximum of £2 per week increase until

the target rent is reached (this was the policy agreed by County Council for 2015/16). They will also review the locational indices which can vary the weighting between authorities in relation to the average increase of CPI plus 1.5%.

- **Major Repairs Allowance (MRA)** has not changed and is calculated by our stock levels. This has not been increased for future years, but has been varied for changing stock numbers. Our MRA is estimated to be £6million for 2017/18.
- **Capital Receipts from the sale of land** are 100% useable. The programme of sales has been re-profiled with fewer sales planned over the next 5 years. This is considered to be a prudent measure considering the current prevailing market conditions and our Affordable Homes ambitions.
- **Void Loss** incurred on dwellings currently set at 2.1% in line with current performance (previously 2.4%). This has been agreed with Officers from Housing and Building Services.
- **Central Support Costs** are based on services received by departments, these have been validated accordingly.
- **Stock Numbers** have been updated based on the latest forecast.
- **Interest on Balances** is estimated to be £46k based on an interest rate of 0.3% (average interest earned).

2.2. On 21/12/16 WG have confirmed that the all Wales rent increase for 2017/18 is 2.5% (CPI 1% plus 1.5%) plus progression which is maximum of £2.

Members should note that our capital expenditure is limited over the life of the financial model by the borrowing cap of £228million referenced previously.

As most of the schemes in 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 commitment.

3. EXPENDITURE

The expenditure levels in the Business Plan have been set in anticipation of the Business Planning guidance

Maintenance and Stock Improvement

Revenue repairs and maintenance expenditure is forecast to be £9.16million in 2016/17. This is an increase on the 2016/17 budget (£8.89million) which reflects local building costs, forecast outturn for 2016/17 and changes in stock numbers.

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

For 2017/18 the capital programme is £9.18million. This gives an overall spend of £18.64million on stock improvement and maintenance (the total for 2016/17 was £15.99million)

Affordable Housing Commitment

WG have recently indicated the availability of Housing Finance Grant (HFG2) funding for new affordable housing. This will provide £6.9million extra funding for the county, which is planned as part of the 5 year programme. The funding will be provided as a revenue source, requiring the authority to borrow the money and WG repaying the capital charges.

We have set aside £36million over the next five years as part of the capital programme to increase the supply of affordable homes. An update to Scrutiny Committee was reported on the new build element of the Affordable Homes Programme on 29th September 2016. Within 2016/17 £4.7million has been identified for the Delivery Plan (including development costs).

The capital programme and funding sources for this programme up to 2021/22 are detailed in Appendix A.

Validation

The proposed Business Plan includes the following validations for 2017/18, which is in line with the proposed budget strategy:

- General payroll costs are +1%.
- General inflation has been accommodated at +2.4%
- Electricity, gas & oil at +5%.
- Increased pension costs from 17.5% to 17.8%

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 2019/20 is shown in Appendix B

4. INCOME

4.1. As referenced previously in this report, the rent increase proposal is in line with the WG Social Housing Rent Policy. Carmarthenshire's current average rent is £78.93 per week, which leaves us above the low-end WG target rent level of £78.08. Housing Association rents in Carmarthenshire range from £61 for 1 bedroom to £75 for 3 bedroom properties. In the private sector median rents for 1 bedroom are £90 and 3 bedroom are £115. At the present time there are about 440 homes above target rent, 4,598 homes below this level and 3,987 are at target rent. All these properties are required to meet the target rent set by WG within the next three year period.

When setting rents for 2017/18 the rent calculation will be fixed as follows:

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

Consumer Price Index (CPI for September 2016 @ +1%) + 1.5% = 2.5%

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

Consumer Price Index (CPI for September 2016 @ +1%) + 1.5% = 2.5%

plus a maximum of £2 progression.

For those properties where rents are above target rent they will be frozen until such time that they meet the target. When a property becomes empty it is placed in the target rent band.

All the above principles were agreed at County Council 23/02/15.

The target rents provided by WG, due to changes in the locational indices, allowed for Carmarthenshire's rents to increase by an average of 3%.

Based on applying the policy for 2017/18 at 2.5% rent increase plus £2 progression this would produce an average rent of £81.77 (increase of 3.6% or £2.84).

Applying the policy, as per the WG tables, for 2017/18 at 3% rent increase plus £2 progression this would produce an average rent of £82.16 (increase of 4.1% or £3.23).

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

Receive an increase of :-	3.6% increase	4.1% increase
No increase	440	440
up to £2.00	1,093	89
£2.00 to £2.99	3,143	3,742
£3.00 to £3.99	517	454
£4.00 to £4.99	3,832	3,947
£5+	0	353
	9,025	9,025

Table 4: No .of Householders affected by average increases.

Currently 36% of tenants are on full Housing Benefit (HB), 28% are on partial HB and 36% in receipts of no HB.

Not implementing the full increase from 3.6% to 4.1% will result in a loss of rental income for 2017/18 of £183k.

The formula used for future annual rent increases has been set by the WG in the Social Housing Rents Policy which commenced in 2015/16 and is fixed for a 5 year period. However, WG have brought forward the review of this policy to early 2017. Nationally there has been a delay in the way Housing Benefit (housing costs for those on Universal Credit) is paid to tenants who live alone, claim benefit and are under the age of 35. From 1 April 2019, those affected will move to the Local Housing Allowance rate for shared accommodation. From December 2017 most tenants under 21 years age ,who are a new Universal Credit claimants will not be eligible for housing costs to cover their rent. Further details of the impact on Carmarthenshire tenants will be brought to members as the situation is clarified.

4.2 Transitional Protection (as per WG policy)

The additional £2 maximum increase gives protection to tenants particularly if they are not in receipt of Housing Benefits. The maximum £2 per week has been included to restrict rent increases should some homes be significantly below target rent at the present time. If we need to increase average weekly rent so that it falls within the target rent band, transitional protection for tenants will apply. So legally, the rent for an individual tenant cannot be increased by more than £2 per week, in addition to the agreed annual rate of rent increases.

4.3 Target Rents for Carmarthenshire

Current targets and those for 2017/18 are set out overleaf:-

	Houses and Bungalows (£)					Flats (£)				Bedsits (£)
	1Bed	2Bed	3Bed	4Bed	5+Bed	1Bed	2Bed	3Bed	4+Bed	
Target Rent 2016/17	73.45	81.61	89.77	97.93	106.09	66.45	73.84	81.22	88.61	59.07
Target Rent 2017/18 @ 2.5% increase	75.29	83.65	92.01	100.38	108.75	68.11	75.69	83.25	90.83	60.55
Target Rent 2017/18 as indicated by WG	75.67	84.08	92.49	100.90	109.31	68.47	76.07	83.68	91.29	60.86

WG policy rent band, 2017-18		
Low end	Mid point	High end
(£ per week)	(£ per week)	(£ per week)
80.44	84.67	88.91

Table1: Comparison of Current Average Weekly Rents to Target Rents over 52 weeks and Rent Bands

For Carmarthenshire our average target rent for 2017/18 is £84.67 (mid point). The all Wales average is £88.70 with Carmarthenshire's being the lowest.

Continuing to progress towards target rents will eventually give scope to amend rents in areas of high and low demand while remaining within the rent envelope.

The second part of the policy requires us to harmonise our rents. Though we will achieve target rent we still have a number of properties that do not fall within the rent harmonisation banding on property type. The proportion of dwellings below target rents is 50% as a result of the £2 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. Overleaf is a table outlining the numbers of properties reaching target rents over the next 3 years. As detailed there will be significant numbers of properties not on target rents post 2020.

Year	2.5% + £2 max increase cap. No of properties.
2017	1,021
2018	615
2019	1,011
Post 2020	1,951

Table 2: Properties achieving target rents per year - assuming 2.5% increase plus cap at £2

Rents not at target rents

By agreeing to a rent increase capped at £2 with no decrease for those properties above target rent, we will be compliant with the 2017/18 Business Plan assumptions.

4.5. Garage Rental Income

The HRA currently receives a net rental income of £120k per annum. This equates to a weekly charge of £8.75 per week. The average rental for garages in the private sector is about £8 per week, dependant on location. It is proposed that garage rents are increased by 2.5% in line with the rent increase to £9.00 per week. This will increase the net rental income to £123k for 2017/18. Garage bases will rise similarly from £2.20 per week to £2.25 per week.

4.6. Service and Heating charges

Service charges are now calculated in line with the policy adopted in 2011 and is based on actual expenditure for the previous financial year. In line with the policy and to reflect the additional work carried out, an administration fee of 10% is added. Implementing the Service Charge Policy will ensure those who receive additional services now pay for those services in a fair and transparent way. We have also separately identified charges relating to the cost of extra services that some tenants benefit from, over and above the services covered by basic rent. The Environment department currently carries out grounds maintenance and grass cutting for communal areas and all HRA owned land. It is proposed at present not to implement a service charge to recover the cost of grounds maintenance for HRA public open places on Council estates but to continue to pool these costs. This can be reviewed when guidance is issued by the Welsh Government.

However there is a case to charge and recover costs from tenants that benefit from grounds maintenance of areas directly around or outside specific properties where there is a common and exclusive boundary.

The impact on tenants is outlined in the table below:-

Service Charge Weekly Increase	Number of Householders Affected	
	2016/17	2017/18
Capped at £3.30	52	68
Rise of between £2 and £3.30	24	90
Rise of between £1 and £2	111	93
Rise of less than £1	186	289
Properties added 2017/18	0	13
No Change	0	157
Reduced by less than £1	275	401
Reduced by between £1 and £2	176	76
Reduced by greater than £2	473	130
No Charge in year	7	0
Total	1304	1317

Table 5: No. of Householders affected by service charge changes.

4.7 Sewerage Treatment Works

The cost of running and maintaining the Works falls on the HRA. It is proposed for 2017/18 that current charges are increased as per our rent increase. In the meantime Officers are reviewing the future use and running of the Works as part of the Asset Management Plan.

4.8 Commission on Collection of Water Rates

The budget assumes the continued agreement with Dwr Cymru/Welsh Water, which generates an income of £560k. Some local authorities are being challenged on the legality of acting as an agent in this business arrangement under the Water Resale Order 2006.

5. BALANCES

5.1. The final forecasted balances will obviously be subject to the decisions made on the income levels proposed within this report. If the rental increase is set at 3.1% the overall proposed budget will result in a surplus on the Housing Revenue Account of £2.3million for the year. It should also be noted in Appendix B that balances are required to support the current

strategy of funding our capital expenditure and continue to make our business plan affordable over a 30 year period.

6. That Executive Board consider the following and recommend to County Council.

- 1) To increase the rent in line with WG guidelines:-
 - Properties at target rents will increase by 2.5% (CPI + 1.5%) and
 - Properties where rent is below target rent, rent will increase by 2.5% (CPI + 1.5%) plus a maximum progression of £2 and
 - Those rents above target are frozen until such time that they meet the target.

This will produce an average housing rent increase of £2.84 and will produce a sustainable Business Plan, maintain CHS+ and resource the Affordable Homes programme.
- 2) To continue with maximum progression of £2, for rents below target, until target rents are achieved
- 3) To increase garage rents to £9.00 per week (from £8.75 in 2016/17) and garage bases to £2.25 per week (from £2.20 in 2016/17)
- 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 increase.
- 6) To approve the proposed Capital Programme and applicable funding for 2017/18 and the indicative spends for the future years 2017/18 to 2021/22 as set out in Appendix A.
- 7) To approve the Housing Revenue Account Budget for 2017/20 (with 2018/19 and 2019/20 being soft budgets) as set out in Appendix B

Report of Director of Corporate Services
HRA - Capital Programme Budget 2017/18 - 2021/22

Appendix A

	<u>Budget 2017/18</u> (£000s)	<u>Budget 2018/19</u> (£000s)	<u>Budget 2019/20</u> (£000s)	<u>Budget 2020/21</u> (£000s)	<u>Budget 2021/22</u> (£000s)
Maintain the standard:					
Internal work- kitchens, bathrooms, heating etc	1,377	621	1,183	4,369	5,091
Wall finishes	2,386	1,698	1,772	2,747	2,801
Roofing	918	922	1,066	985	969
Planned boiler replacements	318	190	87	0	66
Structural works on estates e.g. boundary walls	603	611	617	333	330
Work to empty homes	1,580	1,618	1,655	1,684	1,714
Support Tenant and Residents:					
Sheltered Scheme improvements	505	518	525	542	560
Adaptations	900	930	963	995	1,027
Environmental works	291	298	303	309	316
Provide more affordable homes:					
Housing Development Programme	9,990	9,162	12,357	4,652	0
Support the delivery of CHS+:					
Programme management	152	155	158	162	165
Stock condition information	150		150	0	150
TOTAL	19,170	16,723	20,836	16,778	13,189

CAPITAL FUNDING FROM:	<u>Budget 2017/18</u> (£000s)	<u>Budget 2018/19</u> (£000s)	<u>Budget 2019/20</u> (£000s)	<u>Budget 2020/21</u> (£000s)	<u>Budget 2021/22</u> (£000s)
Welsh Government Grant-MRA	6,170	6,170	6,170	6,170	6,170
Receipts which we can use from sales	620	0	0	0	0
Direct Revenue Financing	3,793	3,262	7,761	10,608	7,019
External Borrowing	8,587	7,291	6,905	0	0
TOTAL	19,170	16,723	20,836	16,778	13,189

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Report of the Director of Corporate Services
Housing Revenue Account 2017/18 - 2019/20

Appendix B

REVENUE SPENDING TO:	<u>Budget 2017/18</u> <u>(£000s)</u>	<u>Budget 2018/19</u> <u>(£000s)</u>	<u>Budget 2019/20</u> <u>(£000s)</u>
Repair and maintain homes	9,455	9,881	10,302
Supervision and management	8,086	8,396	8,731
Support services e.g. legal and finance	1,658	1,715	1,772
Direct Revenue Financing - Capital projects	3,793	3,262	7,761
Provision for Bad debts	500	530	562
Capital charges	14,172	14,533	15,118
TOTAL	37,664	38,317	44,246

REVENUE FUNDING FROM:	<u>Budget 2017/18</u> <u>(£000s)</u>	<u>Budget 2018/19</u> <u>(£000s)</u>	<u>Budget 2019/20</u> <u>(£000s)</u>
Tenant rents	37,921	40,185	42,555
Service charges	739	764	790
Interest received	46	55	72
Income from other departments	312	315	318
Housing Finance Grant 2			248
Water rates commission	587	600	612
Grants / Other	347	249	289
TOTAL	39,952	42,168	44,884

HRA END OF YEAR POSITION:	<u>Budget 2017/18</u> <u>(£000s)</u>	<u>Budget 2018/19</u> <u>(£000s)</u>	<u>Budget 2019/20</u> <u>(£000s)</u>
Balance brought forward from last year	-14,138	-16,426	-20,277
HRA budgeted surplus (-)/ deficit (+)	-2,288	-3,851	-638
BALANCE CARRIED FORWARD	-16,426	-20,277	-20,915

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APPENDIX C

REPORT OF DIRECTOR OF CORPORATE SERVICES		
EXECUTIVE BOARD		
6th FEBRUARY 2017		
<u>Housing Revenue Account Budget 2017/18 to 2019/20 and</u>		
<u>Housing Rent Setting for 2017/18</u>		
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

SCRUTINY COMMITTEE – BUDGET CONSULTATION COMMENTS

1. COMMUNITY SCRUTINY COMMITTEE – 20th JANUARY 2017
(Draft Minutes)

HOUSING REVENUE ACCOUNT BUDGET AND HOUSING RENT SETTING FOR 2017/18

The Committee considered the Housing Revenue Account (HRA) Budget and Housing Rent Setting for 2017/18, being presented as part of the budget consultation process and brought together the latest proposals contained in the revenue and capital budgets for the Housing Revenue Account 2017/18 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 the Carmarthenshire Homes Standard *Plus* (CHS+), and also incorporating the Authority’s Affordable Homes Commitment and the £79m borrowing requirement arising from the Council’s decision, on the 1st April 2015, to exit the Housing Revenue Account Subsidy scheme.

The following issues were raised in relation to the report:

- Reference was made to the Council’s Social Housing Rents Policy and to whether factors such as a property’s size, quality, location and house prices affected rent levels. In that regard, the Committee’s attention was drawn to point 4 within the report, detailing the number of households which would be

affected by the proposed rent increase, 36% of which received full Housing Benefit, 28% partial Housing Benefit and 36% receiving no benefit. Clarification was accordingly sought on the impact the increase could have on individual areas within the county.

The Director of Corporate Services advised that the proposed rent increases were in line with the guidance set by the Welsh Government's Social Housing Rent Policy, which commenced in 2015/16 and was fixed for a five year period. He advised that the table on page 16 of the report provided an average breakdown of the number of council properties which would be affected by the proposed increase, with the table on Page 17 detailing the individual target rentals for various house types. He confirmed that details of the impact on individual areas could be provided direct to the Committee members.

- Reference was made to page 16 of the report and the government's proposals for the future payment of Housing benefits whereby tenants who lived alone, claimed benefit and were under 35 would from the 1st April 2019 move to the Local Housing Allowance Rate for shared accommodation, whilst, from December 2017, most tenants under 21, in receipt of universal credit, would no longer be eligible for housing costs to cover their rent. Concern was expressed at the potential impact those changes could have, especially on the under 21's, resulting in increased homelessness. A view was expressed that the Executive Board should be advised of that potential impact, and the Welsh Government lobbied to identify a way to mitigate against the measure.

The Committee was advised that the Housing Division, together with its Social Housing Partners were aware of the legislation's potential impact and were examining what measures could be introduced to help and inform tenants of the changes. Those included advising tenants that an exception to the legislation would be applied if they attended training courses or secured employment.

The Head of Housing and Public Protection reminded the Committee that responsibility for Housing Benefit lay with the U.K. Government and was not devolved to Wales. He confirmed that the highest proportion of people on the Council's waiting list were young people and that, in conjunction with the Housing Associations' the Council was examining how best to mitigate/alleviate the legislation's impact on Carmarthenshire Tenants and a report thereon would be presented to a future meeting of the Committee.

- Reference was made to the Council receiving commission for collecting water rates in light of a legal challenge being made against some London Authorities in that regard. The Committee was advised that the Council's legal division was examining the Council's position in light of that challenge, and it had been identified as a potential risk for the Council.

- In response to a question on the non-payment of water and sewerage charges, the Committee was assured that if tenants fell into arrears solely on non-payment of those charges, eviction procedures would not be invoked automatically, and the authority would liaise with the tenants on any financial difficulties they may be experiencing. However, eviction proceedings may occur where tenants had the ability to, but refused to pay their rents/rates.
- In response to a question on water meters, the Head of Housing and Public Protection advised that whilst the Council did not install water meters within its Housing stock, any proposal to do so would need to be thoroughly researched to assess the potential impact on tenants.

RESOLVED

That the report and following proposals be endorsed for submission to the Executive Board:

- **To increase the rent in line with Welsh Government Guidelines i.e:-:**
 - 1 Properties at target rent be increased by 2.5% (CPI + 1.5%)**
 - 2 Properties where rent was below target rent be increased by 2.5% (CPI +1.5%) plus a maximum progression of £2**
 - 3 Those properties where rents were at target be frozen until such time as they met the target:**
Thereby producing an average housing rent increase of £2.84 which would produce a sustainable Business Plan, maintain CHS+, and resource the Affordable Homes Programme.
- **To continue with the maximum progression of £2, for rents below target, until target rents were achieved,**
- **To increase garage rents to £9.00 per week (from £8.75 in 2016/17) and garage bases to £2.25 per week (from £2.20 in 2016/17)**
- **To apply the service charge policy to ensure tenants who received the benefit from specific services paid for those services**
- **To increase the charges for using the Council's sewerage treatment works in line with the rent increase**

That the Committee's concern on the potential impact of the U.K Government's Housing Benefit Legislation, especially for those under 21 years of age, be drawn to the Executive Board's attention.

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EXECUTIVE BOARD
DATE: 6TH FEBRUARY, 2017

SUBJECT:
THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+)
“Delivering What Matters”
Business Plan 2017-20

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 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 2017/18, equating to £6.1m

Recommendations/Key Decisions Required:

- To confirm the vision of the CHS+ and the financial and delivery programme over the next three years.
- To confirm the submission of the plan to Welsh Government.

Reasons:

- To continue our CHS+ vision to deliver what really matters to tenants.
- To continue to support tenants by maintaining and further improving the CHS+, with an overall investment of £25m over the next three years.
- To continue to deliver our Affordable Homes Plan with a range of solutions, including council new build, with a further £30m investment over next three years.
- To make members' aware that the delivery of the Plan is dependent on a general rent increase of 2.5% for 2017/18.
- To enable submission to the WG to access £6.1m of MRA for 2017/18

Relevant Scrutiny Committee to be consulted: YES – Community Scrutiny – 20th January, 2017

EXECUTIVE BOARD:

Scrutiny Committee Recommendations/Comments:

RESOLVED that the Carmarthenshire Homes Standards Plus (CHS+) Delivering What Matters Business Plan 2017-20 be endorsed for submission to the Executive Board subject to the Key Principle under the bullet point investing in homes to maintain standards being amended to read 'to support our future approach to managing the homes, land, garage areas and garden areas'.

The Executive Summary bullet point has been amended to include the above.

Executive Board Decision Required: Yes- 6th February, 2017
Council Decision Required: Yes- 22nd February, 2017

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-

Cllr. Linda Evans (Housing Portfolio Holder)
Cllr Hazel Evans (Technical Services Portfolio Holder)
Cllr David Jenkins (Deputy Leader and Resources Portfolio Holder)

Directorate: Communities	Designations:	Tel Nos./ E Mail Addresses:
Name of Head of Service: Robin Staines	Head of Housing & Public Protection	RStaines@carmarthenshire.gov.uk (01267) 228960
Report Author: Jonathan Morgan	Housing Services Manager- Investment and Support	JMorgan@carmarthenshire.gov.uk (01554) 899285

EXECUTIVE SUMMARY
EXECUTIVE BOARD
DATE: 6TH FEBRUARY, 2017

SUBJECT:
THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+)
“Delivering What Matters”
Business Plan 2017-20

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 2017/18, equating to £6.1m.

What is the context?

Since 2006, we have been working to deliver the published work programmes to our tenants' homes. We called this the CHS+ and achieved this to homes where tenants agreed to have the work done during 2015. We fully acknowledge, however, that this is not the end of the journey and want to do more. This plan sets out how we will do this, confirming the financial and delivery programme over the next three years.

Our commitment to CHS+ remains firmly on track, building on what has already been achieved and trying to be as ambitious as we can.

We continue to challenge and review the stock information we hold and how it is collated. This enables us to confirm the future expenditure needed to maintain the standard and what money will be available for our affordable homes delivery programme. Through careful programme management we are able to spend in excess of £55m over the next three years on these projects.

As part of the CHS+, which has been developed with tenants and partners, we continue to commit to three main themes:

- **Supporting tenants and residents** around things like welfare reform, getting services right and saving tenants money in the home. As part of this plan, we also want to ask tenants and partners what the CHS+ should look like in the future and what improvements can we make.
- **Investing in homes' to maintain standards** making sure we understand what we need to do to achieve this. 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, land, garage areas and garden areas.

- **Providing more homes** to increase the supply of affordable housing. This plan continues to set out our delivery programme to increase the number of homes using a variety of solutions, including council new build.

Finally we set out what the key assumptions are to make sure the plan remains viable and what we will spend the money on and how it is funded. As part of this we will continue to be pro-active in identifying funding opportunities that further support the delivery of the plan.

What will we deliver in this plan?

The following provides a brief summary:

<p>Supporting Tenants and Residents</p>	<p>We will:</p> <ul style="list-style-type: none"> • Support tenants and residents in managing the challenges and changes as a result of Welfare Reform. • Continue to challenge the way we deliver services, particularly our approach to sustaining tenancies, the way we deliver repairs to homes and the quality of the grass cutting service we provide. • Continue to support initiatives to save tenants' money in the home. • Work with tenants to see what improvements they would like to see to CHS+ in the future.
<p>Investing in tenants' homes</p>	<p>We will:</p> <ul style="list-style-type: none"> • Know exactly what we need to do to maintain the CHS+ in the future and fill in any existing gaps. • Continue to deliver work programmes to replace things that need replacing, based on evidence and need. • Develop a specific investment plan on to focus on energy efficiency measures that offer the best value for money. • Continue to provide homes better suited to tenants needs through investing in things like sheltered housing and adaptations. • Only invest in homes, land and garages where there is a clear benefit to do so to meet our vision.

<p>Providing more homes</p>	<p>We will:</p> <ul style="list-style-type: none"> • Continue to provide a range of solutions to deliver more affordable homes. • Continue with, and further develop, our Council new build programme, bringing new sites forward when funding confirmed • Look to establish a Local Housing Company to deliver even more affordable homes
------------------------------------	--

What this current plan will not deliver?

We have received requests from some members to explore the feasibility of developing optional additional heating methods for homes e.g. coal/wood burner. We have carried out research and estimate that the cost of installation in a home will vary between £4,000 and £6,500 dependant on dwelling type and existing things like chimneys, size of openings etc. We would also need to cater for a coal bunker or storage shed. As well as these capital costs of installation there would also be an increase in servicing costs.

There are also other issues that have been highlighted:

- There would be a considerable annual cost to the tenant (about £580) to run the system, unless they were in receipt of concessionary coal or could source free wood.
- Due to the nature of these appliances they could potentially increase the risk of accidental fires and injuries.
- Installing such appliances in homes could reduce energy efficiency ratings which could have a potential knock on effect on the level of rent that could be charged.
- Discussions with the Tenant Involvement Group indicate that they would prefer us to spend money on more innovative measures to improve energy efficiency of homes, as opposed to a secondary heating source.

As a result of the above research, we will not be offering optional additional heating as part of this plan.

Recommendations:

- **To confirm the vision of the CHS+ and the financial and delivery programme over the next three years.**
- **To confirm the submission of the plan to Welsh Government.**

<p>DETAILED REPORT ATTACHED?</p>	<p>YES – The Carmarthenshire Homes Standard <i>Plus</i>: Delivering What Matters 2017-20</p>
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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: **Robin Staines**

Head of Housing & Public Protection

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

1. Policy, Crime and Disorder and Equalities

The CHS+ will act as the framework for policy development across housing services delivery and will contribute to wider agendas.

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 £230m to achieve the standard, with nearly £120m of this spend has been funded through a prudential borrowing programme.

Through careful management, the financial model remains viable to not only maintain the CHS+, but also deliver more affordable homes. A summary of costs to this over the next three years is included in the Plan.

A general rent increase of 2.5% for 2017/18 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 2017 will mean the MRA of £6.1m for 2017/18 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 and/or land 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 initiatives.

CONSULTATIONS

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

Signed: Robin Staines

Head of Housing & Public Protection

1. Scrutiny Committee

Community Scrutiny Committee was consulted on the 20th January, 2017.

2. Local Member(s)

n/a

3. Community / Town Council

n/a

4. Relevant Partners

n/a

5. Staff Side Representatives and other Organisations

Substantial engagement was carried out with tenants and other partners in the development of this Plan. This included stakeholder events, 1-2-1 interviews, visits and events in communities and attendance at 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
The Carmarthenshire Homes Standard <i>PLUS</i> : “Delivering What Matters 2017-20”	Housing General Files	Council website- Democratic Services

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The Carmarthenshire Homes Standard Plus: Delivering What Matters 2017-2020

December 2016

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The Carmarthenshire Homes Standard *Plus* (CHS+) means....

- A standard that continues to evolve; improving the quality of housing and services for tenants and residents in Carmarthenshire. This will be done by focusing on what matters, within available resources.
- A flexibility to deliver our vision around affordable homes and maximise opportunities as they arise.
- Delivering as many wider benefits as possible to get the biggest impact from investments.

Did you know...

- We now manage over 9,000 homes.
- We plan to build over 60 new build homes over the next 12-18 months, with more to come.
- There are about 7,000 households on the Housing Choice Register.
- We get about 1,100 empty homes a year between ourselves and Housing Associations.
- We have carried out over 25,000 repairs to 7,000 tenants' homes during last 12 months.
- Tenants will pay over £36m every year in rent.
- This plan will see a total investment of over £55m to improve existing homes and increase the supply of affordable homes.

Introduction- Executive Board Members

The last year has been extremely busy as we continued to deliver services and projects that really matter to people.

We are all aware of our significant, and proud achievement, of delivering the Carmarthenshire Homes Standard *PLUS* (CHS+) during 2015 to homes where tenants agreed to have the work carried out. As we have said, however, this is not the end of the journey. Far from it, we have been working hard over the last 12 months to do more and this plan sets out how we will do this over the next three years. We want to build on what has already been achieved and be as ambitious as we can.

Supporting tenants and residents is still a key theme within the plan. Here, we set out how we will deliver what matters in terms of improving services, how we are dealing with welfare reform issues and how we will be saving tenants money in their home. In the next 12 months we will also be publishing the results of our health impact study that will demonstrate the impact our investment is having on people's health and well-being.

We have agreed to maintain homes to the CHS+. Over the next three years we will be investing over £25m improving homes and maintaining the standard. We will also take advantage of any new opportunities that become available to support this.

We will be looking at opportunities to improving the energy efficiency of homes. This is really important to ensure homes are as cheap to run as possible and also improve people's health and well-being.

Finally, we continue to deliver our commitment to increase the supply of affordable homes. We again focus on a range of solutions to do this, investing over £30m. This will include our council new build programme that will see at least 60 new homes built over the next 12 to 18 months. We are also planning to establish a Local Housing Company that will significantly add to our ambitious targets by delivering even more affordable homes.

The agenda continues to be exciting, yet challenging, and we will only be able to achieve the above by continuing to work together, focusing on what really matters to make the difference in our communities.

We look forward to your continued support.

Cllr. Linda Davies-Evans
Executive Board Member
for Housing

Cllr Hazel Evans
Executive Board Member
for Technical Services

Cllr David Jenkins (Deputy
Leader)- Executive Board
Member for Resources

Delivering THE CHS *plus* – The story during 2016/17

Having achieved the CHS+ last year, our focus this year has been on:

a) Replacing components where we know there is a need to maintain the standard (where tenants wanted the work carried out)

Area of Work	Number of homes that already met the Standard at start of year	Number of homes where work needed to be carried out to maintain standard	Have we maintained the standard during the year?
Roofing	8815	139	☺
Windows & Doors	8953	0	☺
Loft insulation	8357	0	☺
Cavity insulation	8777	0	☺
Smoke Detectors	8725	143	☺
Electrical Systems	8456	143	☺
Central Heating	8112	173	☺
Kitchens	8132	215	☺
Bathrooms	8250	216	☺
Security Lighting	8406	143	☺
CO Detectors	8482	143	☺
Power Points	8404	143	☺
Wall finishes	8808	146	☺

b) Work to support tenant's and residents in their homes and communities

Area of work	Examples of type of work
Gas infrastructure	Gas connections to tenant homes
Empty Homes	New kitchens and bathrooms
Adaptations	Stair lifts, handrails and wet floor showers
Energy Efficiency	Insulation
Environmental improvements	Car parking and demolition of garages

c) Delivering the affordable homes delivery plan- nearly 170 additional homes

Affordable Home Solution	Number of additional homes delivered
Increasing the existing council stock	45
Empty Homes back into use	25
Managing homes in private sector	25
New Build (Council and HAs)	0- But plans approved by Council
New homes through developers	15
New Housing Association homes	59

Homes where work has not been carried out

There are some homes that are defined as meeting the standard, but some or all of the work has not been carried out. These are called “acceptable fails” by the Welsh Government. A home can fall into this category if:

- Tenants have chosen not to have the work done because they were happy with their homes, have made their own improvements or some, particularly older tenants, do not want the disruption. This is the main reason why homes do not currently meet the standard.

Area of work	Number of homes where work not done because of tenant choice	Number of homes where work not done because we are demolishing	Number of homes that we use for non-residential purposes e.g. Family Centres
Roofing	0	29	20
Windows and Doors	1	29	20
Loft Insulation	597	29	20
Cavity Insulation	177	29	20
Smoke Detectors	86	29	20
Electrical systems	355	29	20
Central heating	669	29	20
Kitchens	607	29	20
Bathrooms	488	29	20
Security lighting	405	29	20
CO Detectors	329	29	20
Power points	407	29	20
Wall finishes	0	29	20

During 2016/17 we re-contacted all tenants who previously said they do not want the work carried. The vast majority have told us they still do not want the work carried out. Later in the plan we say how we will go about resolving this.

Additionally....

- There may be a particular point in time where a small number of homes need major work and it will be of no benefit to invest in. In these circumstances, we will review options and decide action e.g. our plans to sell the Brynmefys site, Llanelli.
- There are some of our properties that are used for non- residential purposes but have a significant impact on the community e.g. Family Centres, Tenant Resource Centres and Police Stations.

Health and well-being

We have had results during 2016 on tenants' own views on living in their home and the use of health services (our first survey was carried out in 2009):

- 87% of tenants now feel that their home suits their needs (up from 73% in 2009)
- 59% of tenants now find it very/fairly easy to meet the costs of living in their home (up from 34% in 2009).
- 28% of tenants did not visit their GP in the previous 3 months (up from 17% in 2009).
- 71% of tenants said they had used the health service in the last 12 months (down from 82% in 2009).

During 2017 we will publish the results of our major health impact study¹. Our aim was to study whether the £200m investment in tenant homes has led to better health for people. To do this anonymised information about tenants was linked to their homes, and hospital visits. We looked at emergency hospital visits because of injuries, such as falls in the home, breathing difficulties, or heart and circulation problems.

Initial results suggest housing investment and improving standards are related to a reduction in emergency hospital admissions. We will share this information in much more detail during 2017 and also include how the investment can result in value for money for the health service.

Tenant Satisfaction

In 2014, we also started asking tenants a number of questions about the services we provide. We repeated this during 2016 with nearly 2,000 tenants responding. The results showed that:

- Nearly 75% of tenants were very/fairly satisfied with the overall service provided.
- Nearly 75% were very satisfied/fairly satisfied with current state of repair of their home.
- Over 88% were very/fairly satisfied with their neighbourhood as a place to live.

These satisfaction rates are very similar to when we last asked the questions in 2014. Consequently, **we will** work with tenants in the next 12 months to better understand why these rates have stalled and what we need to do to further improve them.

Job and training opportunities

Since the start of the programme, over 200 apprenticeships have been delivered. Targeted recruitment and training has been a priority with all contractors engaging in the region's Shared Apprenticeship Scheme.

¹ In conjunction with Swansea and Cardiff Universities funded through Public Health Research programme

As part of the work to maintain the standard and deliver more affordable homes, we will continue to be pro-active in expecting contractors and/or development partners to maximize the benefit of our investment through creating training and employment opportunities for local people. We have signed up to the Welsh Government's Community Benefits Measurement Tool to assess progress in the future.

Understanding what matters....?

As we talk to people about the housing service, they tell us what matters to them.

Tenants' lives

General feedback from tenants this year continues to tell us that our current priorities are still really important. Tenants wanted us to ensure that:

- We continue to support them in their home, and their home and surrounding area is a safe environment e.g. the Time Credit Scheme and Fuel Clubs.
- We maintain standards and are proactive in the day to day repair service.
- We continue to provide more homes as this was important to their families.

Older tenants again talked about social isolation, loneliness and opportunities to remain active through community based activities that give them more confidence and build relationships.

We are listening to older people, and the older people of the future, by asking them what is, and will be, important to them in terms of accommodation and support. This is helping us understand the type of investment that will be needed in our older people's housing.

Younger tenants again told us that we need to get the most out of CHS+ delivery through jobs and training opportunities. They also want to see more digital services introduced to make it easier for them.

Also this year, tenants said they wanted to see improvements to the grass cutting service. As a result **we will** be reviewing the grass cutting service provided to tenants to see what options are available and what will be the cost.

Enabling tenants to pay their rent

Rent arrears have reduced over the last 12 months. This has been achieved through focusing our efforts on supporting and trying to engage with tenants. We face real challenges and pressures brought on by welfare reform, affecting some tenant's ability to manage household budgets. A partnership group is looking at ways to manage the roll out of welfare reform. This will be really important because we know that:

- Around 38% of our tenants who work are in receipt of some form of benefit.
- March 2018 will be a critical point in time when 3500 of our tenants begin to move across to Universal Credit.

It will also be important not to forget about other tenants, however, as many face similar challenges in managing household budgets. We recognise that we need to ensure all our tenants can manage their household budgets and, as a result, can maintain their tenancies.

Maintaining tenants' homes

Tenants regularly tell us that getting repairs done on time and maintaining homes to a good standard is important to them. We have already stated our commitment to maintain the CHS and this is now a statutory duty.

During the last 12 months, staff and tenants have been taking part in a review of the Repairs service. Last year tenants and staff established what good looks like for the Repairs service. This included things like:

- Having an appointment at a time that suits tenants.
- Keeping tenants informed of what's happening with their repairs.
- Staff having more time to communicate with tenants.

As a result, we launched a small pilot in the Seaside area during 2016. Officers from the Communities, Environment and Chief Executives Department set up a multi skilled team to deal with responsive and preventative maintenance. This has shown really positive results throughout the year and we would now like to extend this work to a wider area during 2017.

Tenant Engagement

We plan to review our overall approach to tenant engagement during 2017. We want to ensure that we work with tenant and residents to better understand what matters to them. We will then set up ways of engagement that better reflect what is needed and has a benefit to all involved. This will involve looking at:

- how tenants make decisions about how their rent is spent.
- how tenants are involved in identifying and implementing service improvements.
- how tenants are at the centre of developing further improvements to the CHS+.

Housing and Regeneration

We are currently working on a number of exciting projects with regeneration colleagues. This partnership will continue and develop even further. Examples include:

- Making sure all our plans deliver as many wider benefits as possible, particularly jobs and training.
- Being key partners in the Regeneration Action Teams across the County.

And more specifically....

- Delivering the Affordable Homes Plan and how it can help in wider regeneration e.g. Opportunity Street in Llanelli.
- Working with the Swansea Bay City Region on improving the energy efficiency of homes, both public and private, by influencing the supply chain.
- Understanding the impact a Local Housing Company can have in regeneration.

The CHS *plus* moving forward

Table 1 (on the next page) provides a summary of the current CHS+ will and what the key principles are to support its delivery. We will deliver the CHS+ through three main themes.

Supporting tenants and residents

Welfare reform

The welfare reform programme brings many challenges and changes for tenants with the focus on training and employment instead of benefits. To support this **we will:**

- Be the first point of contact for advice and practical help for tenants, and prospective tenants.
- Provide pre-tenancy support and identify, at an early stage, those tenants who may struggle to make their rent payments on time.
- Provide targeted support and advice to tenants that are directly impacted by the changes, working closely with other agencies.
- Work in partnership with Job Centre Plus on the roll out of Universal Credit.
- Help tenants maximise their income and manage their household budgets.
- Provide a range of convenient payment options to make it easier for tenants to pay their rent.
- Produce a plan on how we will deal with single people's accommodation and support, particularly for the under 35's affected by Welfare Reform.

Getting services right

Tenants sustaining their tenancies, repairs in the home, grass cutting and the environment in which they live are a few examples of what tenants have been telling us what really matters. We need to make sure we deliver services that focus on the right things. **We will:**

- Review how we deliver housing advice, tenant sustainability and enforcement services for our tenants, and prospective tenants.
- Roll out the new way we deliver repairs to more areas in the County.
- Carry out regular estate inspections and walkabouts.
- Develop our vision for tenant engagement.
- Develop a range of options which reward tenants to look after their home.

Table 1- Defining the CHS+ and its key principles

THE CHS+ MOVING FORWARD WILL:	
Support tenants and residents by:	<ul style="list-style-type: none"> • Making sure they live in safe and attractive environments. • Providing housing services that are well managed. • Providing homes suitable for the household.
Invest in tenant homes to ensure they are:	<ul style="list-style-type: none"> • In a good state of repair. • Free from damp. • Structurally stable.
Provide more affordable homes by:	<ul style="list-style-type: none"> • Building new homes. • Buying existing homes. • Managing homes in private sector. • Bringing empty homes back into use. • Making the best use of developer contributions.
<p>The above themes will be supported by the following key principles. We will:</p> <ul style="list-style-type: none"> • Work to maintain and improve the CHS+ by delivering value for money i.e. we reduce costs as much as we can while maintaining quality, and we spend on things that matter to tenants. • Maintain the CHS+ to tenants' homes, and the communities in which they live, as the first priority in spending money. • Understand what the CHS+ should look like in the future by asking tenants, members and other key partners. • Deliver as many wider benefits as possible. • Fully understand, and evidence, the condition of our assets and what this means for what we spend money on in the future. • Consider whether certain homes require a different standard, based on what tenants require in the future. • Make sure we spend money on assets that will benefit tenants in the future and not spend on things that have no future use or are too expensive to maintain. • Replace key elements of the standard e.g. kitchens and bathrooms, based on the need to do so. • Inspect all homes to see if elements actually need replacing, well in advance of when we think they might need replacing. • Where homes have not achieved the standard, discuss with the tenants (and prospective tenants) when, if at all, they would like the work carried out. • Make sure tenants have a clear understanding on how we are maintaining the CHS+. 	

Saving tenants money

Over the last 8 years we have made improvements to our tenants' homes that will help to reduce their carbon emissions and save them money. Fuel poverty (where people spend more than 10% of their income on fuel bills) remains a major issue for many families. To continue to address this and further help tenants sustain their tenancies **we will:**

- Promote a range of options to support tenants in tackling fuel poverty.
- Raise awareness about how things work in the home and how they could be used differently to save money.
- Deliver a trial project on the use of LED lighting in the homes.
- Introduce LED lights to all communal areas to reduce future service charge costs to tenants.
- Work with the energy providers to introduce smart meters.
- Continue to increase the number of Fuel Clubs where there is no mains gas supply.

Insert Fuel Club Story

Digital services

People have also been telling us that there is more we can do to help them use, and have access to, digital services, e.g. using phones, TVs or computers to access information and services.

To do this, **we will:**

- Work with tenants, particularly younger ones, to ask what services they would like to access through the internet.
- Develop access for tenants to view their rent account, outstanding repairs and housing applications online.
- Make sure our own systems are developed to deliver better information for tenants.
- Produce a longer term digital services plan.

Improving the CHS+ in the future

We do not want to standstill with the CHS+ and will look at every opportunity to improve it. We fully realise, however, that this cannot be done without fully engaging tenants, members and partners on this.

We will:

- Start the process of asking tenants, members and partners what improvements they would like to see to the CHS+.

Investing in tenants' homes

Knowing what we need to do

We have made a clear commitment to maintaining all homes to the CHS+, to further improve it and look at new opportunities when they arise.

To do this, we need to clearly understand what we need to do, when we need to do it and how much money we will need. During 2016 we have started an exercise to provide even more certainty around this.

We have:

- Reviewed and challenged our current stock information and future costs to maintain the CHS+ (this work will continue and be subject to detailed scrutiny).
- Confirmed how we can go about replacing things like kitchens and bathrooms on the need to do so, not time.
- Identified where we have gaps in our current information which we need to fill.
- Confirmed ways in which we can carry out a check to all our homes on an annual basis using existing visits by service contractors, housing officers, sheltered scheme officers and repair inspectors/tradespeople. This will include a basic check, more in-depth targeted visits as well as more technical visits to look at the condition of homes.

As a result of this work **we will:**

- Continue to deliver our ambitious plans to maintain and improve the CHS+ in tenant's homes as well as increasing the supply of new affordable homes, including new build.
- Inspect all homes where kitchens, bathrooms etc are due to be replaced; replacing the ones we need to.
- Carry out specific stock condition surveys in areas where there are currently gaps in information.
- Carry out a 20% survey every year to make sure our stock information is up to date, prioritising homes where we know the age of some components means they may need replacing. This will result in us surveying all homes over the next five years.
- Carry out a basic check to all homes on an annual basis through our existing visits.
- Carry out a more in-depth visit to homes where there are potential issues in terms of condition, tenancy or welfare issues.

Maintaining the standard- what work will we be doing?

Based on the information we currently have, we know the following work may be required to maintain the standard over the next three years. We are inspecting these homes/estates prior to any work being carried out.

Type of work	Details
To maintain the standard:	
Internal work- kitchens	Work to 203 homes
Internal work- bathrooms	Work to 182 homes
Electrical upgrades	Work to 118 homes
External Wall finishes	New wall finishes 1077 homes
Roofing	Replacement roofing to 439 homes
Planned boiler replacements	Boiler replacement to 229 homes
Improvement works on estates e.g. boundary and retaining walls	Improvement works that have been identified as requiring attention
Work to empty homes	Bringing empty homes up to CHS+
Other work:	
Investment in sewerage plants	Eight sites to be upgraded
Environmental works on estates	Estate improvements based on requests from tenants

After inspecting, **we will:**

- Inform tenants, through publishing a planned programme of work, what work is due to be completed.

Energy Efficiency work

We will continue to make sure that our homes are as energy efficient as possible. We acknowledge that we need a better understanding of what energy efficient measures will deliver cost effective improvements to homes. Our current average energy rating is above 65 but we want to do better.

As a result we will:

- Survey a sample of homes that do not currently have an energy rating of above 65 in order to understand what improvements will have the biggest impact.
- Develop an investment plan for future energy efficiency measures to our homes.

Identifying further work

We know we have current gaps in our stock information that we need to fill. In this plan we have set aside money to start to carry out work to more structural or major work issues in homes and on estates e.g. floor structures in homes, retaining walls or replacement of communal boilers in sheltered schemes.

We have identified, however, that further work is also required around things like gardens and outbuildings, canopies and porches, communal staircases and paths and “catwalks”.

As a result, **we will** carry out specific surveys to understand what, if any, future investment needed.

Approach to homes not meeting part, or all of, the standard

We have seen that some tenants have declined the work and still do not want the work carried out. In order we ensure that all homes are brought up to standard over time. As a result **we will** review our strategy to bring homes up to standard where work has not been carried out.

In the meantime **we will**:

- Carry out CHS+ works when the property becomes empty. We anticipate this will be 10% of all empty homes every year.
- Set aside a small amount of money to deal with any ad hoc requests because tenant circumstances have changed.

Providing homes suitable to tenants needs'

We want to continue to ensure that we have the right homes with the right facilities, of the right type and in the right area.

We have already established that there is a shortage of affordable homes in the County, but sometimes we have difficulty allocating some of our existing homes. This means looking at all our existing homes and making sure we spend money that will be of benefit to tenants, and prospective tenants.

In this plan, **we will**:

- Continue to invest in adapting homes to suit the needs of tenants.
- Understand future investment needs for our sheltered housing stock, linking in with our Care Home development programme.
- Complete options appraisals on sites that may need changing/ converting into homes that can better meet housing need.
- Consider demolishing homes, or disposing of them, if they are no longer fit for purpose. This will include if it does not make financial sense in keeping them or if they are no longer desirable. The site can be recycled for new, more appropriate uses or sold.

Selling land where there is no purpose holding on to it

We have housing land located across the County. We have now identified the land that is suitable for providing more affordable homes. These areas of land are included in our Affordable Homes Delivery Plan.

We will also look to purchase land if it meets our long term plans in delivering more affordable homes.

Additionally, there will be land that has been identified that we no longer need and/or is too expensive to keep. The disposing of this land helps us to generate an income which will further supports the delivery of the CHS+. Consequently, **we will** continue to dispose of land we no longer need.

Garage sites

Over the last 18 months we have been working hard to ensure the information we hold on garage sites is correct. We have also gathered the views of those who currently use them.

We have now moved the management of all garage sites to Housing Services and have started the process of looking at the preferred options for future use. In doing so we have taken on board the views of tenants and residents, the cost of bringing them up to standard and on-going maintenance.

So far a total of 25 sites have been demolished and we have assessed 96 out of the 169 sites. We will continue with this work as part of this plan that **will result in:**

- Completing the assessment for each site with an appropriate plan of action.
- All remaining garage licences being on new legal agreements, with appropriate rentals being charged.

Taking new opportunities

During the duration of this plan there will be new opportunities to look at things differently and/or funding becomes available to enable us to further improve the CHS+.

We have already said we will be engaging with tenants, members and partners to look at further improvements and better understand improved energy efficiency measures. One opportunity that we are currently working on, however, is with the Swansea Bay City Region to improve the energy efficiency of existing and new homes. This could see further significant investment.

We already know from tenants that warmer and cheaper homes to run really matters to them. Consequently, we will be firming up these exciting plans in the next six to 12 months and looking at some homes where we could go back and re-fit some additional energy measures.

We will:

- Continue to work with Swansea Bay City Region on these plans.
- Continue to be pro-active in looking at new, and innovative ways, to invest in our homes.

How will we know we are maintaining the CHS+?

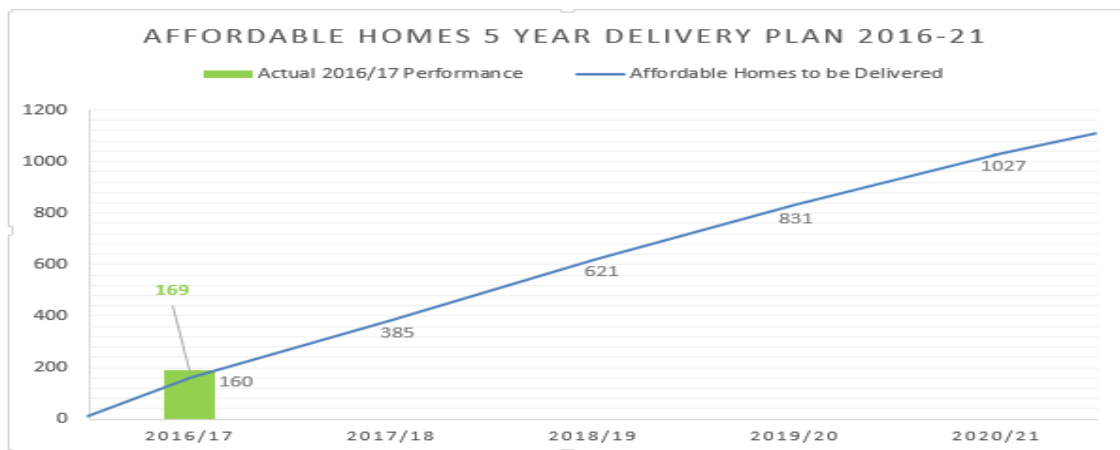
We will do this by:

- Using our stock condition visits (20% every year) to independently assess progress.
- Asking tenants how they would like to be part of this process.

Providing more homes

Affordable Homes Delivery Plan

This plan enables us to continue our commitment to deliver additional affordable homes. Our delivery plan aims to deliver over 1,000 homes and invest over £60m into our communities. More than £31m of this funding comes directly from the HRA. The following graph sets out our affordable homes targets year on year.



We have delivered 169 homes in the first year, with a target of 670 homes over the next three years. **We will:**

- Continue to deliver a range of solutions in providing additional homes (buying homes in private sector, managing private sector tenancies, bringing empty homes back into use, new build and developer contributions).
- Take advantage of external funding opportunities to accelerate our delivery.

Council new build- Phase 1

We have already confirmed delivery of over 60 new council homes on the following sites:

- Dylan in Bynea
- Garreglwyd in Pembrey
- Maespode in Llandybie
- Pantycelyn in Llandovery

As a result of managing our own money and accessing additional Welsh Government funding we have already exceeded of our original new build target (45,) but we want to do even more. During the period of this plan we want to secure funding to deliver a further 68 homes at:

- Y Waun in Pemberton
- Nantydderwen in Drefach
- Gwynfryn in Ammanford

Consequently **we will** bring forward the above sites when funding is confirmed.

Housing Association new build

By working with our Housing Association partners, and maximising the use of Welsh Government funding, we will be able to deliver over 250 new affordable homes.

We will continue to be pro-active in bringing new homes, and investment, into the County.

Taking new opportunities

Whilst the above clearly demonstrates that we are on course to deliver our original targets we believe we can do potentially much more over the period of this plan.

We can do this by looking at developing Phase 2 of our own council new build programme so that we are ready to take advantage of our own money that could become available or external funding opportunities. Phase 2 will mean that we will need to source land in the areas of highest housing need, as we have largely exhausted our own HRA in terms of development opportunities. This will mean sourcing existing Council Fund, other public sector or private land.

Secondly, we had already committed to looking at alternative vehicles to deliver significantly more homes than our present target. This will also increase the range of housing options that are available around affordable homes.

We are developing a business case to establish a 100% owned Local Authority owned Housing Company. This will be considered by Council in the near future.

We will:

- Develop Phase 2 of our Council new build programme.
- Establish a Local Housing Company to deliver significantly more homes, subject to approval.

How we will pay for this

Planning Assumptions

To help us plan our investments, we must make certain assumptions.

Changes to our assumptions may mean that we have to re-visit the objectives included in this plan.

INCOME

Major Repairs Allowance (MRA) <i>i.e. the amount of capital funding we get from the Welsh Government</i>	£6m each year. This is on the basis that we receive £673 for each home.
Rent increase 2017/18	2.5% (based on rent policy of September inflation figure (1%) plus 1.5%.
Future rent increase levels <i>Based on Welsh Government Policy</i>	Rent increases continue in line with current policy.
Borrowing <i>i.e. the amount we need to borrow to support our investment</i>	Additional £15m over next 3 years

OTHER

Expenditure/income inflation	Employees' pay at 1% per year for the next three years (as per assumptions for Council Fund).
Right to Buy receipts <i>i.e. Money we get from tenants' buying their home</i>	No receipts from 1 st April 2015 following suspension of Right to Buy
Balances on the revenue account <i>i.e. the amount of money we need to keep in reserve</i>	Minimum of £1.35m (based on £150 per property)

SPENDING

Assumed Borrowing costs <i>i.e. the amount it costs to borrow money</i>	Cost of existing and new debt: 2017/18: 4.46% 2018/19: 4.28% 2019/20: 4.13%	Cost of exiting HRAS: Average of 4.19%
Provision for Bad debt <i>i.e. debt that we will be unable to recover</i>	2017/18: £500,000 2018/19: £530,000 2019/20: £562,000	

Efficiencies

We will be carrying out a detailed exercise during 2017/18 to review current Housing Revenue Account expenditure, identifying areas of further efficiencies to further support the plan.

CAPITAL SPENDING TO:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Maintain the standard:			
Internal work- kitchens, bathrooms, heating etc	1,377	621	1,183
Wall finishes	2,386	1,698	1,772
Roofing	918	922	1,066
Planned boiler replacements	318	190	87
Structural works on estates e.g. boundary walls	603	611	617
Work to empty homes	1,580	1,618	1,655
Support Tenant and Residents:			
Sheltered Scheme improvements	505	518	525
Adaptations	900	930	963
Environmental works	291	298	303
Provide more affordable homes:			
Housing Development Programme	9,990	9,162	12,357
Support the delivery of CHS+:			
Programme management	152	155	158
Stock condition information	150		150
TOTAL	19,170	16,723	20,836

CAPITAL FUNDING FROM:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Welsh Government Grant-MRA	6,170	6,170	6,170
Receipts which we can use from sales	620	0	0
Direct Revenue Financing	3,793	3,262	7,761
External Borrowing	8,587	7,291	6,905
TOTAL	19,170	16,723	20,836

REVENUE SPENDING TO:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Repair and maintain homes	9,455	9,881	10,302
Supervision and management	8,086	8,396	8,731
Support services e.g. legal and finance	1,658	1,715	1,772
Direct Revenue Financing – Capital projects	3,793	3,262	7,761
Provision for Bad debts	500	530	562
Capital charges	14,172	14,533	15,118
TOTAL	37,664	38,317	44,246

REVENUE FUNDING FROM:	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Tenant rents	37,921	40,185	42,555
Service Charges	739	764	790
Interest received	46	55	72
Income from other departments	312	315	318
Housing Finance Grant 2	0	0	248
Water rates commission	587	600	612
Grants /Other	347	249	289
TOTAL	39,952	42,168	44,884
HRA END OF YEAR POSITION:	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Balance brought forward from last year	-14,138	-16,426	-20,277
HRA budgeted surplus (-)/ deficit (+)	-2,288	-3,851	-638
BALANCE CARRIED FORWARD	-16,426	-20,277	-20,915

Executive Board 6th February 2017

Subject

Purpose: Treasury Management Policy and Strategy 2017-18

Recommendations / key decisions required:

1. That Council formally approves the Treasury Management Policy and Strategy for 2017-18 and recommendations therein.
2. That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement and recommendations therein.

Reasons:

To comply with the Revised CIPFA Prudential Code and the Revised CIPFA Treasury Management Code of Practice 2011.

PEB :

Relevant scrutiny committee to be consulted

YES

Scrutiny committee and date

Policy & Resources Scrutiny Committee 8th February 2017

Exec Board Decision Required	YES
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Council Decision Required	YES
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EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins

Directorate: Corporate Services

Name of Director: Chris Moore

Report Author: Anthony Parnell

Designation: Director of Corporate Services

Designation: Treasury and Pension Investments Manager

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EXECUTIVE SUMMARY

Executive Board

6th February 2017

SUBJECT

Treasury Management Policy and Strategy 2017-18

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 YES	Legal YES	Finance YES	ICT NONE	Risk Management Issues NONE	Staffing Implications NONE	Physical Assets NONE
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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 22nd February 2017.

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 8th February 2017.

2. Local Member(s)

Not Applicable

3. Community / Town Council

Not Applicable

4. Relevant Partners

Not Applicable

5. Staff Side Representatives and other Organisations

Not Applicable

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

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

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
The Local Government Act 2003		County Hall, Carmarthen
Guidance issued by Welsh Government		County Hall, Carmarthen
Revised CIPFA Treasury Management Code of Practice and Cross-Sectoral Guidance Notes		County Hall, Carmarthen
Revised CIPFA Prudential Code for Capital Finance in Local Authorities		County Hall, Carmarthen

**MEETING OF THE EXECUTIVE BOARD
DATE: 6th FEBRUARY 2017**

REPORT OF THE DIRECTOR OF CORPORATE SERVICES

TREASURY MANAGEMENT POLICY AND STRATEGY 2017-2018

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 2013. The Council also carries out its treasury management activities in accordance with the CIPFA Treasury Management Code of Practice 2011.

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 2013 and the Revised CIPFA Treasury Management Code of Practice 2011.

This Revised CIPFA Treasury Management Code of Practice 2011 stipulates that there should be Member scrutiny of the treasury policies, Member training and awareness and regular reporting.

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 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.

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.
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 2017-18

1. INTRODUCTION

1.1 The Treasury Management Strategy provides details of the expected activities of the Treasury Management function in the financial year 2017-18.

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 2013), 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 2017-18 are:

2.2.1 Interest rate exposure limits for 2017-18 are estimated as follows:

Estimated Average Position for 2017-18			
	Fixed Interest Rate	Variable Interest Rate	Total
	£m	£m	£m
Borrowed	+401	+3	+404
Invested	(20)	(30)	(50)
Net Debt	+381	(27)	+354
Proportion of Total Net Debt	+108%	(8%)	+100%

It is recommended that the following exposure limits are adopted:

	Fixed Interest Rate	Variable Interest Rate
Proportion of Total Net Debt	125%	5%

2.2.2 It is recommended that the following exposure limits for 2017-18, 2018-19 and 2019-20 are adopted:

Interest Rate Exposures	2017-18	2018-19	2019-20
	Upper	Upper	Upper
	£m	£m	£m
Limits on fixed interest rates based on net debt	444	445	445
Limits on variable interest rates based on net debt	20	20	20

2.2.3 It is recommended that the Council sets upper and lower limits for the maturity structure of its borrowing as follows:

	Upper Limit	Lower Limit
Under 12 months	15%	0%
12 months to 2 years	25%	0%
2 years to 5 years	50%	0%
5 years to 10 years	50%	0%
10 years to 20 years	50%	0%
20 years to 30 years	50%	0%
30 years to 40 years	50%	0%
40 years and above	50%	0%

2.2.4 Maximum principal sums invested longer than 364 days:

	2017-18	2018-19	2019-20
	£m	£m	£m
Maximum principal sums invested longer than 364 days	10	10	10

3. PROSPECTS FOR INTEREST RATES

Based on the average projection from a number of sources we can expect the trend in the Bank Rate, set by the Monetary Policy Committee, over the next three years to be as follows:

	Current	2017-18	2018-19	2019-20
	%	%	%	%
Average Bank Rate	0.25	0.25	0.25	0.63

4. BORROWING STRATEGY 2017-18 – 2019-20

4.1 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.

Borrowing interest rates were on a downward trend, falling sharply to historically low levels after the EU membership referendum and the MPC meeting of 4th August when a new package of quantitative easing purchasing of gilts was announced. Rates rose during the Oct-Dec 2016 quarter but are still at lower levels than they were at the start of the year.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. 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.

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 running down 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 falling 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 is relatively high.

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.

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 2017-18 – 2019-20**

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)

2013 Revised Prudential Code for Capital Finance in Local Authorities

The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008

Guidance issued by the Welsh Government

2011 Revised CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes

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 being the final objective

Following the interest rate views above, the current investment climate has counterparty security risk as the over-riding risk consideration. As a result of concerns over Eurozone sovereign debt and the potential negative impact on the banking industry, officers have implemented detailed operational procedures which are included in the treasury management procedure manual. These procedures tighten the controls already in place in the approved investment strategy.

5.1.3 **Risk Benchmarking**

A development in the revised Codes and the WG Investment Guidance is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance. Discrete security and liquidity benchmarks are new requirements to the Member reporting, although the application of these is more subjective in nature. The approach taken is attached at Appendix B.

5.2 **DEFINITIONS**

5.2.1 A credit rating agency is one of the following three companies: Fitch Ratings Limited (Fitch), Moody's Investors Service Limited (Moody's) and Standard and Poors (S&P).

5.2.2 An investment is a transaction that relies upon the power in section 12 of the Local Government Act 2003 and is recorded in the balance sheet under the heading of investments within current assets or long-term investments.

5.3 **INVESTMENT COUNTERPARTIES**

The Director of Corporate Services maintains a counterparty list in compliance with the following criteria and revises the criteria and submits them to Council for approval as necessary. This criteria is separate to that which approves Specified and Non-Specified investments as it selects which counterparties the Council will approve rather than defining what its investments are. The rating criteria use the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by all three agencies, one meets the Council's criteria, the others do 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 72.9% 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.

Enhanced Cash Funds – The Council will use AAA rated enhanced cash funds that are credit rated by at least two of the three credit rating agencies. Enhanced cash funds are bond funds similar to money market funds, in that they aim to provide liquidity and principal preservation, but which invest in a wider variety of assets. Enhanced cash funds aim for higher returns but have less liquidity than a money market funds. These types of funds are accessible via an application to a Fund Manager.

UK Government (including gilts and the DMADF)

Local Authorities (including Police & Fire Authorities)

5.3.3 Use of additional information other than credit ratings

Additional requirements under the Revised CIPFA Treasury Management Code of Practice 2011 require the Council 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. This additional

market information (for example, negative rating watches/outlooks, individual/viability and support ratings) will be applied to compare the relative security of differing investment counterparties.

The UK Government, like other Western governments, are initiating market regulations which will mean they may not bail out financial institutions in the future. This will not be initiated until corresponding rules and regulations are in place so that institutions are much stronger and less likely to fail. Whilst not an immediate concern, officers will continue to monitor the situation and changes to future investment strategies are likely.

5.3.4 The time and monetary limits for institutions on the Council's Counterparty List are shown below: (Specified and Non-Specified Investments)

	Fitch	Moody's	Standard & Poors	Money Limit	Time Limit
Upper Limit Category - Short Term and Long Term	F1 AA-	P-1 Aa3	A-1 AA-	£10m	3 years
Middle Limit Category - Short Term and Long Term	F1 A	P-1 A2	A-1 A	£7m	1 year
Part Nationalised	-	-	-	£7m	1 year
Council's Banker (not meeting criteria above)	-	-	-	£3m	1 day
Other Institution Limits:					
- Any One Local Authority (including Police & Fire authorities)	-	-	-	£10m	3 years
- Any AAA Rated Money Market Fund	-	-	-	£5m	Daily Liquidity
- Any AAA Rated Enhanced Cash Fund	-	-	-	£5m	1 year
- Debt Management Account Deposit Facility	-	-	-	£40m	6 months

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. The bank's credit ratings have fallen below the criteria for a specified investment; therefore no deposits will be made with the exception of the bank's overnight (Moneymaster) account. Barclays Bank plc will be monitored for any credit rating increase which could lead to a reintroduction to the counterparty list.

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 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 2017-18 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 improve on when lending money.

5.5 **SERVICE INVESTMENTS**

In addition to the regular treasury management lending, the Council undertakes service investments. These are distinctly different from the treasury investments, as the allocation of resources generally supports a service strategy or policy decision and consequently the investments will have variable time limits. These type of investments usually provide either cash flow support or capital support to an outside organisation.

Prior to making these investments, appropriate financial review procedures will be undertaken, including Profit and Loss, Balance Sheet and cash flow monitoring, as appropriate.

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 running down investment balances to repay debt prematurely as short term

rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Council at the earliest meeting following its action.

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 2017-18.

8. **TREASURY MANAGEMENT ADVISERS**

The Council uses Capita Asset Services, Treasury solutions as its external treasury management advisors.

Capita 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 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

During 2016, following a tendering exercise, Capita Asset Services were awarded a new contract by Carmarthenshire County Council for three years until 31st October 2019. There is scope to extend this contract by a further three years at the end of this initial period.

Under current market rules and the Revised CIPFA Treasury Management Code of Practice 2011 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 2017-18 and recommendations therein.**
- 2. That Council formally approves the Treasury Management Indicators, Prudential Indicators, the MRP Statement and recommendations therein.**

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TREASURY MANAGEMENT PRACTICES (TMPs)

TMP1 RISK MANAGEMENT

General Statement

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.

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.

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.

Council Action

Currently the Council only invests in sterling products. Hence, there is no exchange rate risk.

1.5 **Refinancing Risk Management**

Explanation

The risk that maturing borrowings, capital project or partnership financing cannot be refinanced on terms that reflect the provisions made by the organisation or those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

Council Action

This Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time. It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid overreliance on any one source of funding if this might jeopardise achievement of the above.

Legal and Regulatory Risk Management**Explanation**

The risk that an organisation itself, or a third party with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.

Council Action

This Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP 1 credit and counterparty risk management it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the organisation, particularly with regard to duty of care and fees charged.

This Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimize the risk of these impacting adversely on the Council.

Fraud, Error and Corruption, and Contingency Management**Explanation**

The risk that an organisation fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.

Council Action

This Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Market 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.

Explanation

It is vital that the treasury management decisions of organisations in the public service should be subjected to prior scrutiny. 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. 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.

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.

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.

Council Action

This Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies, on the effects of decisions taken and transactions executed in pursuit of those policies, on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities and on the performance of the treasury management function.

The following reporting process has been agreed by the Council:

6.1 Annual Reporting Requirements before the start of the year:

- Review of the Council's approved clauses, treasury management policy statement and practices
- Strategy report on proposed treasury management activities for the year
- Proposed Treasury Management and Prudential Indicators

6.2 Quarter 1 and Quarter 3 Reporting Requirements during the year which will be presented to both Executive Board and Policy and Resources Scrutiny Committee:

- Activities undertaken
- Variations (if any) from agreed policies/practices
- Performance report
- Performance against Treasury Management and Prudential Indicators

6.3 Mid Year Reporting Requirements during the year which will be presented to Council, Executive Board and Policy and Resources Scrutiny Committee:

- Activities undertaken
- Variations (if any) from agreed policies/practices
- Performance report
- Performance against Treasury Management and Prudential Indicators

6.3 Annual Reporting Requirements after the year end

- Transactions executed and their revenue (current) effects
- Report on risk implications of decisions taken and transactions executed
- Compliance report on agreed policies/practices, and on statutory/regulatory requirements
- Performance report

- Report on compliance with Revised CIPFA Treasury Management Code of Practice 2011 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 2011 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 2011 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 liquidity risk management and Prudential Indicators.

TMP9 **MONEY LAUNDERING**

Explanation

Money Laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. Also, organisations such as Councils that undertake business under the Financial Services Act, or engage in certain specified activities, are required to set up procedures to comply with Money Laundering Regulations 2007. These require Councils:

- To set up procedures for verifying the identity of clients
- To set up record-keeping procedures for evidence of identity and transactions
- To set up internal reporting procedures for suspicions, including the appointment of a money laundering reporting officer
- To train relevant employees in their legal obligations
- To train those employees in the procedures for recognising and reporting suspicions of money laundering

The Council should establish whether the Money Laundering Regulations 2007 apply to them. And it is for individual organisations to evaluate the prospect of laundered monies being handled by them, and to determine the appropriate safeguards to be put in place. It is the legal responsibility of every person engaged in treasury management to make themselves aware of their personal responsibilities, but the Revised CIPFA Treasury Management Code of Practice 2011 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. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Director of Corporate Services.

TMP12 CORPORATE GOVERNANCE

The Revised CIPFA Treasury Management Code of Practice 2011 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 2011 and in these guidance notes will in itself deliver the framework for demonstrating openness and transparency in an organisation's treasury management function
- publication of and free access to information about an organisation's treasury management transactions and other public documents connected with its treasury management activities will further assist in achieving this end
- establishing clear treasury management policies, the separation of roles in treasury management and the proper management of relationships both within and outside the organisation will establish the integrity of the function
- robust treasury management organisational structures, together with well-defined treasury management responsibilities and job specifications, will enhance accountability
- equality in treasury management dealings, absence of business favouritism and the creation of keen competition in treasury management will lay the groundwork for fairness.

The following paragraphs further emphasise the practices that CIPFA believes an organisation should employ to ensure the principles of corporate governance are successfully implemented.

Procedural responses

The policies, strategies of treasury management should link clearly to the organisation's other key policies and strategies. In the management of risk, in particular, treasury risk management should be an integral part of its overall risk management processes, culminating in a well-defined, organisation-wide strategy for the control of risk and contingency planning.

The management and administration of treasury management should be robust, rigorous and disciplined. Over the years, some of the most significant examples of treasury mismanagement, in both the public services and the private sector, have resulted from procedural indiscipline. This has frequently been as a result of a failure to apply otherwise well-documented management and administration systems, or through failures in transmission, documentation or deal recording processes.

Reporting arrangements should be applied so as to ensure that those charged with responsibility for the treasury management policy have all the information necessary to enable them to fulfil openly their obligations; and that all stakeholders are fully appraised of and consulted on the organisation's treasury management activities on a regular basis.

The procedures for monitoring treasury management activities through audit, scrutiny and inspection should be sound and rigorously applied, with an openness of access to information and well-defined arrangements for the review and implementation of recommendations for change.

The application and interpretation of performance data should be clear, concise and relevant to the organisation's treasury management activities.

Stewardship responsibilities

The Director of Corporate Services should ensure that systems exist to deliver proper financial administration and control, and a framework for overseeing and reviewing the treasury management function.

As regards a control framework, an organisation's formal policy documents should define clearly procedures for monitoring, control and internal check.

With regard to delegation it is vitally important that those involved in the implementation of treasury management policies and the execution of transactions are unambiguously empowered to undertake their tasks, and that reporting lines are well-defined.

An organisation's adoption of and adherence to the Revised CIPFA Treasury Management Code of Practice 2011 should be widely broadcast, as should the principles of the Revised CIPFA Treasury Management Code of Practice 2011 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 2011. This is considered vital to the achievement of proper corporate governance in treasury management, and the Director of Corporate Services will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

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SECURITY, LIQUIDITY AND YIELD BENCHMARKING

Member reporting on the consideration and approval of security and liquidity benchmarks will continue. These benchmarks are targets and so may be breached from time to time. Any breach will be reported, with supporting reasons in the Annual Treasury Management Report.

1. **Security**

In context of benchmarking, assessing security is a subjective area to assess. Security is currently evidenced by the application of minimum credit quality criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies (Fitch, Moody's and Standard and Poor's). Whilst this approach embodies security considerations, benchmarking levels of risk is more problematic. One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council's investment strategy.

The table below shows average defaults for differing periods of investment grade products for each Fitch/Moody's and Standard & Poor's long term rating category.

Long term rating	1 year	2 years	3 years
AAA	0.04%	0.10%	0.18%
AA (includes AA- and AA+)	0.01%	0.02%	0.08%
A	0.07%	0.19%	0.36%
BBB	0.15%	0.46%	0.82%
BB	0.70%	2.04%	3.48%
B	3.04%	7.14%	11.06%
CCC	19.73%	28.03%	33.43%

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 0.04% 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 0.07% of the total investment. This is only an average, any specific counterparty loss is likely to be higher, but these figures do act as a proxy benchmark for risk across the portfolio.

The Council's maximum security risk benchmark for the whole portfolio, when compared to these historic default tables, is:

- **0.18% historic risk of default when compared to the whole portfolio.**

In addition, the security benchmark for each individual year is:

	1 year	2 years	3 years
Maximum	0.07%	0.10%	0.18%

These benchmarks are embodied in the criteria for selecting cash investment counterparties and these will be monitored and reported to Members in the Annual Treasury Management Report. As this data is collated, trends and analysis will be collected and reported. Where a counterparty is not credit rated a proxy rating will be applied.

2. **Liquidity**

This is defined as “having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives” (Revised CIPFA Treasury Management Code of Practice). In respect of this area the Council seeks to maintain:

- Bank overdraft facility - £0.5m
- Liquid short term deposits of at least £10m available immediately on call

The availability of liquidity and the term risk in the portfolio can be benchmarked by the monitoring of the Weighted Average Life (WAL) of the portfolio – shorter WAL would generally embody less risk. In this respect the proposed benchmark is to be used:

- **WAL benchmark is expected to be 0.5 years, with a maximum of 1 year.**

3. **Yield**

Benchmarks are currently widely used to assess investment performance. The local measure of the yield benchmark is:

- Investments – Return on Investments to outperform the average 7 day LIBID rate

Security and liquidity benchmarks are intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators. Proposed benchmarks for the cash type investments are shown above and form the basis of reporting in this area.

Schedule of Approved Counterparties for Lending 2017-2018
(as at 17th January 2017)

	<u>Fitch</u>		<u>Moody's</u>		<u>Standard and Poors</u>		<u>Money Limit</u> £'m	<u>Time Limit</u> years
	<u>Short Term</u>	<u>Long Term</u>	<u>Short Term</u>	<u>Long Term</u>	<u>Short Term</u>	<u>Long Term</u>		
<u>Upper Limit</u>	<u>F1</u>	<u>AA-</u>	<u>P-1</u>	<u>Aa3</u>	<u>A-1</u>	<u>AA-</u>	<u>10</u>	<u>3</u>
UK Banks								
HSBC Bank Plc	F1+	AA-	P-1	Aa2	A-1+	AA-	10	3
<u>Middle Limit</u>	<u>F1</u>	<u>A</u>	<u>P-1</u>	<u>A2</u>	<u>A-1</u>	<u>A</u>	<u>7</u>	<u>1</u>
UK Banks								
Banco Santander Central Hispano Group - Santander UK Plc	F1	A	P-1	Aa3	A-1	A	7	1
Lloyds Banking Group - Bank of Scotland Plc - Lloyds Bank	F1 F1	A+ A+	P-1 P-1	A1 A1	A-1 A-1	A A	7 7	1 1
UK Building Societies								
Nationwide	F1	A	P-1	Aa3	A-1	A	7	1
<u>UK Banks Part Nationalised</u>								
Royal Bank of Scotland Group - National Westminster Bank Plc - Royal Bank of Scotland Plc							7 7	1 1
<u>Council's Banker - Barclays</u>							3	1 day
<u>Other Institution Limits</u>								
Local Authorities								
Any One Local Authority (including police and fire authority)							10	3
Money Market Funds								
Any AAA Rated Money Market Fund							5	1
Enhanced Cash Funds								
Any AAA Rated Enhanced Cash Fund							5	1
Debt Management Office							40	6 months

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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.

	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Non-HRA	5.98%	6.14%	6.28%
HRA (inclusive of settlement figure)	34.98%	33.76%	32.34%

The estimates of financing costs include current commitments and the proposals in this budget report.

The indicators show the proportion of income taken up by capital financing costs. Indicative Aggregate External Finance (AEF) for 2018/2019 is a 1% decrease on 2017/2018 and for 2019/20 a 1% estimated decrease on 2018/2019.

1.1.2. Estimates of the incremental impact of capital investment decisions on the Council Tax

A fundamental measure of affordability.

This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council’s existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

All capital projects that would have had revenue implications have been removed from the capital programme. This will reduce the call on council tax payers since less revenue is needed to fund new projects.

Incremental Impact on Council Tax			
£	2017/18	2018/19	2019/20
Increase in Band D Council Tax	2.07	2.43	2.96

These figures show the likely effect on Council Tax of the proposals; they are **not** Council Tax estimates.

1.1.3. Estimates of the incremental impact of capital investment decisions on housing rent levels

A fundamental measure of affordability.

Similar to the Council tax calculation this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

The proposed changes are shown as the total revenue impact on Housing Rents. Items in the capital programme where there is already a commitment to carry out that scheme are excluded from this Indicator.

Incremental Impact on Weekly Housing Rent			
	2017/18	2018/19	2019/20
Increase in Housing Rent	0.00	0.00	0.00

The final affect on the housing rent will be constrained by the Welsh Government Social Housing Rents Policy.

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	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Non-HRA	265	263	261
HRA	143	148	151
HRAS	76	74	73
TOTAL	484	485	485

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 (2015/16) 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 2015/16 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	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt at 1 st April	280	376	390	416	434
Expected Change in Debt	17	14	26	18	25
HRAS	79	-	-	-	-
Gross debt at 31st March	376	390	416	434	459
CFR	454	473	484	485	485
Under / (Over) borrowing	78	83	68	51	26

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	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Borrowing	531.5	532.5	532.5
Other Long- Term Liabilities	0.5	0.5	0.5
Total	532.0	533.0	533.0

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	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Borrowing	483.9	484.9	484.9
Other Long-Term Liabilities	0.1	0.1	0.1
Total	484.0	485.0	485.0

The Council is asked to approve both the Authorised Limit and the Operational Boundary shown above.

1.2.4. Actual External Debt

The Council's actual external debt at 31st March 2016 was £376m. 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.

MINIMUM REVENUE PROVISION (MRP) STATEMENT

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision – MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision – VRP).

Welsh Government regulations were issued with effect from 1st April 2010 which require the full Council to approve a Minimum Revenue Provision (MRP) Statement in advance each year. A variety of options were provided to councils to replace the existing Regulations, as long as there is a prudent provision.

Council have already approved the following approaches for calculating MRP:

Supported Borrowing and Capital Expenditure incurred before 1st April 2008

Based on CFR

The calculation is based on 4% of the opening Capital Financing Requirement (CFR) each year.

However officers are currently working with Treasury Management Consultants to review the basis of the Minimum Revenue Provision (MRP) within the annual budget, taking account of the discretion allowed within the regulations. It is for the Authority to determine what it considers to be a prudent provision, and whilst it is not the role of our external auditors to determine what is prudent, they will need to be engaged in this process so that they are satisfied with the procedural aspects of the review. They have also indicated in a letter from the Auditor General that they will be giving consideration to the Wellbeing of Future Generations (Wales) Act 2015 as part of their review.

Whilst there is no direct requirement to link the charge to specific asset lives, to justify a change in methodology, and a reduction in the percentage applied for the repayment of debt, we must be satisfied that the approach is prudent and there is a clear link to the assets that were originally funded. If a straight line 2.5% methodology was applied this would provide repayment over 40 years similar to the Authority's estimated asset lives. A report outlining the options and implications of any potential changes that can be made to the MRP calculation for borrowing will be presented to a future County Council meeting in the coming months.

Unsupported Borrowing

Asset Life Method

Under this method the borrowing value is divided by the estimated life of the asset.

Capital Expenditure on the Modernising Education Programme (MEP) and Local Government Borrowing Initiative (LGBI) 21st Century Schools is classed as Unsupported Borrowing. It is estimated that asset lives within these programmes are 30 years and this is the period that will be used to determine the MRP.

Asset lives within the Fleet Programme range from 1 to 10 years, these are the periods that will be used to determine the MRP.

Local Government Borrowing Initiative (LGBI) Highways. It is estimated that asset lives within this programme are 20 years and this is the period that will be used to determine the MRP.

Housing Revenue Account

The calculation is based on 2% of the opening Capital Financing Requirement (CFR) each year.

Council is recommended to approve the following MRP Statement for 2017/2018:

For Supported and Unsupported Capital Expenditure, the MRP policy will continue to follow the approaches above.

Executive Board 6th February 2017

Subject

**Purpose: Treasury Management and Prudential Indicator Report
1st April 2016 to 31st December 2016**

Recommendations / key decisions required:

That the Executive Board considers and approves the report.

Reasons:

**To provide members with an update on the treasury management activities from
1st April 2016 to 31st December 2016.**

Relevant scrutiny committee to be consulted **YES Policy & Resources Scrutiny Committee
8th February 2017**

Exec Board Decision Required YES

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins

Directorate: Corporate Services

Name of Director: Chris Moore

Report Author: Anthony Parnell

Designation: Director of Corporate Services

Designation: Treasury and Pension Investments Manager

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Tel No. 01267 224180; E Mail: AParnell@carmarthenshire.gov.uk

EXECUTIVE SUMMARY
Executive Board
6th February 2017

SUBJECT

Treasury Management and Prudential Indicator Report
1st April 2016 to 31st December 2016

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

To provide members with an update on the treasury management activities from 1st April 2016 to 31st December 2016.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

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

Signed: C Moore Director of Corporate Services

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

1. Policy, Crime & Disorder and Equalities

Within the requirements of the Treasury Management Policy and Strategy Report 2016-2017

2. Finance

The authority's investments during the period returned an average return of 0.45%, exceeding the 7 day LIBID rate.

Gross interest earned on investments for the period amounted to £0.232m and interest paid on loans was £10.03m.

The Authority did not breach any of its Prudential Indicators during the period.

At the period end the investments included £0.63m of KSF investments.

The administration of KSF is expected to continue for some time again and further updates will be provided in future reports.

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

Not Applicable

2. Local Member(s)

Not Applicable

3. Community / Town Council

Not Applicable

4. Relevant Partners

Not Applicable

5. Staff Side Representatives and other Organisations

Not Applicable

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

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

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
CIPFA Treasury Management in the Public Services - Code of Practice Revised 2011		County Hall, Carmarthen

**EXECUTIVE BOARD
6TH FEBRUARY 2017**

**QUARTERLY TREASURY MANAGEMENT AND
PRUDENTIAL INDICATOR REPORT**

1st April 2016 – 31st December 2016

A QUARTERLY TREASURY MANAGEMENT REPORT

1. Introduction

The Treasury Management Policy and Strategy for 2016-2017 was approved by Council on 23rd February 2016. Section B 1.1(2) stated that Treasury Management activity reports would be made during the year. This report outlines the Treasury Management activities in the period 1st April 2016 to 31st December 2016 and satisfies the reporting requirement stated above.

2. Investments

One of the primary activities of the Treasury Management operation is the investment of surplus cash for which the Authority is responsible. As well as the Authority's own cash the County Council invests School Trust Funds and other Funds, with any interest derived from these investments being passed over to the relevant Fund.

All surplus money is invested daily on the London Money Markets. The security of the investments is the main priority. Appropriate liquidity should be maintained and return on investments the final consideration. It continues to be difficult to invest these funds as the market continues to be insecure and as a consequence appropriate counterparties are limited.

The total investments at 1st April 2016 to 31st December 2016 analysed between Banks, Building Societies, Local Authorities and Money Market Funds, are shown in the following table:

Investments	1.4.16				31.12.16			
	Call and notice	Fixed Term	Total		Call and notice	Fixed Term	Total	
	£m	£m	£m	%	£m	£m	£m	%
Banks and 100% wholly owned Subsidiaries	13.00	0.65	13.65	30	14.00	0.63	14.63	31
Building Societies	0.00	7.00	7.00	15	0.00	7.00	7.00	15
Local Authorities	0.00	10.00	10.00	22	0.00	10.00	10.00	21
Money Market Funds	15.00	0.00	15.00	33	15.00	0.00	15.00	32
TOTAL	28.00	17.65	45.65	100	29.00	17.63	46.63	100

Investments on call are available immediately on demand.
Fixed term investments are fixed to a maturity date.

The £46.63m includes £0.63m (15.75% of original claim) invested in Kaupthing Singer and Friedlander which has been reduced from the original £4.0m by distributions.

During the period the total investments made by the Council and repaid to the Council (the turnover) amounted to £846.07m. This averaged approximately £21.54m per week or £3.08m per day. A summary of turnover is shown below:

	£m
Total Investments 1st April 2016	45.65
Investments made during the period	423.50
Sub Total	469.15
Investments Repaid during the period	(422.52)
Total Investments at 31st December 2016	46.63

The main aims of the Treasury Management Strategy is to appropriately manage the cash flows of the Council, the required short term and longer term market transactions and the risks associated with this activity. Lending on the money market secures an optimum rate of return and also allows for diversification of investments and hence reduction of risk, which is of paramount importance in today's financial markets.

The benchmark return for the London money market is the “7 day LIBID rate”. For 2016-2017 the Council has compared its performance against this “7 day LIBID rate”. For the period under review the average “7 day LIBID rate” was 0.23% whereas the actual rate the Council earned was 0.45%, an out performance of 0.22%.

This outperformance can be quantified to £110k additional interest earned compared to the “7 day LIBID rate”.

The gross interest earned on investments for the period amounted to £0.232m.

The income from investments is used by the Authority to reduce the net overall costs to the Council taxpayer.

3. Update on the investments with Kaupthing Singer & Friedlander (KSF)

A fourteenth dividend was received from the Administrators in November 2016. This equated to 0.5p in the £ and amounted to £20k principal.

As at 31st December 2016 the sum of £3.37m principal and £207k interest had been received from the Administrators, which equates to 84.25% of the claim submitted. A further dividend is expected to be paid in 2017-2018. The Administrators have upgraded their estimate of total dividends to non-preferential creditors to a minimum of 86%.

4. Security, Liquidity and Yield (SLY)

Within the Treasury Management Strategy Statement for 2016-2017, the Council's investment priorities are:

- Security of Capital
- Liquidity and
- Yield

The Council aims to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term to cover short term cash flow needs but also to seek out value available in significantly higher rates in periods up to 12 months with highly credit rated financial institutions.

Attached in Appendix 1 is the Investment Summary and Top 10 Counterparty Holdings (excluding the £0.63m in KSF) as at 31st December 2016.

5. Borrowing

One of the methods used to fund capital expenditure is long term borrowing. The principal lender for Local Authorities is the Public Works Loan Board (PWLB).

Under the Treasury Management Strategy it was agreed to borrow when interest rates are at their most advantageous.

The total loans at 1st April 2016 and 31st December 2016 are shown in the following table:

Loans	Balance at 01.04.16 £m	Balance at 31.12.16 £m	Net Increase/ (Net Decrease) £m
Public Works Loan Board (PWLB)	369.59	374.12	4.53
Market Loan	3.00	3.00	0.00
Salix, Invest to Save, HILS & TCL	3.44	3.24	(0.20)
TOTAL	376.03	380.36	4.33

The Salix interest free loans have been provided by an independent publicly funded company dedicated to providing the public sector with loans for energy efficiency projects.

The interest free Invest-2-Save funding is to assist in the conversion of traditional street lighting to LED, which will help deliver a legacy of reduced energy costs and associated carbon taxes.

The Home Improvement Loan Scheme (HILS) repayable funding is provided by the Welsh Government to help individual home owners, small portfolio landlords, developers and charities to improve homes and increase housing supply.

The Town Centre Loan (TCL) repayable funding is provided by the Welsh Government to provide loans to reduce the number of vacant, underutilised and redundant sites and premises in town centres and to support the diversification of the town centres by encouraging more sustainable uses for empty sites and premises, such as residential, leisure and for key services.

5.1 New Borrowing

The following loans were borrowed during the period to fund the capital programme:

Loan Reference	Amount (£m)	Interest Rate	Start Date	Period	Maturity Date
505287	5.00	1.93%	12th August 2016	48yrs	28th September 2064
505288	5.00	1.94%	12th August 2016	49yrs	28th September 2065
Total	10.00				

5.2 Interest Paid

Interest paid on loans in the period was:

PWLB Interest Paid £m	Market Loan Interest Paid £m	Total Interest Paid £m
9.89	0.14	10.03

6. Rescheduling and Premature Loan Repayments

No rescheduling opportunities arose during the period and there were no premature repayments of debt.

7. Leasing

No leases were negotiated in the period ended 31st December 2016.

8. Conclusion

The Treasury Management function for the period ended 31st December 2016 has been carried out within the policy and guidelines set in the Treasury Management Policy and Strategy 2016-2017.

B. QUARTERLY PRUDENTIAL INDICATOR REPORT

1. Introduction

As part of the 2016-2017 Budget and the Treasury Management Policy and Strategy 2016-2017 Council adopted a number of Prudential Indicators. These Indicators are designed to ensure that any borrowing or other long-term liabilities entered into for capital purposes were affordable, sustainable and prudent.

The Indicators are required by the Local Government Act 2003 and the Revised Prudential Code of Practice in order to control Capital Finance. The Prudential Code also required that those Prudential Indicators that were forward looking should be monitored and reported. Some of the indicators are monitored by officers monthly, and are only reported if they are likely to be breached, others are to be monitored quarterly by the Executive Board.

2. The Monitored Prudential Indicators

2.1 Affordability Prudential Indicator

2.1.1 Ratio of Financing Costs to Net Revenue Stream

The indicator set for 2016-2017 in the Budget was:

	2016-2017 %
Non –HRA	5.77
HRA	37.46

An examination of the assumptions made in calculating this indicator concluded that there have been no changes in the period.

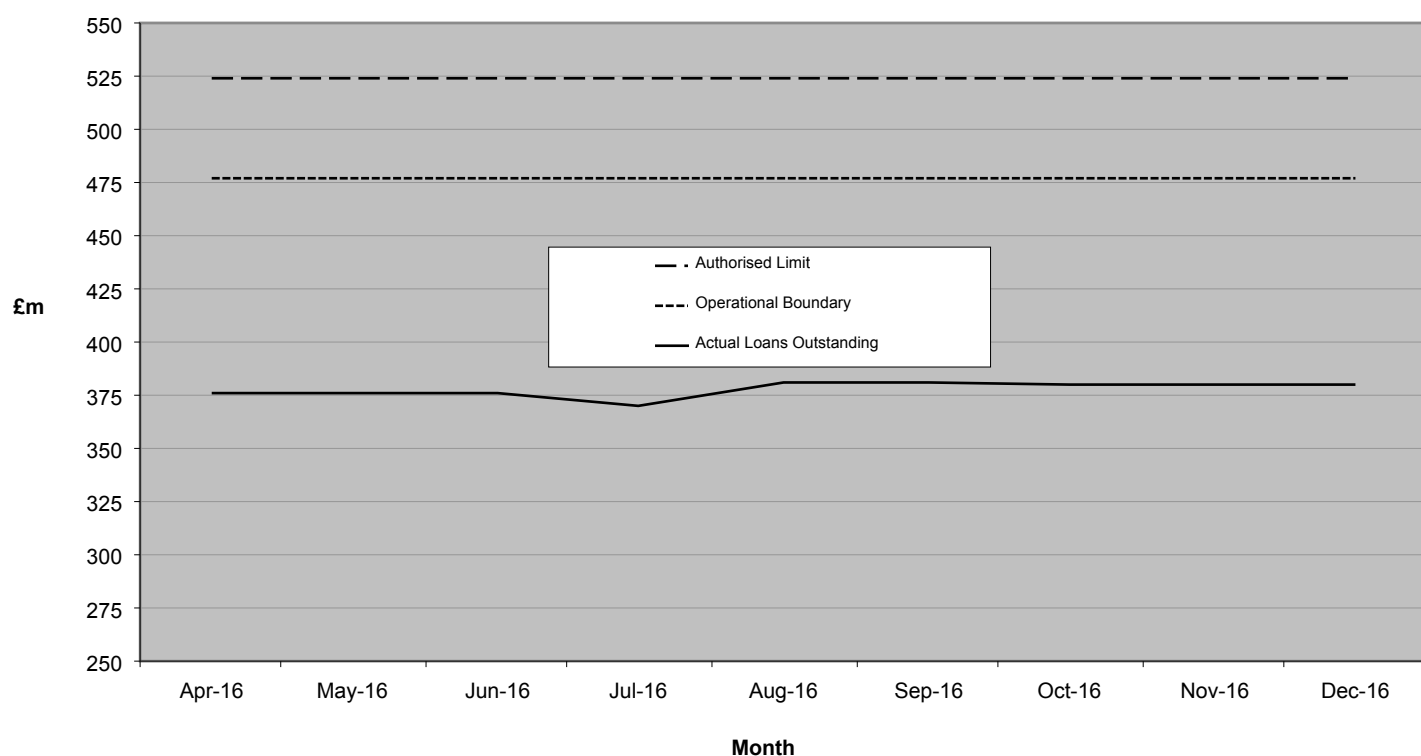
2.2 Prudence Prudential Indicators

2.2.1 The Gross Borrowing and Capital Finance Requirement (CFR) indicator

The indicator set by the Budget for Gross Borrowing and CFR was that the Director of Corporate Services envisaged no difficulty in meeting the requirement of the Gross Borrowing being less than the accumulated CFR for 2016-2017. An examination of assumptions made when calculating the Prudential Indicator show that there have been no material changes.

2.2.2 Authorised Limit and Operational Boundary

The actual value of loans outstanding must not exceed the Authorised Limit. In normal activity actual loans outstanding should be close but less than the Operational Boundary. The Operational Boundary can be breached in the short term due to adverse cash flows.



	Apr-16	Jun-16	Sep-16	Dec-16
	£m	£m	£m	£m
Authorised Limit	524	524	524	524
Operational Boundary	477	477	477	477
Loans Outstanding	376	376	381	380

Neither the Authorised Limit nor the Operational Boundary have been breached.

2.3 Treasury Management Prudential Indicators

2.3.1 Interest Rate Exposure

Position as at 31st December 2016:

	Fixed Interest Rate Rate £m	Variable Interest Rate Interest Rate £m	TOTAL £m
Borrowed	377.36	3.00	380.36
Invested	(17.63)	(29.00)	(46.63)
Net	359.73	(26.00)	333.73
Limit	445.00	20.00	
Proportion of Net Borrowing Actual	107.79%	(7.79)%	100.00%
Limit	150.00%	10.00%	

The authority is within limits set by the 2016-2017 indicators.

2.3.2 Maturity Structure Of Borrowing

	Structure at 31.12.16 %	Upper Limit %	Lower Limit %
Under 12 months	1.01	15	0
12 months to 2 years	3.39	25	0
2 years to 5 years	6.23	50	0
5 years to 10 years	10.77	50	0
10 years to 20 years	18.58	50	0
20 years to 30 years	20.77	50	0
30 years to 40 years	22.43	50	0
40 years and above	16.82	50	0

The authority is within the limits set by the 2016-2017 indicators.

2.3.3 Maximum principal sums invested longer than 364 days

	2016-2017 £m
Limit	10
Actual as at 31 st December 2015	NIL

3. Conclusion

For the period 1st April 2016 to 31st December 2016 the actual Prudential Indicators to be monitored by the Executive Board are within the limits set by the Budget 2016-2017 and the Treasury Management Policy and Strategy 2016-2017. This is also true for the indicators being monitored by officers.

RECOMMENDATION

That Executive Board considers and approves the report.

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Investment Summary as at 31st December 2016

Carmarthenshire County Council

Totals		
Total	£46,000,000	
Calls & MMFs	£29,000,000	63%
Fixed Deposits	£17,000,000	37%
Specified	£46,000,000	100%

Weighted Average		
Yield		0.36%
Maturity (Days)		
Total Portfolio	Total Portfolio	23.46
Long Term		
Short Term		
AAA	-	1.00
AA	F1	74.00
A	F1	15.43
BBB	F2	0.00
CCC	C	0.00

Risk Factors		
< 1 year	£1,172	0.003%
1 - 2 years	£0	0.000%
2 - 3 years	£0	0.000%
3 - 4 years	£0	0.000%
4 - 5 years	£0	0.000%
Total Portfolio	£1,172	0.003%

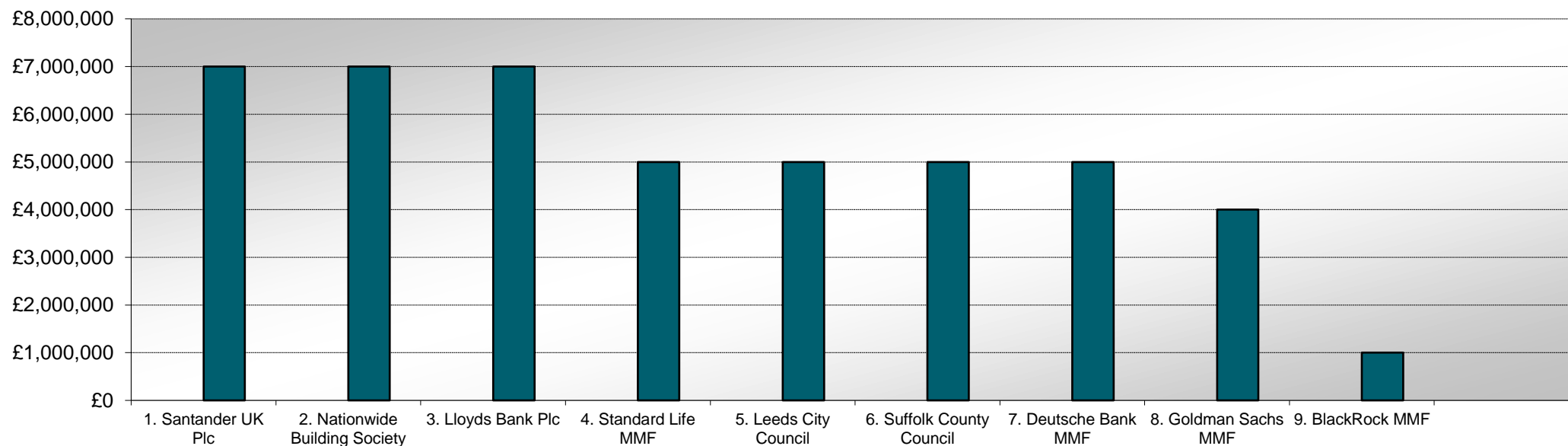
Maturity Structure		
< 1 Week	£29,000,000	63%
< 1 Month	£4,000,000	9%
2 - 3 Months	£8,000,000	17%
3 - 6 Months	£5,000,000	11%
6 - 9 Months	£0	0%
9 - 12 Months	£0	0%
12 Months+	£0	0%
Total	£46,000,000	100%

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Top 10 Counterparty Holdings

Carmarthenshire County Council

Counterparty	Principal	% of Total Holding	WAM (Days)	WAYield	WADefault
1. Santander UK Plc	£7,000,000	15.22%	1	0.61%	0.000%
2. Nationwide Building Society	£7,000,000	15.22%	44	0.46%	0.011%
3. Lloyds Bank Plc	£7,000,000	15.22%	1	0.37%	0.000%
4. Standard Life MMF	£5,000,000	10.87%	1	0.31%	0.000%
5. Leeds City Council	£5,000,000	10.87%	51	0.25%	0.002%
6. Suffolk County Council	£5,000,000	10.87%	97	0.30%	0.004%
7. Deutsche Bank MMF	£5,000,000	10.87%	1	0.26%	0.000%
8. Goldman Sachs MMF	£4,000,000	8.70%	1	0.24%	0.000%
9. BlackRock MMF	£1,000,000	2.17%	1	0.11%	0.000%



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EXECUTIVE BOARD

DATE: 6TH FEBRUARY, 2017

SUBJECT :
BURRY PORT HARBOUR - FUTURE MAINTENANCE

RECOMMENDATIONS/DEY DECISIONS REQUIRED:

To support the future maintenance programme and consider the funding proposals for Burry Port Harbour.

REASONS:

On the 13th July 2015, Executive Board Members supported the strategic need to maintain the Harbour and subsequently a notional figure of £400k was added to the Capital Programme.

The Head of Leisure subsequently sought assistance from the Environment Department to fully investigate the detail of the dredging work required along with a review of maintenance requirements for the grade II listed harbour walls. Atkins were commissioned to lead on the task, supported by [ADBP](#) dredging, harbour and coastal consultants.

This report provides a summary of identified issues, risks and costs along with a range of future maintenance options. The report considers options from 'do nothing', to a sustainable planned maintenance schedule which allows for a reasonable degree of certainty over ongoing costs. It is important to note that the 'do nothing' option does not apply to the harbour walls and therefore still carries risk and cost.

Relevant Scrutiny Committee to be consulted: **YES – Community Scrutiny – 20th January, 2017**

EXECUTIVE BOARD:

Scrutiny Committee Recommendations/Comments:

UNANIMOUSLY RESOLVED that it be recommended to the Executive Board that the report on the future maintenance requirements for Burry Port Harbour be endorsed, and that appropriate provision be made within the Council's relevant revenue and capital budgets to sustain the harbour on an ongoing basis.

Executive Board Decision Required	–	6 th February, 2017
Council Decision Required	–	NO

Executive Board Member Portfolio Holder:

Cllr. M. Gravell (Regeneration & Leisure Portfolio Holder)

<p>Directorate: Communities</p> <p>Name of Head of Service: Ian Jones</p> <p>Report Author: Ian Jones</p>	<p>Designation: Head of Leisure and Sport</p>	<p>Tel Nos. 01267 228309</p> <p>E Mail Addresses: IJones@sirgar.gov.uk</p>
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EXECUTIVE SUMMARY

EXECUTIVE BOARD DATE: 6TH FEBRUARY, 2017

SUBJECT: BURRY PORT HARBOUR – FUTURE MAINTENANCE

1. Background

Managing the harbour is becoming increasingly difficult without a major dredge, with mooring fees having to be frozen, and the window of opportunity for berth holders to access and egress the harbour being reduced each year. This in turn reduces the harbour's appeal to boat owners and is resulting in a loss of potential income, as well as attracting adverse publicity. Approximately 6,000m³-10,000m³ of sand and silt enters the harbour every year, with around 80,000m³ of material (mainly silt) needing to be removed as part of the immediate capital dredge. The Harbour walls are also in a poor condition, meaning that East Dock is no longer used.

The income currently generated by the harbour covers most of its current revenue costs including the annual sand dredge of the approach channel. The Outer Harbour has a capacity for 330 berths, with 137 occupied and over half of the remaining 193 not serviceable due to the siltation problems. A further 104 berths in East Dock are out of commission due to the issues with the Harbour walls. 10 additional vessels are moored in West Dock where there are no pontoons. For every additional 50 boats mooring at an average of £750 pa (£125/m x 6m boat), this generates an extra £37.5K of income pa at current prices.

If the planned regeneration of the harbour area is undertaken, complete with 250+ new harbour side homes and many extra facilities, there is every chance the take-up of pontoon berths and thus income, will increase substantially in a well maintained harbour, making the facility more sustainable. With full occupation of East Dock and the outer Harbour, the facility could generate an additional £223k of income pa for the authority at current charging rates. Charging rates have been kept purposely low over recent years, due to the access / egress issue associated with the limited dredging regime.

2. Costs and funding

Dredging

REVENUE:

The annual sand dredging cost for the harbour channel and basin, undertaken in early Spring, is around £50k. It is recommended that this ongoing mechanical sand dredging budget needs be around £120k pa (dredging twice a year) – anticipated to be £20k less than shown on the attached main report due to tender documentation and project management plans already being in place.

Potential sources of revenue funding to meet these additional costs would include an increase in income of at least £40k, through additional mooring lettings (50 extra), and increased charges, thus leaving a revenue shortfall of around £30k pa. Discussions are also ongoing about the potential sale / use of the sand removed by the mechanical dredging contractor, which may in turn, significantly reduce or remove these costs.

CAPITAL:

The report also recommends a capital (silt) dredge of the inner harbour at a cost of £780k. £400k is included in the capital programme for 16/17, however, approximately £50K is already allocated for this initial feasibility work. This leaves a shortfall of circa £430k for the capital dredge works.

This shortfall would need to be funded from the corporate capital programme, where it should be noted that receipts from MCP land have previously been re-used within the MCP. Previous capital harbour works were funded from the general capital programme.

£190k of S106 receipts are also available locally, with the local member keen to see the money spent on a new playground at BPH, which would generate considerable additional parking income for the Harbour, as has been witnessed with a similar development at North Dock.

Harbour Walls

Costs for the Harbour wall repairs total £2.8m, over a 10 year phased programme, with £860k of capital required in the immediate term (years 1-2), £1.05m in years 3-5 and £0.89m in years 6-10

Officers will be exploring grant opportunities with agencies such as CADW, and another option could be using the internal development loan fund to 'borrow' additional capital.

3. Risks and other options

A full list of risks is included in the detailed report, not least the requirement to apply for a disposal license from NRW for the dredged material. Obtaining the necessary disposal license would mean that the main dredge of BPH would not be likely before the Autumn of 2017. Consents will also be required from CADW, amongst others, for works to the Harbour Walls.

A number of other disposal site options have also been considered and dismissed and are again listed within the detailed report.

The report also considers the 'do nothing option', which still incurs significant cost, not least in relation to the legal requirement to maintain the harbour walls, which remains the same.

The detailed report highlights the requirement for ongoing dredging of the silt material and outlines an option to undertake a process called Water Injected Dredging (WID) – as is successfully used at Swansea Marina. £330k would be required for the WID trial dredge, which could lead to subsequent scheduled, low level WID dredging regime every 2 years to keep on top of the silt dredging at a cost of £80k pa.

An alternative and preferred option to this would be to schedule in a capital silt dredge every 5 years or so at an anticipated cost of around £500k (less material than current, plus tender documents and survey work already in place by then). This could be funded from scheduled capital funding every 5 years, or possibly through increased mooring availability, take up and an increase in charges due to the improved facilities (would need to generate an additional £100k pa over the 5 year period).

Officers from the Leisure and Corporate Property Divisions continue to explore opportunities for partnership working that may assist with the future management of the Harbour.

4. Summary

Issue / Action	Current position	Proposed / Required	Funding solution
Annual Mechanical Sand dredging (Revenue)	£50k pa (dredge access channel once a year)	£120k pa (dredge twice a year)	£40k additional mooring income anticipated (occupation and increased fees). £30k Revenue growth required
Major Silt Dredge (Capital)	Long overdue, causing access / egress problems.	£780k to dredge 80,000m ³ of material	£400k in capital programme (£50k spent) - additional £430k to be identified from capital programme
Ongoing Silt Dredge (Rev / Capital)	No provision at present	£500k of capital every 5 years	£500k to be identified in capital programme every 5 years (2022/23 onwards)
Harbour walls - immediate repairs (Capital)	H&S issue	£860k required for H&S works	£860k to be identified from capital programme / MCP receipts
Harbour Walls - 5 year repair programme (Capital)	No planned programme for listed features	£1.94m to complete	£1.05m to be identified from capital programme / local receipts over years 3-5 (19/20-21/22) and £0.89m for years 6-10

5. Conclusions & Recommendations

The report aims to provide a detailed appraisal of issues at the harbour, offering a number of options around future maintenance. Costs and potential funding solutions are identified, along with associated risks. It is recommended that funding is included in the relevant revenue and capital budgets to sustain the harbour on an ongoing basis.

DETAILED REPORT ATTACHED?

Yes, along with map showing key features of harbour, and regeneration masterplan of harbour.

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: Ian Jones

Head of Leisure & Sport

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

1. Policy

The Harbour is part of the Burry Port regeneration master-plan, and its continued maintenance, operation and viability was recognised as such by the Executive Board on the 13th July 2015, contributing towards key corporate objectives around, economic development, physical regeneration, leisure, health, and tourism.

2. Legal

Potential issues with CADW if the authority fails to maintain the Grade II listed Harbour Walls. Any work within the Harbour must also comply with the [Harbour Revision Order, 2000](#), and be undertaken with cognisance to environmental policies relating to its status as a [SAC](#) and [SSSI](#) site. The Harbour also forms part of the Millennium commission funded Millennium Coastal Park.

A number of licenses and consents are required as part of any agreed maintenance works.

3. Finance

Both the Revenue Budget Strategy and the 5 year capital programme elsewhere on the agenda today contain the following funding proposals:

Revenue

£30k per annum growth. (£70k per annum cost less £40k Additional Income)

Capital

Major Silting works to be met through slippage of the £400k budget within the 2016-17 capital programme, plus £430k of the sum allocated in 2017-18/

£860k High Priority Harbour Wall Works is met through an allocation of £430k in 2017-18 and £430k in 2018-19

£1.05m Medium Priority Harbour Wall Works provided through the £350k per annum within the 2019/20-2021/22 financial years.

The report also highlights both longer term and low priority capital expenditure beyond the life of the current 5 year capital programme, and this need will need to be considered in the future year's capital programme development.

4. Risk Management

Potential claims against the authority for mooring holders' vessels that may be damaged due to grounding within the Harbour resulting from a lack of dredging maintenance.

Potential action instigated by CADW if we do not maintain the Harbour Walls.

5. Staffing Implications

Potential redundancy / redeployment issues for 1.5 FTE if the Harbour were to revert to its original status as a tidal Harbour with no pontoon moorings.

6. Physical Assets

The Harbour is owned and managed by CCC. [Elements of it have listed status](#). The Harbour office (portakabin) is in a poor condition – the intention being for the office to be re-located to the existing [RNLI building](#) as part of a land swap deal allowing the RNLI to build a new station within the vicinity.

A recent meeting between leisure, property and planning officers concluded that a boatyard for the harbour could be housed to the North of the harbour at the proposed work / live site (site 7 on regen masterplan), which may in turn free up MCP land for future development / receipts.

CONSULTATIONS

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

Signed: Ian Jones

Head of Leisure & Sport

1. Scrutiny Committee

A Community Scrutiny site visit took place on the 30th October 2014 to better understand the issues facing the Harbour.

Concerns over the siltation of the Harbour were also raised during the [Annual Countryside Unit update report 2nd April 2015](#) (Item 7), with a recommendation to bring a report back on the maintenance, dredging and future of the Harbour to a future Community Scrutiny Committee.

Community Scrutiny Committee was also consulted on the 20th January, 2017.

2. Local Member(s)

Cllr. J. D. James, Cllr. P. E. M. Jones and Cllr H Shepardson are fully aware of the issues at the Harbour.

3. Community / Town Council

As above. Pembrey & Burry Port Town Council wrote to the CEO of CCC on the 15th May 2015, highlighting concerns and requesting a meeting. The Head of Service subsequently met them on the 15th July.

4. Relevant Partners

Previous technical advice for dredging work at the harbour has been provided by specialists [Shoreline Management Wales](#), who also advise the authority's Environmental Services Department on Coastal erosion and management issues.

5. Staff Side Representatives and other Organisations

N/A at this stage.

Section 100D Local Government Act, 1972 – Access to Information List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Burry Port Harbour		Regeneration & Leisure Scrutiny committee 17th October 2007
Burry Port Harbour	Item 10.1	Executive Board 3rd March 2008
Burry Port Harbour	Item 6	Executive Board 17th March 2008
BPH – Future Maintenance	Item 11	Executive Board 13th July 2015

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Burry Port Harbour

Non-Technical Summary Report

Dredging Options and Maintenance of Harbour Walls

Carmarthenshire County Council (CCC) /
Cyngor Sir Gaerfyrddin

6 December 2016

Notice

This document and its contents have been prepared and are intended solely for Carmarthenshire County Council’s (CCC) information and use in relation to the Burry Port Harbour, Dredging Options and maintenance of the Harbour Walls discussions.

Atkins assumes no responsibility to any other party in respect of or arising out of or in connection with this document and/or its contents.

This document has 16 pages including the cover.

Document history

Job number: 5146870			Document ref: 5146870/72/DG/006			
Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
Rev 0.5	Atkins check and review	MT				31/11/16
Rev 0.7	Draft issue to CCC	MT	MM	DF	DF	06/12/16

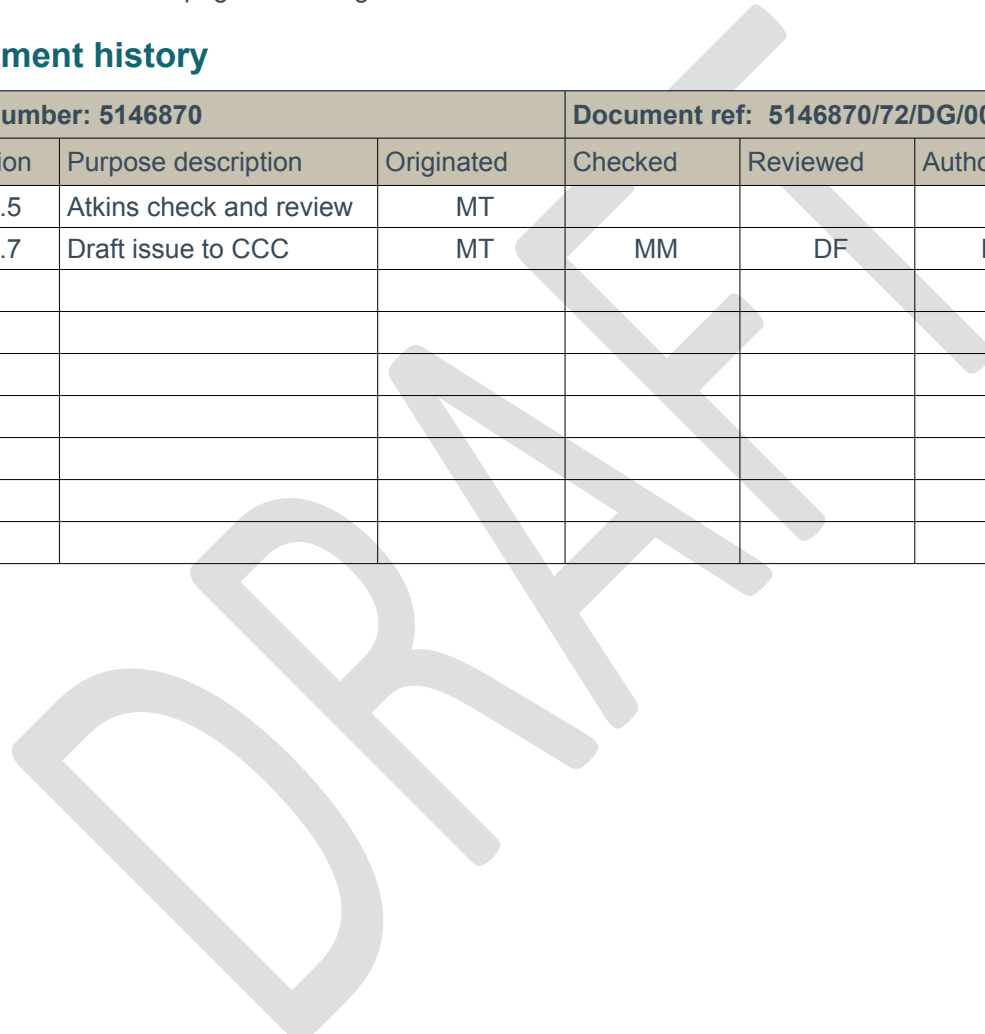


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DRAFT

1. Introduction

Burry Port Harbour has strategic importance to the area in terms of regeneration and economic potential. It is a critical site for Carmarthenshire's coastline and Wales' marine assets. If Carmarthenshire County Council (CCC) do not invest in a long term dredging and harbour wall maintenance programme, the harbour will struggle to survive as an asset. This will result in mooring holders leaving for other marina's which in turn will reduce the amount of income to both Burry Port Harbour and the wider community. This may also lead to a loss of interest for future development to the area. The harbour wall also carry a Grade II listing, which brings associated responsibilities on the authority.

Burry Port Harbour currently has development opportunities within the Llanelli Coast Joint Venture between the Welsh Assembly Government and Carmarthenshire County Council. This is a flagship partnership delivering an ambitious regeneration strategy for Llanelli Waterside. The aim is to create a vibrant and modern space in which people can enjoy working, living and playing.

The RNLI also continue to invest in the area with the construction of a new lifeboat station planned next year.

2. Purpose of report

To outline a sustainable maintenance plan for the Harbour, made up of two key elements:

2.1 Dredging

Dredging is necessary to:

- Remove around 80,000m³ of sand and silt from within the harbour as soon as possible, along with an ongoing, sustainable maintenance regime.
- Increase the depth of water in order to make access and egress for boats easier and keep them afloat during impoundment.
- Allow mooring fees to be increased again to maintain future revenue for the Harbour.
- Attract additional users to the harbour, increasing future revenue.
- Ensure a busy, vibrant harbour, which in turn can help regenerate the area.

2.2 Harbour Walls

The harbour walls must be repaired in order to:

- Meet the authority's responsibilities as owners of the Grade II listed facility
- Ensure the structural integrity of the walls are maintained and to prevent collapse.
- Ensure that the harbour is a safe place for boat users, harbour staff and the general public.
- Maintain the character of the Grade II listed walls and ensure they are preserved for the future.
- Ensure that the area of Burry Port attracts future development opportunities.

3. Dredging

3.1. Background

Since construction of the half tide gate and breakwater in 2000, the approach channel has experienced rapid infill of sand. The sand overtops the half tide gate and flows into the outer harbour. This sand settles out and accumulates in the harbour reducing the water depth, causing significant access and egress problems for boat users. The loss of depth also means that vessels now sit on the accumulated material during impoundment, which increases the risk of damage.

The harbour has not been fully dredged for 10 years, apart from localised mechanical removal of sand. The annual mechanical dredge is limited in terms of its effectiveness. The mechanical dredge removes approximately 6,100m³ of sand from the outer harbour. This is at the lower end of the 6,000m³ -10,000m³ of sand that enters the harbour on an annual basis. The mechanical dredge does not remove silt that also gets in to the furthest reaches of the Harbour.

There is a need to remove 84,000m³ of dredged material from the outer harbour (approx. 10,000m³ sand and 74,400m³ of silt) to reach a satisfactory level for the harbour to operate to its capacity.

There is currently no long term dredging strategy for the harbour which results in the sand and silt build up progressively getting worse.

3.2. Dredge and disposal options explored and dismissed

A number of different disposal options have been considered as part of the feasibility study. The options that have been discounted and reasons for are given in the table below. Refer to plan in **Appendix A**.

Discounted options	Comments
Disposal of silt and sand:	
1. Option 1 (i) Within West Dock	The harbour walls are Grade II listed status and infilling would prohibit future use as a dock.
2. Option 1 (ii) On development land adjacent to the harbour	The silt is unsuitable for re-use and the material will make development less attractive to potential developers.
3. Option 1 (iii) On Tip at Pembrey Harbour	This option will have a negative impact on the marine environment, the caravan park and requires waste permits which are costly and may take a number of years to obtain.
4. Option 1 (iv) b Disposal to sea to Swansea Bay disposal site L130.	Considered the best long term solution, but most expensive due to transport distance to Swansea Bay.
5. Option 2 – Restricted dredge	A reduction in marina capacity may not be desirable or produce the necessary revenues required for the harbour.
6. Option 3 – Removal of fingers	Potentially reduces the number of moorings, if located in channel. Cost effective solution, but does not solve the problem for the outer harbour.
7. Option 4 Revert to a tidal harbour by not operating the gate.	Harbour will still accrete sand, so costs for regular dredging will be required. Minimal cost solution, but does not solve the problem for the harbour. Does not resolve issue with maintenance of walls.
8. Option A Within East Dock	The harbour walls are Grade II listed status and infilling would prohibit future use as a dock.

3.3. Preferred Options

The preferred options, that are dependent on receiving a Marine Licence from Natural Resources Wales (NRW), are given in the table below:

Preferred Options Disposal of silt and sand:	Comments
9. Option 1 (iv) a Disposal to sea to the local disposal site LU145 / east beach site.	This is considered to be the best and most cost effective long term solution for the harbour by increasing the depth for boat users, but is dependent on receiving the marine licence for silt disposal from NRW.
10. Option B Water injection dredging (Trial)	This technique aims to remove a portion of the silt in the short term by using high volume water and the tide to flush the harbour. Recommend trial be undertaken for long term strategy.

3.4. Consultation with Natural Resources Wales (NRW)

Consultation has been undertaken with Natural Resources Wales (NRW) to ascertain the environmental requirements for the dredging and disposal options and the need for a marine licence. Feedback from NRW was positive, however risks were identified. NRW have raised the following risks and requirements:

- CCC can dredge as much material as required within their limits under the Harbour Revision Order (HRO) but are unable to dispose of the dredged material under Mean High Water Springs (MHWS). Therefore a marine licence is required for disposal.
- NRW are concerned about the adverse effect that the dredging could have on the cockle and mussel beds in the estuary.
- NRW stated there will be a requirement to model the discharge of silt and dispersion onto the local disposal site / East beach site to assess impacts on the cockle and mussel beds.
- Requirements needed to obtain a marine licence for the preferred option include submission of a Habitats Regulations Assessment (HRA), Water Framework Directive (WFD) assessment, and a Marine licence application with sampling and testing for CEFAS (Centre for Environment, Fisheries, and Aquaculture Sciences) requirements. Modelling required prior to these tasks.
- The local east beach discharge site has previously been used to dispose of sand only. A new disposal site may need to be characterised to determine its suitability for disposal of silt.
- There is no set timeframe for NRW to review and grant a Marine Licence.
- NRW fees are due to change in April 2017. All costs are based on NRW current 2016 structure.
- A separate HRA and WFD will be required for the main dredge option to the local site / East beach site and for the long term strategy using Water Injection Dredging (WID).
- SSSI ascent required will be covered under the Marine Licence.
- A Marine licence application for the sampling in the harbour at depth may be required.

3.5. Long Term Strategy

A more frequent mechanical dredge will be required to the approach channel to try and reduce the ingress of sand into the outer harbour. In addition to this, another suitable technique, such as Water Injection Dredging, or similar will be required on a regular basis to maintain the appropriate level in the harbour. There will be a need for future regular monitoring in the form of bathymetric surveys to monitor the sand and silt levels.

4. Harbour Walls

4.1. Background

A visual inspection condition survey has been undertaken to confirm the condition of the harbour walls and to identify potential defects.

Outer Harbour – The majority of the Outer Harbour consists of sloping battered masonry walls, which are believed to cover the original unstable vertical walls. The walls are in reasonable condition, however the North East and East walls are designated as **High priority** repairs that require repair in the next 1 – 2 years. Here there are defects in areas beneath the existing access brows and adjacent to the footpath that are used by the general public and boat users

East Dock – The majority of the masonry walls on the East Dock are in a dilapidated condition and will require a substantial amount of money to repair these in order to make them safe. It is understood that a new development will take place to the East side of the East dock. For this reason the repairs have been designated as **High priority** and are mainly concentrated on the East Side of the dock.

We do not recommend infilling the East Dock with dredged material as we believe that this is an asset that can be used for future expansion of the Outer Harbour and allow creation of a fixed water body that will be vital in the redevelopment of the waterside.

West Dock – The majority of the dock consists of sloping banks made from copper slag, with the remainder being masonry walls. The majority of the banks / walls are classified as medium to low priority repairs. **High priority** repairs are required to walls adjacent to the new children's playground to the west of the dock entrance.

We do not recommend infilling the West Dock with dredged material as we believe that this is an asset that can be used for future expansion of the Outer Harbour.

The walls show signs of distress and would benefit from site investigations in the form of boreholes to determine the reasons of distress.

4.2. Consultation with NRW and Conservation Officers

Consultation with Natural resources Wales (NRW) and Carmarthenshire conservation officers has confirmed the following:

Natural Resources Wales (NRW) - noted that any works that are undertaken under the powers of the Harbour Act and within or close to a Site of Special Scientific Interest (SSSI), such as the repairs to the walls may require a SSSI ascent because of the potential for bats in the crevices of the walls and presence of otters.

Carmarthenshire County Council's conservation officer - advised that the harbour walls are Grade II listed and a Listed Building Consent (LBC) will be required for any works which affect the character of a listed building (exterior, interior, any curtilage structure) and such works would include demolition, extension, alteration and possibly even repairs. The conservation officer has also noted that in his opinion a LBC for infilling of the East Dock with material dredged from the outer harbour is unlikely to be granted.

5. Key issues, Risks and Unknowns

5.1. Dredging

The key issues, risks and unknowns with the preferred dredging options are given below:

Option (iv) a – Discharge to sea to local discharge site LU145 or east beach site.

- Dredging's disposed to the designated disposal site (LU145), located directly outside the harbour entrance is more likely to be re-transported back into the harbour over time, than if deposited at the site defined in the 2010 disposal licence which is located further to the east and will reduce the risk of deposited material coming back into the harbour.
- Disposal site LU145 and the east beach site defined on the 2010 licence have historically only been consented for sand and not silt.
- There may be a need to designate a new site for disposals of silt (as only now for sand).
- Risk that the licence for disposal silt won't be granted because of the environmental sensitivity.
- No set time scale given by NRW to review and grant the Marine Licence for the works.
- NRW fees are due to change in April 2017. All costs are based on NRW current 2016 structure.
- Sand disposal will still be required as per the existing exemption.
- Confirmation and evidence of consents or exemptions in place for the placement of sand at the top of the beach disposal site.
- The daily discharge volume to the local discharge site and east beach site may be restricted on environmental grounds.
- The time of year that disposal can be carried out may be restricted on environmental grounds.

Option B – Water Injection Dredging (WID) trial for long term strategy

- WID needs a trial to confirm suitability for use as a long term solution or removing the silt fraction.
- WID only dredges part of the harbour. The rest of the harbour is expected to have too high a sand content to be effective.
- Initial indication from NRW is that no licence required for WID of silt. However, supply of HRA and WFD assessments to fulfil Harbour Authority responsibilities and NRW approval is required.
- The daily discharge volume that can be undertaken by WID may be restricted.
- Time of year that the WID can be carried out may be restricted on environmental grounds.
- Sand disposal will be required as per existing exemption.

5.2. Harbour Walls

The key issues, risks and unknowns with the walls are:

- It is unknown if a Listed Building Consent (LBC) will be granted for the wall repairs.
- It is unknown if a SSSI ascent will be granted for the repairs.
- There are no as built records or construction details of the existing walls available.
- There are no ground investigation records available.

5.3. Do Nothing

If CCC do not invest in a long term dredging scheme and maintenance programme for the repair of the harbour walls the harbour will not survive as an asset. Implications of doing nothing are as follows:

- Ingress of sand and silt in the harbour will progressively get worse making access and egress for boats more difficult.
- Will result in leisure craft leaving for other marina's which in turn will reduce the amount of income.
- Could result in the closure of the harbour due to safety of boat users.
- This will lead to loss of interest for future development and expansion and could contribute to deprivation to the area.
- East dock will remain closed due to instability of the walls.
- Reduces further expansion of outer harbour into the East and West docks which has the potential to increase revenue.
- The Grade II listed harbour walls will also not be preserved.

6. Costs

6.1. Dredging Costs

Estimated likely budget costs for the main dredge option to discharge to the local beach disposal site, East beach and the trial of the Water Injection Dredge have been provided. These costs include for the professional fees required for the lengthy scheme surveys, modelling and assessment process required to gain the Marine Licence. Further budget cost estimates have been provided for the long term strategy.

	Discharge to sea using CSD to local beach site LU145 / east beach site Option (iv) a	Water Injection Dredge Trial (13,500m ³)	Water Injection Dredge Option B (if trial successful)	Long Term Strategy	
				Annual Mechanical Dredge (two times a year)	Water Injection Dredging (every 2 years)
Construction costs to remove sand, silt and Marine Licence fee	£475,000	£225,000	£420,000	£100,000	£120,000
Vibro-coring and testing	£20,000	-	-	-	-
Professional fees for Marine License and consents requirements	£70,000	£60,000	£60,000	£10,000	£10,000
Costs of survey to support modelling	£85,000	-	-	-	-
Professional fees modelling	£80,000*	£25,000 (with model already built)	£25,000 (with model already built)	-	-
Design support, tender, PM and supervision	£50,000	£20,000	£35,000	£10,000	£14,000
Dredge Option Total	£780,000	£330,000	£540,000	-	-
Professional fees for long term strategy	-	-	-	£10,000	£8,000
Future bathymetric monitoring surveys	-	-	-	£10,000	£8,000
Total every 2 years	-	-	-	-	£160,000
Annual Maintenance Total	-	-	-	£140,000	£80,000

Table 1. Summary of estimated budget costs for dredging

Note. The costs for the consents are based on NRW current structure. These are due to change in April 2017.

The WID trial costs are high due to the initial mobilisation of the equipment to site.

*Cost to build a new model of the estuary and harbour which could then be used and recalibrated for other dredging options, e.g. WID.

6.2. Wall Repair Costs

Estimated budget costs have been provided for the high, medium and low priority repairs that require repair in the next 1 to 2 years, 2 to 5 years and 5 to 10 years for the Outer Harbour, West Dock and East Dock. Costs have also been provided for the investigations required and inspection cost required on an annual basis.

The costs are based on Contractors rates for similar types of repairs works in harbours such as Milford Docks. The costs (including professional fees) are summarised in the table below:

Location	Cost of High Priority Repairs (1-2 years)	Cost of Medium Priority Repairs (2 – 5 years)	Cost of Low Priority Repairs (5 – 10 years)	Cost of all Repairs (H,M, L)	Cost of Investigations for High Priority Repairs	Cost of Annual Inspection
Outer Harbour	£130,488	£447,197	£469,228	£1,046,912	£71,500	£2,200
West Dock	£84,665	£341,430	£155,548	£581,644	-	£1,760
East Dock	£460,299	£216,145	£175,331	£851,775	£89,375	£1,540
Consents	£25,000	£25,000	£25,000	£75,000	-	-
Principal Inspection	-	£20,000	£20,000	£40,000	-	-
Grand Total	£700,452	£1,049,772	£845,107	£2,595,331	£160,875	£66,000
Scheme Total	£2,822,206					

Table 2. Summary of estimated budget costs for walls repairs

7. Recommendations

7.1. Dredging

Main dredge - Discharge to sea using CSD to local site LU145 / East beach site (Option (iv) a)

- Start the modelling and consenting process for the main dredge option as soon as possible as this requires surveys, computer numerical modelling, HRA and WFD assessments and Marine Licence application. A process that can take at least 12 months.
- Verify suitability of local disposal site (LU145) and east beach site (2010 licence) for disposal of silt as these are currently only for sand.

- Produce Marine Licence consent application site coring investigation.
- Take core samples of sand and silt in the outer harbour using a vibrocore from a boat to inform the dredging contract documents and to provide more cost certainty on actual material to be removed.
- Undertake testing of silt and sands for contamination testing to reduce risk.
- Grant funding options to be explored by the Council to fund the scheme.
- Undertake further consultation with NRW to confirm modelling requirements.

Long term strategy – including the Water Injection Dredge Trial (Option B)

- Integrate the longer term maintenance plan into the wider strategic master plan for the harbour area as a whole.
- Progress the requirements for the long term dredging strategy and WID (to include HRA, WFD).
- Compile and develop a long term dredging strategy to follow on from the initial dredge campaign. This will be required in support of a license application.
 - Survey and monitor the infill rates on a regular basis following sand extraction campaigns, especially outside of the harbour.
 - Undertake trial of WID for silt removal to confirm suitability for long term strategy following removal of sand by present mechanical.
 - Undertake more regular mechanical sand dredge campaigns to reduce the sand levels in the approach channel.

General

- CCC to explore possibilities of using / selling sand from the harbour.
- CCC to allow a contingency on top of NRW marine licence fees as these are due to increase in April 2017.
- CCC to allow a contingency on top of the costs provided to allow for dredging and disposal of a greater volume of material, as the levels in the harbour are likely to increase if the dredging period is to be at least 12 months into the future.
- Consider use of WID to remove some material from the west dock.
- Consider relocating east dock pontoons to west dock area created by WID.
- Consider retaining and development of the west dock asset as a more beneficial feature to sustain the life of the harbour. This will generate additional revenue.
- Explore disposal of material at the existing Swansea Bay (LU130) disposal site as a longer term solution.

7.2. Walls

For the harbour walls we recommend the following is undertaken:

- The high priority repairs are repaired within the next 1 to 2 years to ensure Health and Safety concerns with the harbour are addressed and to maintain the structural integrity of the walls.
- Apply for the Listed Building Consent (LBC) application and SSSI ascent to allow the wall repairs to be undertaken.
- Undertaken further site investigations on the high priority repair areas to determine the reasons for failure.
- All walls are inspected on an annual basis to ensure that there is no further deterioration or risk to the general public and boat users.
- An annual inspection and maintenance repair scheme is adopted for the walls to ensure that the overall integrity of the walls are maintained and to attract future development for the area of Burry Port.
- CCC to explore avenues of funding to repair the historical walls by Heritage Lottery grant funding or similar
- All other structural items within the harbour shall be inspected. These being, but not limited to: pontoons pile guides, access brows, access ladders, outfalls, penstocks, sheet piles and associated mechanical and electrical items.
- A Principal Inspection is undertaken every 5 years.
- Apply of the SSSI ascent from Natural Resources Wales (NRW) to allow the wall repairs to be undertaken.
- Install a wall identification and chainage marker system on the walls to allow for easy identification and comparison with future wall inspections.

Appendices

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Appendix A – Plan of Burry Port Harbour

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Burry Port Harbour



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Proposed Location Plan

Site	Area (sqm)	Area (sqft)	Area (acres)
SITE 4	1,200	13,800	0.32
SITE 5	1,500	16,500	0.40
SITE 7	10,000	110,000	2.71
SITE 8	10,000	110,000	2.71
TOTAL	22,700	250,800	6.44

Prepared Location Plan (shown)

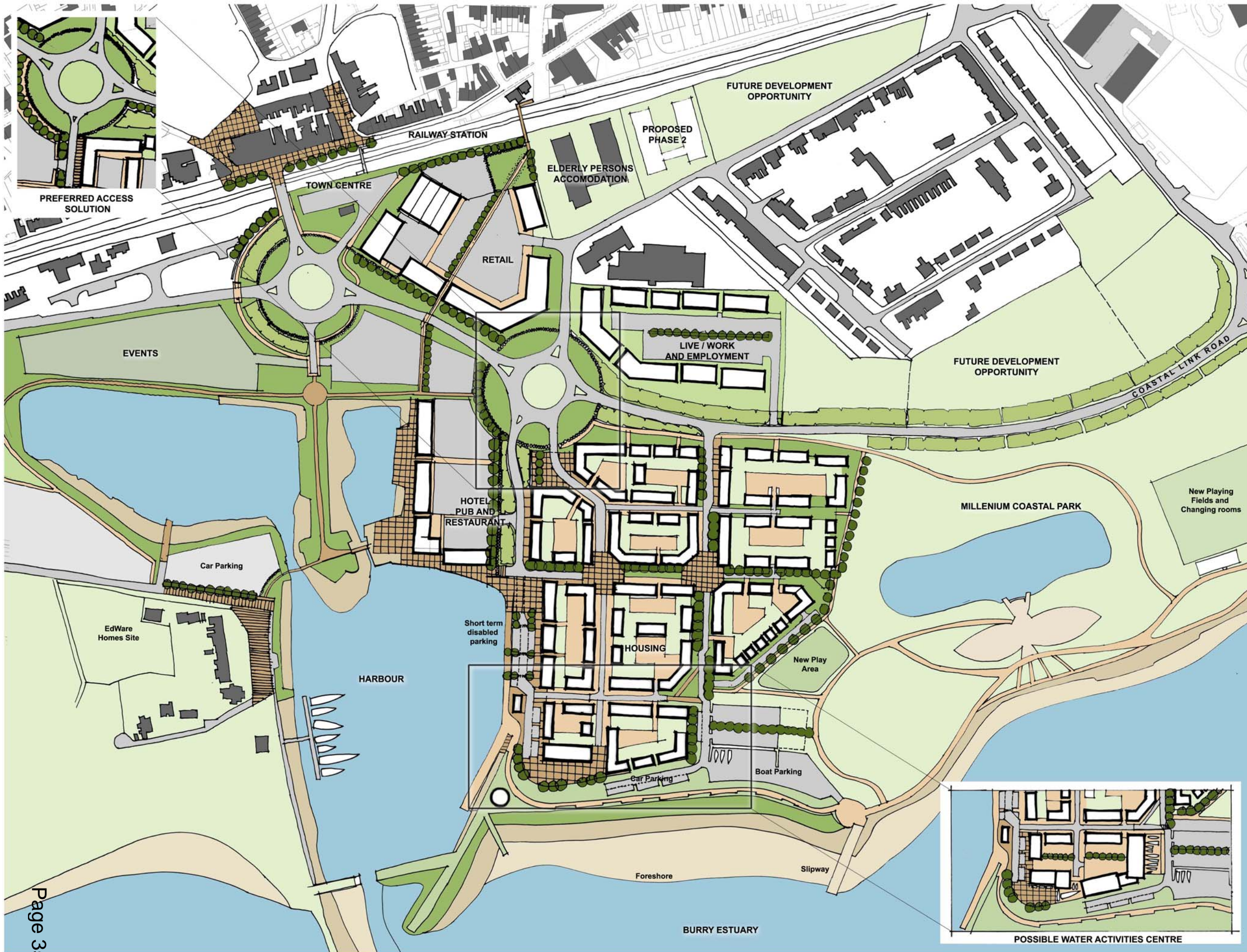
 Prepared Date: 10/11/2023

 Scale: 1:1250

Sir Gâr

 Carmarthenshire

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Overview
Trosolwg

This exhibition introduces the strategy for the harbourside area of Burry Port, which is allocated for development in Carmarthenshire County Council's Unitary Development Plan.

It illustrates a comprehensive, mixed form of development which seeks to conserve, enhance and improve these areas. The main aim is to link these areas back to the town to ensure that the new developments integrate with the town and sustain its long term prosperity.

Background to the Strategy
Cefndir i'r Strategaeth

The exhibition is part of a public consultation exercise that will ensure that the social and economic needs of the town are fully considered.

The illustrations are intended to prompt feedback from the public as part of these consultations. The feedback will help the preparation of a Development Brief for the proposed areas of development, so that planning applications for new development can be considered in context and the area dealt with comprehensively.

The Illustrations
Y Darluniau

The illustrations show only the general form of development, establishing how the main areas of development and public spaces will relate to one another.

Detailed proposals will come forward as individual planning application applications through the normal process. These detailed proposals will be regulated by the 'Development Brief' which will be written around these illustrations and the reaction of the public to these proposals.

The Masterplan
Y Prif Gynllun

This drawing shows all the development areas and their relationship to Burry Port Town Centre.

It illustrates the general development form and land use, public spaces, linkages to the Town Centre and considers the built form in relation to the rest of the town.

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EXECUTIVE BOARD 6TH FEBRUARY, 2017

SUBJECT: CLOSED ROAD CYCLING SITE

Recommendations / key decisions required:

- To approve in principle the preferred site for development put forward by Welsh Cycling, namely the old industrial estate by the entrance of Pembrey Country Park or to enter into further discussions with Welsh Cycling and Ffos Las with a view to changing their view and reaching an agreement between both parties and the Local Authority.
- To outline the next steps in the process, and how the facility will be managed
- To progress with commissioning the work once the final approvals are in place.

Reasons:

- For members to understand the rationale for the site selection put forward by Welsh Cycling.
- To ensure there is clarity over the development and future management of the project
- To construct the facility and support the development of cycling and tourism in the County

Relevant scrutiny committee to be consulted : NO

Exec Board Decision Required YES - 6th February, 2017

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-

Cllr. M. Gravell (Regeneration & Leisure Portfolio Holder)

Directorate: - Communities

Name of Head of Service:

Ian Jones

Report Author: - Ian Jones

Designations:

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**EXECUTIVE SUMMARY
EXECUTIVE BOARD
6TH FEBRUARY, 2017**

**SUBJECT:
CLOSED ROAD CYCLING CIRCUIT SITE**

1. Background

- 1.1 This report follows on from a previous paper to Executive Board where the rationale for developing a closed circuit cycling facility was presented to members on the 9th May 2016.
- 1.2 Closed Road Cycling Circuits are used for: competitive cycle sport events; 'road' racing; recreational organised events; coaching and training activity; and as informal cycling venues that offer a safe, traffic free environment. They can also be used to stage high profile running events.
- 1.3 Welsh Cycling and Sport Wales have given their full backing and support for a purpose-built, floodlit, closed road facility in Carmarthenshire. Funding has been agreed in the authority's capital programme, with no future running costs for the authority. The facility would be of British standard and be the best in Wales if not the UK, attracting local, regional and national events, races and training camps.

2. Technical Specification and site assessment

- 2.1 A full specification is available via British Cycling's Technical department, however, as a guide, the circuit should be at least 1.5km in length incorporating a 250m flat oval, and a technical climb. Ideally, tracks are floodlit (with low level street lighting) to maximise year-round usage.
- 2.2 The previous report to Executive Board on the 9th May 2016 recommended that officers advertise the opportunity to develop the facility on a suitable site. A number of expressions of interest were received, and Welsh Cycling were asked to assess the best option. This shortlisting came down to a straight choice between two preferred sites: Ffos las race course, and the old industrial unit land, by the entrance of Pembrey Country Park (PCP).
- 2.3 Welsh Cycling's Management Board have since discussed both options and have concluded that they see Pembrey as the only option for them at this stage. Welsh Cycling's detailed options appraisal for both sites is attached as appendix 1, whilst an update summary of the initial technical site assessments is shown in the table below.

Venue	Suitability to host a track (terrain, availability, ground, secure)	Ongoing strategic partnering fit for Welsh Cycling	Parking / capacity to stage large events	Transport Links / cycling connectivity	Onsite facilities e.g. Changing/toilet facilities; classrooms; accommodation	Office Accommodation for Welsh Cycling staff (available)	Comms Links
Pembrey Country Park (industrial unit)	😊	😊	😊	😐	😊	😊	😊
Ffos Las Racecourse	😊	😐	😊	😞	😊	😊	😊

2.4 The key issues for Welsh Cycling relates to strategic partnering fit, and ongoing financial risks. Basing the facility at Pembrey would potentially bring a minimum of £25k pa of additional revenue into the Country Park via entrance fees, caravan and camping stays and secondary spend, as well as any potential surpluses from Welsh Cycling operating the site that would be re-invested into cycling development within the County (estimated to be around an additional £16-20k pa).

2.5 The industrial estate land by the entrance of PCP is part of the joint venture portfolio managed jointly between CCC and Welsh Government (WG). Officers from the Regeneration Property team have discussed the proposed development of this site into a Closed Circuit Cycling facility with WG officers. Approval has since been agreed by the relevant minister. The land at the entrance of PCP will now be taken out of the Joint Venture in exchange for a site at Pontrilas, North Dock which currently forms part of the Millennium Coastal Park and will now be brought into the Joint Venture to enable its demolition and subsequent redevelopment. Independent valuations have confirmed equivalent land values for these sites.

2.6 Were Pembrey Country Park not to be supported then we could reconvene discussions with Welsh Cycling and Ffos Las. At this stage we judge that it is unlikely that Welsh Cycling would change their view.

3. Next Steps

3.1 Proceed with land exchange and complete the necessary documentation for this variation to the Joint Venture agreement.

3.2 CCC design and construction team to complete site surveys, then procures and manages the construction work through the internal framework agreement, in order to best manage design and construction risks.

3.3 CCC property, legal and leisure officers to liaise with Welsh Cycling to agree a full repairing and maintenance lease for the site at peppercorn rent. Agreement will include a clause ensuring that any surpluses from the operation of the facility, will be ploughed back into the development of Cycling within Carmarthenshire.

DETAILED REPORT ATTACHED?

NO

IMPLICATIONS

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

Signed: Ian Jones

Head of Leisure

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

1. Policy, Crime & Disorder and Equalities

The proposed scheme positively contributes to the authority's stated aims and strategic objectives. It also aligns with the aims of the emerging Carmarthenshire Cycling Strategy, improving infrastructure, developing opportunities and supporting events.

2. Legal

Need to liaise with Welsh Cycling to agree a full repairing and maintenance lease for the site at peppercorn rent.

3. Finance

Outline costs and have been provided by Engineering Design team, subject to final site survey and full tender costing. Anticipated that facility can be delivered within the realms of the £500k allocated in the current capital programme.

No ongoing revenue costs for CCC.

A likely minimum income of £25k+ pa of additional income to Pembrey Country Park through parking and entrance costs.

Potential operating surpluses from Welsh Cycling estimated at £16-20k to be re-invested into Cycling within the County.

4. Physical Assets

Agreement in place from WG for JV land to be used for this purpose and thus removed from JV portfolio once lease is signed with Welsh Cycling. Complete such documentation necessary to exchange land and vary the JV agreement.

Need to liaise with Welsh Cycling to agree a full repairing and maintenance lease for the site at peppercorn rent.

Site surveys being undertaken in relation to contaminated land management.

CONSULTATIONS

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

Signed: Ian Jones

Head of Leisure

1. Scrutiny Committee

N/A

2. Local Member(s)

Cllr. H. Shepardson & Cllr. S. Matthews are fully supportive of the proposal.

3. Community / Town Council

N/A

4. Relevant Partners

Sport Wales

British Cycling

Welsh Cycling

We Cycle Wales

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 LISTED BELOW.

Title of Document	File Ref No.	Locations that the papers are available for public inspection
British Cycling Technical design documents		HOS office, 3 Spilman Street, Carmarthen

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Jake Morgan

Director of Community Services

Carmarthenshire County Council,

County Hall,

Carmarthen SA31 1JP

5 January 2017

Dear Jake,

Closed Road Circuit – Carmarthenshire

Background

Welsh Cycling and Carmarthenshire have been in discussions over the last 10 months regarding the provision of a Closed Road Circuit (CRC in Carmarthenshire. This would form part of the facility requirements for Welsh Cycling and would contribute to Carmarthenshire's Cycling strategy.

Initial site visits were made to Pembrey Country park and Ffos las race course and due to no incline and the availability of additional facilities it was felt that Ffos las offered the best technical CRC and the best supporting facilities i.e. car parking, meeting rooms , storage , office area .

Discussions with Ffos las led to the design and costing of a facility that met British Cycling national standards and was within Carmarthenshire's budget. Welsh Cycling then moved to discussions around ongoing financial arrangements with Ffos las, which resulted in an offer of them receiving a guaranteed income of £16,000 pa from Welsh Cycling, and any income up to £35,000 pa after which profit would be split 50:50. In addition Welsh Cycling took advice on VAT and it was found that this would need to be added to the £16-35,000 – which ultimately would mean 20% increase in the original costs to participants.

As part of the procurement process Welsh Cycling undertook an independent review of expressions of interest and revisited pembrey, where officers identified an area not previously considered which was felt to meet the technical requirements. A draft plan was submitted to CCC to request that this site also be costed.

Initial estimates and the recent site visit show that costs of build for Pembrey (like for like for the circuit) would be competitive.

Welsh Cycling have also spoken with Welsh athletics and Welsh Triathlon, both NGBs would be pleased to use a Closed Road Circuit

Analysis

Welsh Cycling then considered all of the information as per the table below and concluded that:

Area	Ffos Las	Pembrey
Technical	National level facility with incline	New site identified would allow the circuit to meet national level technical standards and have an incline
Finance	<p>Costs of use at Ffoslas would be a guaranteed annual £16,000 to Ffoslas plus costs to Welsh Cycling of Circa £6,000 =£22,000 (any additional income* <i>income not Surplus</i> up to a total of £35, 000 would go to FL , with a 50:50 share on anything over £35k) .</p> <p><i>Ffoslas have since indicated potential private sponsorship support for the above costs, however, this isn't confirmed and could equally apply to Pembrey if pursued</i></p> <p>Hiring of additional facilities to the circuit and bike storage would be at additional cost.</p>	<p>No rental for circuit to CCC but any <u>surplus</u> would be required to be reinvested back into cycling in Carmarthenshire.</p> <p>It is anticipated that this would be in the region of £16-£20,000 as a conservative fig. after meeting costs i.e. grass cutting , building maintenance</p> <p>Breakdown of income and anticipated numbers available</p>

	VAT would need to be paid across to FL on 'rental' element which would need to be recovered by increasing costs to participants	VAT – our understanding is that as no money will be passed to CCC no VAT would be payable therefore this would not need to be recovered through costs to participants – If this option progresses it would be very important for CCC to discuss with our accountant the best way of approaching the VAT on construction and after use
Links to Cycling strategy	Commercial operator	Similar outcomes to develop cycling National cycle network on site
Additional facilities	Car parking, meeting rooms, storage, office area. Camping provision would need to be created	Camping already in place Parking provision on site at a minimal cost Access to meeting rooms through ski centre. Changing via arrangement with football or refurbishment of existing building
Potential growth	Potential to develop an excellent MTB facility Potential to create a BMX facility Potential to introduce camping facilities	Cyclo cross and MTB events already run on the site Potential to create a BMX facility 'club house' / storage /changing can be developed further (potential changing at Ski Centre / Football changing rooms as interim)

Risk	They could go bankrupt	Unlikely to go bankrupt
	Limited use 12 days a year	Possible limited use 1 day a year
	Risk of not securing £16k a year	
Legal	Agreement required with FL - could be more complicated due to financial agreement and access for race days	Agreement required with CCC would be more straight forward, on the basis of a full repair and maintenance lease.

So in conclusion, if the construction costs continue to be favourable for Pembrey, this would now be our preference due to

- Financial implications i.e. being able to reinvest money back into the sport
- VAT , that we would not have to add 20% to participant costs
- Compatibility with the philosophy of developing cycling
- Risk to Welsh Cycling

Should you have any queries please let me know

Yours Sincerely

Anne

Anne Adams-King
Chief Executive Officer | Prif Swyddog Gweithredol

EXECUTIVE BOARD 6 FEBRUARY 2017

Draft Local Development Order – Llanelli Town Centre

Recommendations / key decisions required:

- To consider the following report and scope of the proposed LDO and approve for consideration through the democratic reporting process.
- To approve the publication of the final LDO for public consultation for a minimum of 6 weeks.
- To provide officers with delegated authority to prepare evidence in support of the LDO.
- To grant officers delegated authority to make minor editorial and factual amendments.

Reasons:

- To reflect the corporate regeneration objectives within the Llanelli Town Centre
- To ensure the issues of ongoing vitality and viability within the Llanelli Town Centre are appropriately considered and to utilise the provisions of national Planning Policy in this regard.

PEB :

Relevant scrutiny committee to be consulted YES – Community Scrutiny- 30th March 2017

Exec Board Decision Required YES

Council Decision Required YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Councillor L Mair Stephens

Directorate

Environment

Name of Head of Service:

Llinos Quelch

Report Author:

Ian R Llewelyn

Designations:

Head of Planning

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EXECUTIVE SUMMARY

6 February 2017

Draft Local Development Order – Llanelli Town Centre

1. BRIEF SUMMARY OF PURPOSE OF REPORT

1.1 This Report sets out progress and proposals in relation to the preparation of a Local Development Orders (LDO) within Llanelli Town Centre and seeks authorisation to proceed, subject to supporting evidence to formal consultation. This report follows the report to CMT on the 10 November 2015 in relation to a range of retail matters wherein the potential benefits and considerations around the use of an LDO were discussed. A copy of the Draft LDO and its Statement of Reasons is attached to this report.

Background

2.1 It should be noted that this report has been prepared in the context of the Carmarthenshire Local Development Plan (LDP) and its recommendations emerge from the need to continually monitor and assess its successful implementation. In this respect the LDP Annual Monitoring Report (AMR) for 2015-2016 was received by full Council on the 14 December 2016. It should be noted that there is specific reference within the AMR to consideration being given to identifying a LDO within Llanelli Town Centre (Notably Policy Targets 17 and 18).

2.2 The LDO will seek to consider and address issues of vacancy and activity on both ground and upper floors, and to examine the potential for alternative uses within a defined spatial area within the Llanelli Town Centre.

2. What is an LDO?

3.1 An LDO is made by Local Planning Authority (LPA) and grants planning permission for the type of development specified within the terms of the LDO, and within a defined spatial area. It offers an LPA the opportunity in particular circumstances to streamline the planning process by removing the need for developers/applicants to make a planning application to the LPA. This can allow an LPA to act proactively in response to locally specific circumstances within their area. As stated above it should relate to a geographical area, and should reflect the focused purpose of the LDO and the nature of its intended outcomes. An LDO may also be permanent or time limited depending on their objective, in this respect a time limited LDO provides for increased flexibility in fast changing and developing areas allowing for easy revision and updating, or to deliver a set objective over a fixed timescale.

3.2 Certain types of development as set out within the Town and Country Planning (General Permitted Development) Order 1995 (PDO) are already permitted without the need for

planning permission. The PDO grants a general permission for various types of relatively small scale and normally non contentious development without the need to make a planning application. LDOs can therefore be seen as an extension of permitted development, but decided upon locally in response to specific local circumstances.

- 3.3 For information an LPA can revoke an LDO at any time. Where it is proposed to modify a Local Development Order, re-consultation may be required.
- 3.4 The appended report provides further information in respect of the Legislative and Policy Framework and outlines some of the core considerations and limitations in respect of an LDO.

4. Developing an LDO - Llanelli Town Centre

- 4.1 Whilst the LDP sets a strong policy direction for retail within Carmarthenshire, the challenges facing Llanelli require specific consideration. The opportunities exist to co-ordinate with and develop upon the successful grant award under the Vibrant and Viable Places initiative and the 'Opportunity Street' scheme for properties at the eastern end of Stepney Street. In addition the establishment of a 'Task Force' to address matters surrounding the decline of the town centre and its environs, presents an opportune time evaluate options. There is potential to review and develop an effective strategy to promote uses to complement the town centre and out of town retail offer. In this respect it should not be predicated on an abandonment of the town centres overall retail focus, but the consideration of a flexible approach to complement activities which support the centres vitality and viability.
- 4.2 As part of its consideration and preparation the LDO the Llanelli Town Centre Task Force has received regular reports on progress and potential outcomes with spin off discussions held with Llanelli Town Council and Llanelli Rural Council. Further discussion have also be held with Natural Resources Wales, Dwr Cymru and representatives of the Business Improvement District. Further engagement has also been held with representative of pertinent internal service areas in ensuring the effective operation of the LDO.

5. Spatial Extent of the LDO

- 5.1 The extent of the town centre to which the Draft LDO's provisions will relates is shown in the attached Draft LDO and the Statement of Reasons. Further details are also included within the attached documents in relation to the extent of the Llanelli Conservation Area, the location of Listed Buildings and the extent of the C2 Flood Zone as defined through Technical Advice Note 15.

6. What will the LDO Permit

- 6.1 The following table (as contained within the attached Draft LDO and Statement of Reasons) outlines the relevant use classes which will be permitted or otherwise through the LDO and within its defined spatial area.

Use Class	WITHIN C2 ZONE		OUTSIDE C2 ZONE	
	Ground Floor (GF)	Other Floors (OF) (Excluding basements)	GF	OF (Excluding basements)
A1 Shops	Yes	Yes	Yes	Yes
A2 Financial and Professional Services	Yes	Yes	Yes	Yes
A3 Restaurants and Cafes	Yes	Yes	Yes	Yes
A4 Drinking establishments (but not night clubs)	Yes	Yes	Yes	Yes
A5 Hot food takeaways	Yes	No	Yes	No
B1 Business (offices other than those within A2)	No	Yes	No	Yes
C1 Hotels, boarding houses and guest houses	No	Yes	No	Yes
C3 Dwellings (residential incl. flats)	No	Yes	No	Yes
D1 Non-residential institutions (Note - LDO excludes Law Courts, Church Halls and Libraries)	No	Yes	Yes	Yes
D2 Assembly and leisure buildings (Note LDO only permits gymnasiums and area for indoor sports or recreations - except for motor sports, or where firearms are used)	No	Yes	Yes	Yes
Other (specified sui) Laundrettes and taxi businesses only	Yes	Yes	Yes	Yes

Further information in relation to the Use Class Order can be viewed through the following link:

https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

7. Lifetime of the LDO

- 7.1 It is proposed that the LDO operate for an initial period of three years from its adoption. This period will however be subject to ongoing review and may be extended or reduced in light of the success or failure of the LDO.
- 7.2 Development that commences while the LDO is in effect may be completed and/or continued after this three-year period (subject to the conditions of the LDO). Once the LDO has expired, however, no new changes of use will be allowed under its terms without conventional planning permission. Reference should be had to the content of Appendix A1 in relation to the legislative framework in respect of revocation and revision and the potential for compensation should an LDO be withdrawn.

8. Operation of the LDO

- 8.1 Where a 'development' is proposed which is within the LDO area and conforms with the schedule of approved use classes (as set out in the table above) a certificate of conformity will be issued by the Council. Applicants will be required to submit their proposals and pay the nominal fee to the LPA. No change of use permitted by the LDO shall commence until an application for a Certificate of Conformity has been submitted to, and approved in writing by, the LPA. This certificate would allow a change of use permitted by the LDO to proceed without the need to apply for planning permission but will be limited to the uses set out in the LDO and its provisions.
- 8.2 Prior to commencement it should be noted that proposals may be required to satisfy other pertinent legislative provisions, for example Building Regulations, Licensing and Environmental Health.
- 8.3 The initial consultations undertaken to date has indicated a requirement to develop a notification system whereby key consultees (e.g. Town/Rural Councils, Dwr Cymru or Natural Resources Wales) are informed of LDO proposals. This reflects that such bodies would ordinarily be notified/consulted through the planning application process.

9. Monitoring and Measuring Success

- 9.1 Throughout the three-year period, Carmarthenshire County Council will assess the impact of the LDO and decide whether to (i) renew the LDO with no revisions, (ii) renew the LDO with new terms and conditions or (iii) revoke the LDO. In this respect, the LDO will be considered a success if two or more of the following changes have occurred in the LDO area:
- Five or more vacant ground-floor units have been issued with Certificates of Conformity allowing a change of use (source: Forward Planning);

- Annual footfall has increased within the LDO area (source: Council Regeneration Department footfall counters);
- The number of vacant ground-floor units has decreased (source: Forward Planning);
- Three or more upper floor vacant units have been issued with Certificates of Conformity which would allow them to be brought back into use – this includes flats and residential uses – use class C3 – (source: Forward Planning).

10. Evidential Requirements and Documents

- 10.1 As part of a co-ordinated strategic approach evidence is being developed in relation to matters of Flood Risk (to satisfy the provisions of TAN 15) and Infrastructure as part of the Llanelli Town Centre Masterplan being prepared through the Regeneration and Policy Division. This evidence is necessary to support the LDO's adoption and its effective operation and will be required ahead of any public consultation.
- 10.2 The consultants commissioned in respect of the Town Centre Masterplan will also advise upon and inform any other required supporting documentation – including Environmental Impact Assessment and Habitats Regulations- Test of Likely Significant Effect (TLSE). A screening as part of the Equalities Impact Assessment process will form part of the supporting documentation.
- 10.3 The LDO is based on changes of use within existing buildings and as such it is not foreseen that it will be subject to the MoU and betterment requirements.
- 10.4 Such evidence will be published in conjunction with the consultation on any future LDO. Reference is also made to the Carmarthenshire Retail Study Update 2015 and the Carmarthenshire Town Centre Retail Audit 2016.

11. Next Steps

- 11.1 In progressing towards the adoption of the LDO, Council approval and resolution is required to formally publish its provisions as part of a minimum 6 week public consultation. Representations received during this period will be subsequently reported back to a future meeting of Full Council for consideration prior to its formal adoption and implementation.
- 11.2 This will be accompanied by the publication of the appropriate evidence and any other supporting information.
- 11.3 As part of its preparatory process update reports will be provided through the Llanelli Task Force and RDT as appropriate.

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: L Quelch

Head of Planning

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

1. Policy, Crime & Disorder and Equalities

Reflects the provisions of National Planning Policy and the evidential information set out within the report support and will where appropriate be utilised in the implementation of the LDO and will inform a review of the Local Development Plan. The proposed LDO and LDP where appropriate expresses in land use terms the objectives of the **Integrated Community Strategy for Carmarthenshire 2012-17**. Retail considerations, play an important role in delivering of the outcomes, particularly **Supporting Opportunities for the Building of Economically Viable and Sustainable Communities**. National and local planning policies seek to promote the principles of sustainability and sustainable development by facilitating the creation of communities and local economies which are more sustainable.

The integration of sustainability and the evidential requirements in preparing the LDO ensures an iterative approach to policy making which ensures sustainability is at its heart and that it is reflective of the requirements emanating from the Wellbeing and Future Generations Act.

2. Legal

A Local Planning Authority may issue an LDO under section 61 (A, B, C and D) of the Town and Country Planning Act 1990, as inserted by section 40(1) of the Planning and Compulsory Purchase Act 2004 and amended by sections 188 and 238 and Schedule 13 of the Planning Act 2008. This power became effective in Wales on 30 April 2012. The Town and Country Planning (Development Management Procedure) (Wales) Order 2012 (DMPWO), sets out the procedural requirements for making LDOs, including preparation, notices, publicity, consultation, and adoption.

Guidance on the procedures relating to the use of LDOs is contained in Welsh Government Circular 003/2012: Guidance on using a Local Development Order.

3. Finance

Financial costs (including preparation of the LDO) will be covered through the financial provisions in place - including reserves. Established provisions are in place in relation to the gathering and apportionment of financial contributions from developer contributions. The impact on such contributions is unknown and can only be established once the extent of any LDO is understood.

The implication on planning fees through the removal of the need for planning permission is at this stage unknown. Whilst this is not expected to be significant it will be off-set by the economic and regeneration benefits accrued through the successful implementation of the LDO. Reference is made to the potential that Compensation may be payable should an LDO be subsequently withdrawn. The potential for this is subject to the provisions of statutory instruments.

CONSULTATIONS

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

Signed: L Quelch

Head of Planning

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

1. Scrutiny Committee –

2. Local Member(s) - Members will be consulted as part of the formal consultation process.

3. Community / Town Council - Llanelli Town Council and Llanelli Rural Council have been consulted as part of the initial preparatory process. They will also be a formal consultee as part of the consultation process.

4. Relevant Partners - Identified partners including the membership of the Llanelli Task Force sub group have been party to discussion and consultation, as have identified external technical consultees.

5. Staff Side Representatives and other Organisations - Contributions have been sought from relevant internal consultees.

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
Carmarthenshire Local Development Plan		http://www.carmarthenshire.gov.wales/home/residents/planning/policies-development-plans/local-development-plan/
Annual Monitoring Report 2015/16		http://www.carmarthenshire.gov.wales/media/1643860/Annual-monitoring-report-201516-AMR-Document-for-web.pdf
Carmarthenshire Retail Study Update 2015		http://www.carmarthenshire.gov.wales/media/1643869/2015-Retail-Study-Update-Carms-Retail-Study-Update-ENGLISH-NEW-COVER.PDF
Carmarthenshire - Town Centre Retail Audit 2016		http://www.carmarthenshire.gov.wales/media/1643878/Carmarthenshire-Retail-Audit-2016-Final-Retail-Audit-2016.pdf

LLANELLI TOWN CENTRE

LOCAL DEVELOPMENT ORDER (CONSULTATION DRAFT)

Contents

- 1.0 Overview
- 2.0 Lifetime of the LDO
- 3.0 Permitted Uses
- 4.0 Conditions
- 5.0 Notes
- 6.0 Compliance
- 7.0 Planning contributions/Community Infrastructure Levy
- 8.0 Plan of the LDO Area
- 9.0 Plan of Listed Buildings and Conservation Area
- 10.0 Development Advice Maps (TANs) – (January 2015) for LDO Area
- 11.0 Key Contacts

1.0 Overview

1.1 A Local Planning Authority (LPA) may use a LDO to grant blanket planning permission for non-contentious, though not necessarily minor, forms of “development” / changes in use within a defined spatial area. Reference should also be made to the Statement of Reasons accompanying this LDO.

1.2 The Permitted Uses are set out in Section 3. The Area is shown in Section 8.

1.3 The LDO grants *conditional* planning permission for specified uses in ground and upper-floor units. It is envisaged that the LDO, in permitting a wide range of compatible uses, will help to increase occupancy levels and footfall in the town centre.

1.4 After three years, the LDO will be considered a success if two or more of the following changes have occurred in the LDO area:

- Five or more vacant ground-floor units have been issued with Certificates of Conformity allowing a change of use (source: Forward Planning) ;
- Annual footfall has increased within the LDO area (source: Council Regeneration Department footfall counters);
- The number of vacant ground-floor units has decreased (source: Forward Planning);
- Three or more upper floor vacant units have been issued with Certificates of Conformity which would allow them to be brought back into use – this includes flats and residential uses – use class C3 - (source: Forward Planning).

1.5 This draft LDO, along with the draft summary of reasons, are being made available for public consultation for a minimum of six weeks between in accordance with procedural and regulatory requirements. There is also a suite of supporting documentation available for reference, include those referenced above - along with a Strategic Flood Consequence Assessment and Drainage Strategy.

2.0 Lifetime of the LDO

2.1 The LDO is active for a period of three years from its adoption. This period will however be subject to ongoing review and may be extended or reduced in light of the success or failure of the LDO.

2.2 Development that commences while the LDO is in effect may be completed and/or continued after this three-year period. Once the LDO has expired, however, no new changes of use will be allowed under its terms without conventional planning permission. Towards the end of the three-year period, Carmarthenshire County Council will assess the impact of the LDO and decide whether to (i) renew the LDO with no revisions, (ii) renew the LDO with new terms and conditions or (iii) revoke the LDO.

3.0 Permitted Uses

3.1 The following table outlines the relevant use classes which will be permitted or otherwise through the LDO and within its defined spatial area.

Use Class	WITHIN C2 ZONE		OUTSIDE C2 ZONE	
	Ground Floor (GF)	Other Floors (OF) (Excluding basements)	GF	OF (Excluding basements)
A1 Shops	Yes	Yes	Yes	Yes
A2 Financial and Professional Services	Yes	Yes	Yes	Yes
A3 Restaurants and Cafes	Yes	Yes	Yes	Yes
A4 Drinking establishments (but not night clubs)	Yes	Yes	Yes	Yes
A5 Hot food takeaways	Yes	No	Yes	No
B1 Business (offices other than those within A2)	No	Yes	No	Yes
C1 Hotels, boarding houses and guest houses	No	Yes	No	Yes
C3 Dwellings (residential incl. flats)	No	Yes	No	Yes
D1 Non-residential institutions (Note - LDO excludes Law Courts, Church Halls and Libraries)	No	Yes	Yes	Yes
D2 Assembly and leisure buildings (Note LDO only permits gymnasiums and area for indoor sports or recreations - except for motor sports, or where firearms are used)	No	Yes	Yes	Yes
Other (specified sui) Launderettes and taxi businesses only	Yes	Yes	Yes	Yes

Further information in relation to the Use Class Order can be viewed through the following link:

https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

4.0 Conditions

General

1. No change of use permitted by the LDO shall commence until an application for a Certificate of Conformity has been submitted to, and approved in writing by, the Local Planning Authority (LPA).

Reason: To ensure that proposed changes of use comply with the terms of the Local Development Order.

2. With reference to Planning Policy Wales Technical Advice Note 15 (TAN15): Development and Flood Risk (or any document that updates or replaces it during the course of the LDO), no change in use to highly vulnerable development (as defined in TAN 15) is permitted in any ground-floor unit located in Development Advice Map Zone C2.

Reason: To accord with the provisions of national planning policy in the form of TAN 15.

3. Change of uses to highly vulnerable development permitted by the LDO on non ground floor units that are located within Development Advice Map Zone C2 shall accord with the provisions of the LDO SFCA and TAN 15. Any required details or measures shall be fully implemented and maintained in that state thereafter.

Reason: To ensure that no development permitted by the LDO has unacceptable flooding consequences.

Removal of permitted-development rights

4. Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) Order 1995 as amended (or any Order revoking or re-enacting that Order), no development within Schedule 2, Part 40, Classes A, B, C, D, E, F, G, H or I may be carried out at any dwelling house (as defined in Welsh Statutory Instrument 2009 2193(W.185)) created under the LDO without the prior written permission of the LPA.

Reason: To ensure that a satisfactory form of development takes place.

Residential Proposals

5. No conversion scheme implemented under the terms of the LDO, whether in isolation or in combination with another scheme (regardless of ownership), may create an inappropriate concentration of single bedroom units.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Units of multiple occupation

6. No conversion scheme implemented under the terms of the LDO, whether in isolation or in combination with another scheme (regardless of ownership), will be considered appropriate where it results in the creation of a unit of multiple occupation.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Internal floor space

7. No dwelling created under the LDO may be occupied until floor plans that satisfy the relevant minimum standard for internal floor space have been submitted to, and approved in writing by, the LPA. The approved scheme must be retained in that state thereafter.

Reason: To secure an adequate level of residential amenity for occupiers.

Street Scene

8. Existing ground-floor windows and shop fronts must not be obscured, either internally or externally, by paint, whitewash, film, curtains or any other opaque material.

Reason: To maintain the commercial character and appearance of the Town Centre.

Licensing and Public Protection

9. Those uses permitted by the LDO will be required to adhere to requirements in relation to Licensing and matters of public protection. Advice should be sought from the relevant department. The required permissions/licenses must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To protect the amenities of persons in neighbouring properties.

Building Regulations

10. Those uses permitted by the LDO will be required to adhere to requirements in relation to Building Regulations. Advice should be sought from the relevant department. The required approvals must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To ensure compliance with legislative provisions.

Lettings Policy

11. Where appropriate, residential uses permitted by the LDO will be required to adhere to requirements in relation to any County Council Lettings Policy. Advice should be sought from the relevant department.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Other Regulatory Regimes

12. Those uses permitted by the LDO will be required to adhere to any other relevant requirements. For example, operational times and regimes (including arrival, departure, loading or unloading of any commercial delivery vehicles). Appropriate advice can be sought from the LPA in this regard. Any required approvals (notwithstanding 10 and 11 above) must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To protect the amenities of persons in neighbouring properties.

5.0 Notes

1. The LDO is active for a period of three years from its adoption. This period will however be subject to ongoing review and may be extended or reduced in light of the success or failure of the LDO.

2 Development that commences while the LDO is in effect may be completed and/or continued after this three-year period. Once the LDO has expired, however, no new changes of use will be allowed under its terms without conventional planning permission. Towards the end of the three-year period, Carmarthenshire County Council will assess the impact of the LDO and decide whether to (i) renew the LDO with no revisions, (ii) renew the LDO with new terms and conditions or (iii) revoke the LDO.

3. The LDO does not grant planning permission for any “development” (as defined in Part III, Section 55 of the Town and Country Planning Act 1990) except the changes of use described in section 3.

4. In order to alleviate the impact of development on local services and facilities, section 106 and Community Infrastructure Levy contributions may be sought in accordance with current council procedures.

5. The LDO does not remove any requirement for advertisement or listed-building consent.

6. The LDO does not remove any requirement for consent under non-planning regulations, such as those relating to licensing, environmental health and building control.

7. The LDO applies only to the area indicated on the LDO plan (see section 8).
8. Occupiers of dwellings created under the terms of the LDO will not be entitled to council parking permits.
9. The LDO has been screened under the Environmental Impact Assessment Regulations, and it is considered that an Environmental Statement is not required.
10. A Test of Likely Significant Effect (TLSE) has been undertaken by the Local Planning Authority for the purposes of the Habitats Regulations. This concluded that the LDO was unlikely to have a “significant effect” alone or in combination on the Carmarthen Bay and Estuaries European Marine Site (CBEEMS) and that an Appropriate Assessment is not required.
11. Applicants may need to submit access statements for proposals that would necessitate access by employees and/or provide services to the public. (If the proposed and existing uses should belong to the same class, or if an A2 or A3 use should become an A1 use, an access statement will not be required.)
12. The Welsh Government’s Development Advice Map may be viewed on their website. Reference is also made to the Plan set out in Section 10.

6.0 Compliance

Carmarthenshire County Council will monitor changes of use within the Town centre and, when appropriate, may take enforcement action against unauthorised development, including any uses that operate in breach of the conditions.

7.0 Planning contributions/Community Infrastructure Levy

Section 106 and Community Infrastructure Levy contributions may be sought in accordance with current council procedures and regulatory and legislative requirements.

8.0 Llanelli Town Centre

Draft Local Development Order

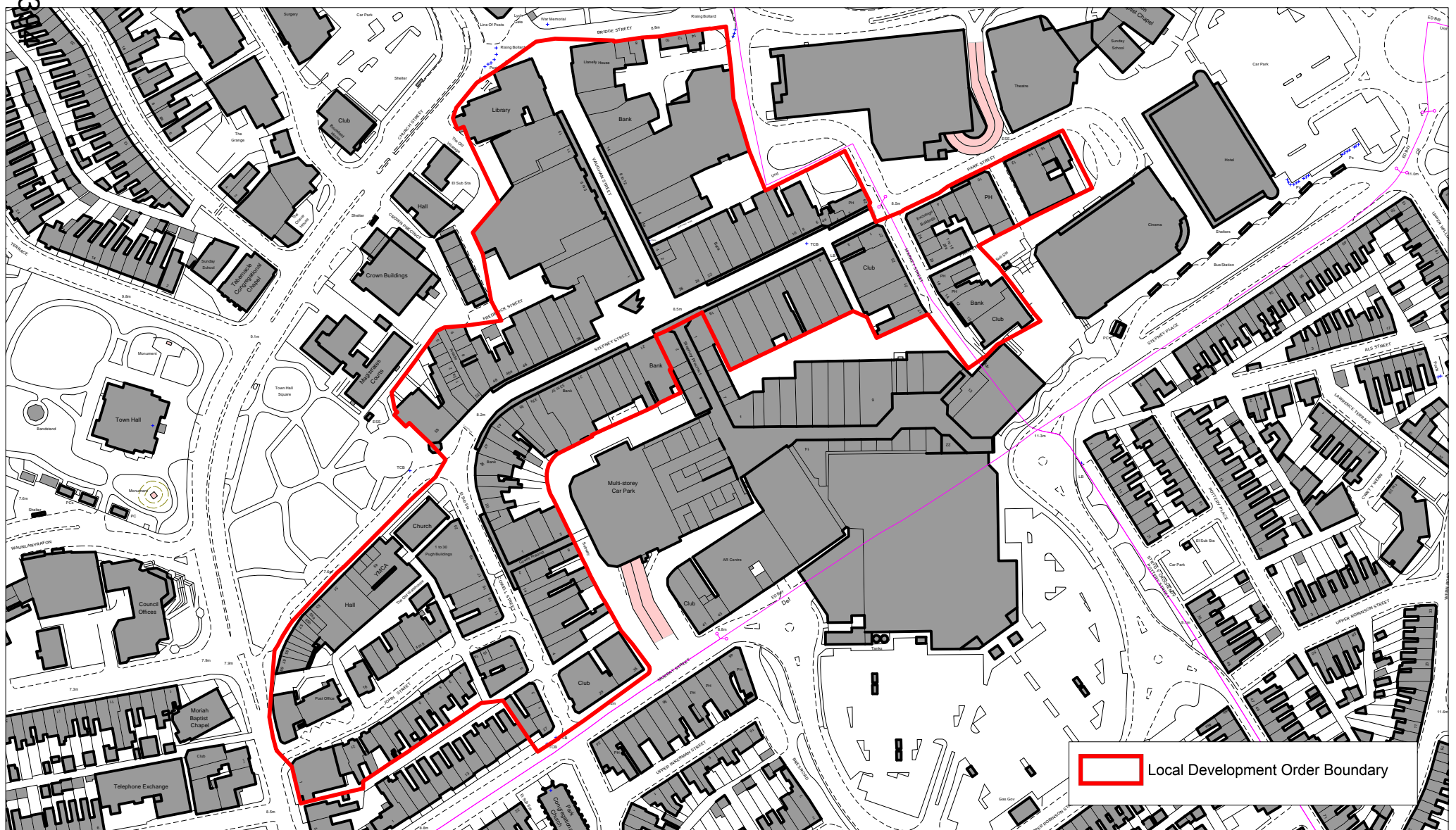
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Compiled by on 27 January 2017

Cyngor Sir Caerfyrddin,
Gwasanaethau Cynllunio, Adran Amgylchedd,
8 Heol Spilman, Caerfyrddin. SA31 1JY

Carmarthenshire County Council
Planning Services, Environment Department,
8 Spilman Street, Carmarthen. SA31 1JY



Scale 1:2500



9.0 Listed Buildings & Conservation Area

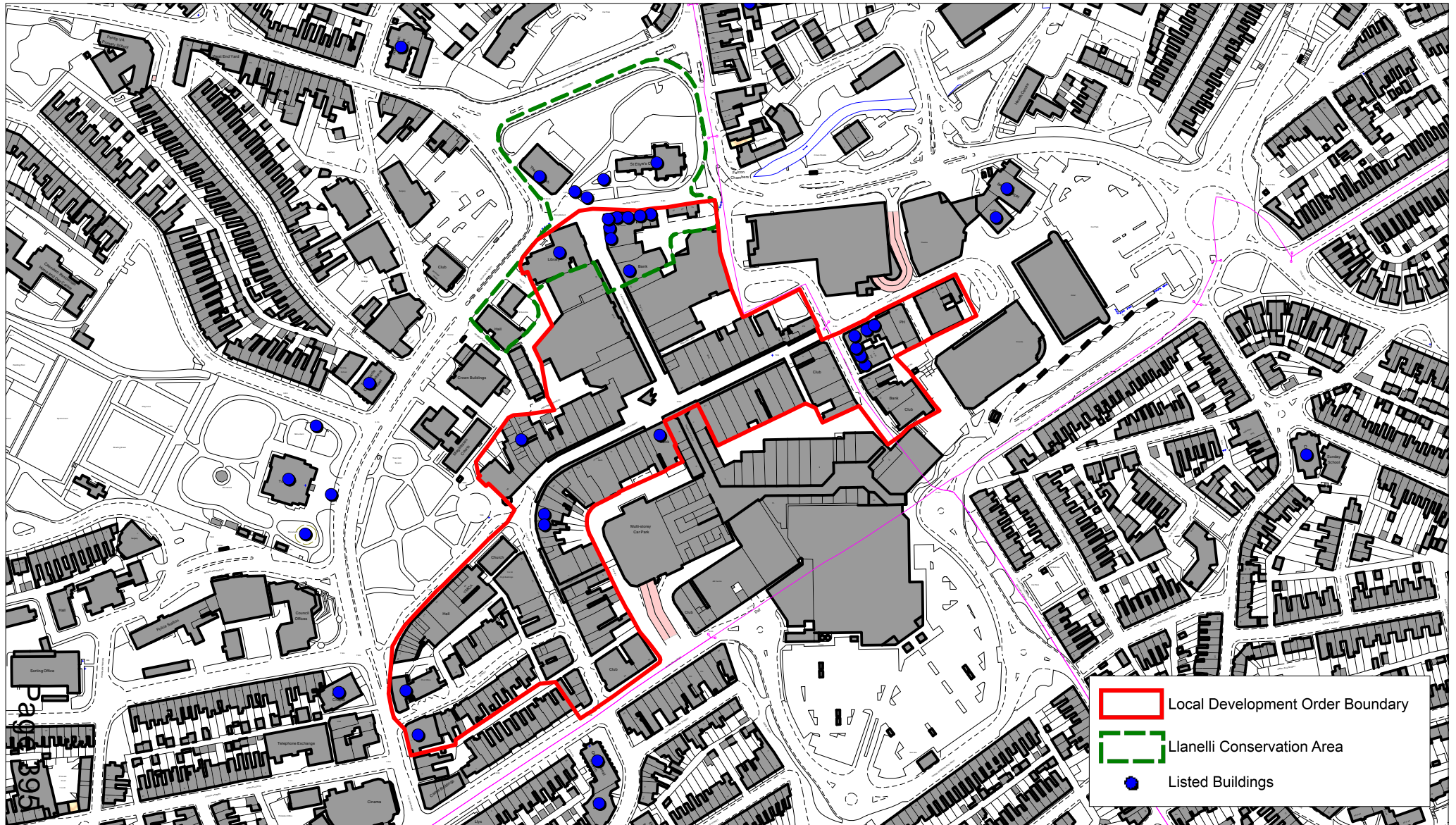
Cyngor Sir Caerfyrddin,
Gwasanaethau Cynllunio, Adran Amgylchedd,
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Compiled by on 27 January 2017

Scale 1:3500



10.0 Development Advice Maps

Flood Risk

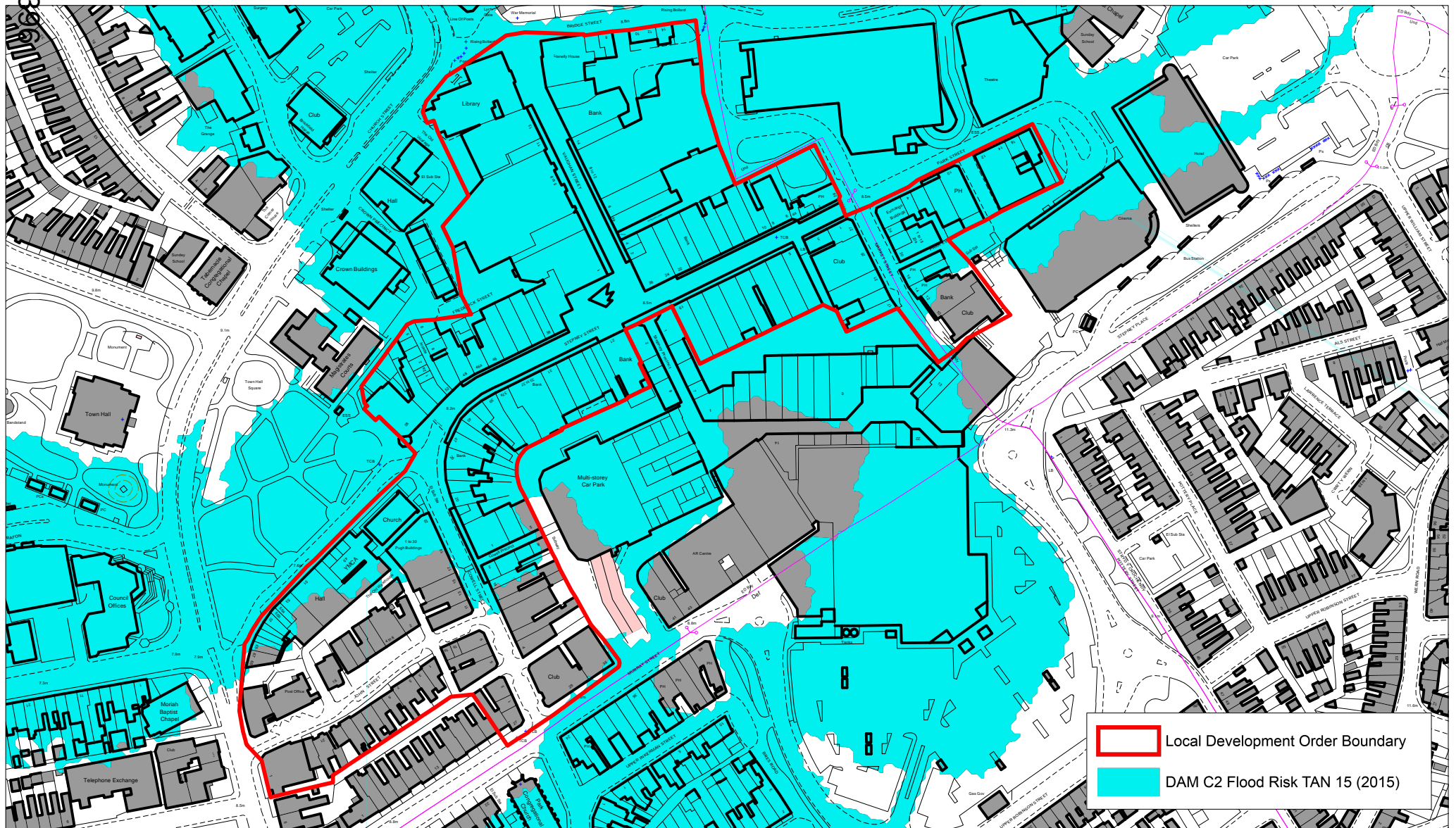
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Compiled by on 27 January 2017

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Scale 1:2500



Notes

i) The above map is based on the Development Advice Maps (DAMs) published by the Welsh Government in January 2015.

ii) The DAMs are reviewed periodically and therefore may change during the three-year lifetime of the LDO. Reference should be made to the Welsh Government's website in this regard.

11.0 Key Contacts

TBC

LOCAL DEVELOPMENT ORDER: LLANELLI TOWN CENTRE

STATEMENT OF REASONS (CONSULTATION DRAFT)

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- 1.0 Legislation and Policy
- 2.0 Overview
- 3.0 Justification for the creation of the Llanelli Town Centre LDO
- 4.0 Lifetime of the LDO
- 5.0 Permitted Uses
- 6.0 Policy context and expected impact
- 7.0 Conditions
- 8.0 Notes
- 9.0 Compliance
- 10.0 Results and Monitoring
- 11.0 Planning contributions/Community Infrastructure Levy
- 12.0 Risk Assessment
- 13.0 Plan of the LDO Area
- 14.0 Plan of Listed Buildings and Conservation Area
- 15.0 Development Advice Maps (TANs) – (January 2015) for LDO Area
- 16.0 Key Contacts

APPENDICIES

- A1 Application form for LDO
- A2 Sample Certificate of Conformity
- A3 Notification Procedure
- A4 Consultation Report (to be prepared post consultation)

1.0 Legislation and policy

1.1 Local Planning Authorities may issue a Local Development Order (LDO) under section 61 (A, B, C and D) of the Town and Country Planning Act 1990, as inserted by section 40(1) of the Planning and Compulsory Purchase Act 2004 and amended by sections 188 and 238 and Schedule 13 of the Planning Act 2008. This power became effective in Wales on 30 April 2012.

1.2 The Community Infrastructure Levy Regulations 2010 state that permission granted by a LDO will constitute “planning permission” (regulation 5(3)(a)ii). As a consequence, an LDO may obviate the need to submit a planning application for a certain type of development, but it will not prevent a levy from being charged, when appropriate, under any prospective Community Infrastructure Levy (CIL) charging schedule. It should be noted that at the time of writing no CIL charge is in place within Carmarthenshire.

1.3 Welsh Government Circular 003/2012 states that an LDO may not grant planning permission for development that would:

- a) Have a significant effect on a European Site or a European Offshore Marine Site (either alone or in combination with other projects) unless the development is connected to, or necessary for, the management of the site;
- b) Constitute “Schedule 1 development” or “Schedule 2 development” within the Town and Country Planning (Environmental Impact Assessment) Regulations 1999; or
- c) Affect a listed building.

1.4 In relation to point b) above, reference is made to the Town and Country Planning (Environmental Impact Assessment) (Wales) Regulations 2016. These supersede the 1999 Regulations and specifically make provision for Local Development Orders to grant

planning permission for Schedule 2 EIA development in certain circumstances. In this respect the Schedule 2 EIA screening thresholds for 'Urban Development Projects' increased from 0.5ha to:

- 1ha if the development does not include housing; or
- The construction of over 150 new houses; or
- An overall development area exceeding 5ha.

1.5 The LDO has been subject to a screening opinion for the purposes of the Environmental Impact Assessment Regulations and does not constitute "Schedule 1 development" or "Schedule 2 development". A Test of Likely Significant Effect (TLSE) for the purposes of the Habitats Regulations has concluded that the LDO will have no significant effect (alone or in combination) with a European Site or a European Offshore Marine Site. The LDO has also been screened as part of the Equalities Impact Assessment process.

1.6 The LDO does not require its own Sustainability Appraisal – Strategic Environmental Assessment (SA-SEA) because the LDO is deemed to be an elaboration upon the provisions of the Carmarthenshire Local Development Plan 2006 — 2021(Adopted December 2014). The LDP has already been subject to SA-SEA along with a Plan level Habitats Regulations Assessment.

1.7 The draft LDO, along with these draft summary of reasons, are being made available for public consultation for a minimum of six weeks between in accordance with procedural and regulatory requirements. There is also a suite of supporting documentation available for reference, include those referenced above - along with a Strategic Flood Consequence Assessment and Drainage Strategy.

2.0 Overview

2.1 A Local Planning Authority (LPA) may use a LDO to grant blanket planning permission for non-contentious, though not necessarily minor, forms of “development” / changes in use within a defined spatial area.

2.2 The Llanelli LDO is shown on the map in Section 13.

2.3 The LDO grants *conditional* planning permission for specified uses in ground and upper-floor units. It is envisaged that the LDO, in permitting a wide range of compatible uses, will help to increase occupancy levels and footfall in the town centre.

2.4 The LDO permits only certain changes of use (as listed in Section 5) within the area identified on the Plan in Section 13).

2.5 In order to protect the living conditions of existing and future residents in the town centre, every applicant must ensure that they satisfy the pertinent provisions within the relevant legislation. For example, building regulations and environmental health & public protection. For reference, a list of key contacts is provided in Section 16.

2.6 After three years, the LDO will be considered a success if two or more of the following changes have occurred in the LDO area:

- Five or more vacant ground-floor units have been issued with Certificates of Conformity allowing a change of use (source: Forward Planning) ;
- Annual footfall has increased within the LDO area (source: Council Regeneration Department footfall counters);
- The number of vacant ground-floor units has decreased (source: Forward Planning) ;
- Three or more upper floor vacant units have been issued with Certificates of Conformity which would allow them to be brought back into use – this includes flats and residential uses – use class C3 - (source: Forward Planning).

3.0 Justification for the creation of the Llanelli Town Centre LDO

3.1 Where a retail centre is demonstrating signs of decline, national planning policy makes provision for that decline to be managed and/or for action to be taken to regenerate a centre. In such circumstances an LDO may (as part of a collective approach) contribute to local economic development and regeneration, helping make places more attractive and more competitive, helping in incentivising development and reducing vacancy rates. There is clear evidence that Llanelli town centre faces specific challenges. Whilst this may not impact wholly across the town centre, there are areas where implications of changing retail patterns may be most prevalent often manifesting in the form of long term vacancies.

3.2 The *Genecon Study on Town Centres and Retail Dynamics in Wales* undertaken for Welsh Government (WG) identified Llanelli as a case study to show the impacts of out of centre retail development. Published in April 2014, the study indicated a 27.9% town centre vacancy rate (2012), highlighting one of the main effects of town centre decline being an increased pressure to change A1 uses in the town centre to A2 and A3 uses. It emphasises that from a planning perspective, Llanelli demonstrates the challenge when a centre has declined to a point where the viability of retaining an A1 retail core could be brought into question. It notes that the geographical shift in Llanelli's retail sector to a major new out of town Retail Park has placed pressure for changes of use from retail within the town centre.

3.3 In order to further understand the shopper and visitor activity on *Street Shopper Surveys* were carried out during weekdays and a Saturday in June 2015 both within Llanelli Town Centre and Parc Trostre. In summary, the survey indicated that the majority of respondents (28%) visiting Llanelli town centre did so primarily to use services such as the post office, bank, hairdressers etc. Whilst other key reasons listed were a combination of food and non food shopping (16%) and just food shopping (15%), it should

be noted that 10% of respondents were visiting for work/business purposes and 9% for social/leisure reasons.

3.4 In relation to visitors to the town centre, the emerging trend is to a diverse and mixed offer where a range of uses are utilised by visitors. This is in contrast to Parc Trostre where the survey indicates that the majority of visits are focused on food and non-food shopping and just food shopping.

3.5 This can be seen as an indication of a shifting role for the Town Centre, where the potential to accommodate a versatile mix of day and night uses can complement both its existing retail function and, rather than compete against, that which is available at Parc Trostre.

3.6 In transport and sustainability terms, it should be noted that 44% arrived by a car and 14% by a bus at Llanelli Town Centre which contrasts with the 87% arriving by car in Parc Trostre.

3.7 Reference is drawn to the content of the 2015-16 LDP Annual Monitoring Report (AMR). This represents the first AMR post adoption of the LDP and sets the baseline for future AMRs and the consideration of any future review or amendments to the Plan. Regard should also be had to the recently published Carmarthenshire updated Retail Study 2015 and the Carmarthenshire Town Centre Retail Audit 2016.

3.8 The Town Centre Retail Audit 2016 conducted as part of ongoing LDP policy monitoring indicates 73.8% of units in occupied as A1 retail (based on retail frontage). However, whilst this is a healthy indication of retail occupancy, it is accompanied by a 16.7% vacancy rate with a further 9.5% in non-retail use (A2 and A3). It should be noted that this includes the St Elli Centre which exhibits a high level of retail use with low vacancy levels.

3.9 Taking that area of the Retail Core outside the St Elli Centre ‘focused around Stepney Street and Vaughan Street’ the levels of A1 occupancy drops to 66% with vacancy levels at 24%. This represents a marked change with areas of long term vacancy clustered within the eastern end of Stepney Street.

3.10 That area designated within the LDP as Retail Frontage, reflects the greater flexibility attached to the scale of non-retail units within this area. This demonstrates a greater mix of use types with some 49.5% occupied by A1 retail with 15% vacancy with 26% in non retail (A2 and A3) and 9.5% in other uses.

3.11 National Planning Policy reflects that in some circumstances where there has been an over emphasis on A1 uses these may undermine a centre’s prospects, with potential consequences such as higher vacancy rates. In such circumstances the role of uses other than A1 (retail) in increasing diversity and reducing vacancy may be considered. This may be achieved through a rationalising of boundaries, allowing appropriate changes of use whilst focusing A1 (retail) uses in a more concentrated area.

3.12 In this context an LDO can facilitate changes of use, alterations, extensions etc, replacing many minor planning applications which are routinely approved. LDOs can be particularly effective when combined with other regeneration proposals to bring about more comprehensive improvements to centres, including as part of environmental and infrastructure enhancements. To this end, the LDO can be seen as a wider package of policy interventions in the Town Centre which the County Council is undertaking in partnership under the auspices of the Task Force.

3.13 Whilst the LDP sets a strong policy direction for retail within a Carmarthenshire, the challenges facing Llanelli require specific consideration. The opportunities exist to co-ordinate with and develop upon the successful grant award under the Vibrant and Viable Places initiative and the ‘Opportunity Street’ scheme for properties at the eastern end of Stepney Street. In addition the establishment of a ‘Task Force’ tasked with addressing

matters surrounding the decline of the town centre and its environs, presents an opportune time evaluate options. There is potential to review and develop an effective strategy to promote uses to complement the town centre and out of town retail offer. In this respect it should not be predicated on an abandonment of the town centres overall retail focus, but the consideration of a flexible approach to complement activities which support the centres vitality and viability. The platform for engagement, together with a direct policy intervention, is also confirmed by the establishment of the Llanelli Business Improvement District (BID) in 2016. Reference is given to the Task Force Policy Themes and Actions whereby the exploration of an opportunity for an LDO is listed as Action 4 under the Environment and Access Theme.

3.14 For the time being, developers who wish to change the use of a town centre unit must operate within the legislative and policy parameters. This means that most changes of use, no matter how desirable, require planning permission. The practice of allowing a valuable unit to remain empty for up to eight weeks while a planning application is processed is inimical to economic growth. By creating a more permissive planning regime in the town centre, the LDO will seek to promote a living town centre environment.

3.15 In scoping and drafting this LDO it was considered necessary to clearly establish its purpose, scope and extent linking into the regeneration and other objectives. Discussions, including input from local members and interested groups, were undertaken at an early stage during 2016. In this respect, it was considered essential to consult informally with communities, statutory consultees and other stakeholders, with the emphasis on the future of the area rather than the specific details of the LDO. This allowed an opportunity to build on the partnership work to date. There has also been an ongoing liaison with the Task Force along with Llanelli Town Council and Llanelli Rural Council. There has also been a requirement to undertake an iterative and collaborative liaison with officers from Natural Resources Wales (NRW) and Dwr Cymru Welsh Water (DCWW).

3.16 Such liaison, along with a clear understanding of evidential and legislative requirements, have allowed the LDO spatial extent, along with the draft schedule of permitted uses, to be developed.

4.0 Lifetime of the LDO

4.1 The LDO is active for a period of three years from its adoption. This period will however be subject to ongoing review and may be extended or reduced in light of the success or failure of the LDO.

4.2 Development that commences while the LDO is in effect may be completed and/or continued after this three-year period. Once the LDO has expired, however, no new changes of use will be allowed under its terms without conventional planning permission. Towards the end of the three-year period, Carmarthenshire County Council will assess the impact of the LDO and decide whether to (i) renew the LDO with no revisions, (ii) renew the LDO with new terms and conditions or (iii) revoke the LDO.

5.0 Permitted Uses

5.1 The following table outlines the relevant use classes which will be permitted or otherwise through the LDO and within its defined spatial area.

Use Class	WITHIN C2 ZONE		OUTSIDE C2 ZONE	
	Ground Floor (GF)	Other Floors (OF) (Excluding basements)	GF	OF (Excluding basements)
A1 Shops	Yes	Yes	Yes	Yes
A2 Financial and Professional Services	Yes	Yes	Yes	Yes
A3 Restaurants and Cafes	Yes	Yes	Yes	Yes
A4 Drinking establishments (but not night clubs)	Yes	Yes	Yes	Yes
A5 Hot food takeaways	Yes	No	Yes	No
B1 Business (offices other than those within A2)	No	Yes	No	Yes
C1 Hotels, boarding houses and guest houses	No	Yes	No	Yes
C3 Dwellings (residential incl. flats)	No	Yes	No	Yes
D1 Non-residential institutions (Note - LDO excludes Law Courts, Church Halls and Libraries)	No	Yes	Yes	Yes
D2 Assembly and leisure buildings (Note LDO only permits gymnasiums and area for indoor sports or recreations - except for motor sports, or where firearms are used)	No	Yes	Yes	Yes
Other (specified sui) Launderettes and taxi businesses only	Yes	Yes	Yes	Yes

Further information in relation to the Use Class Order can be viewed through the following link:

https://www.planningportal.co.uk/info/200130/common_projects/9/change_of_use

6.0 Policy context and expected impact

6.1 The relevant Development Plan for Llanelli is the Carmarthenshire LDP. To the extent that development plan policies are material to an application for planning permission, the decision must be taken in accordance with the development plan unless there are material considerations that indicate otherwise (Section 37(6) : Planning and Compulsory Purchase Act 2004).

6.1.1 Given that proposals will be permitted under this LDO without the need for planning permission, it is important to note the LDO's overall linkages and compliance with the LDP. This also confirms that an SA-SEA on the LDO is not required (see paragraph 1.5). This Section reviews the LDO against the 14 LDP Strategic Objectives (SO) and those LDP Strategic Policies (SP) of relevance. There is also commentary provided in relation to relevant Area Wide (AW) policies.

LDP - Strategic Objectives

6.1.2 *SO1: To protect and enhance the diverse character, distinctiveness, safety and vibrancy of the County's communities by ensuring sympathetic, sustainable, and high quality standards of design.*

Expected impact of LDO: The LDO will be consistent with efforts to promote a vibrant, safer and diverse town centre which acts as a catalyst to the wider regeneration of the area.

6.1.3 *SO2: To ensure that the principles of spatial sustainability are upheld by:*

(a) enabling development in locations which minimise the need to travel and contribute towards sustainable communities and economies and respecting environmental limits, and

(b) to wherever possible encourage new development on previously developed land which has been suitably remediated.

Expected impact of LDO: By concentrating developmental opportunities within the town centre, which is accessible to pedestrians and users of public transport, the LDO will be consistent with efforts to promote sustainable development.

6.1.4 SO3: To make provision for an appropriate mix of quality homes; access to which will be based around the principles of sustainable socio-economic development and equality of opportunities.

Expected impact of LDO: By providing opportunities for upper floor conversion to residential, the LDO will be consistent with efforts to provide a range and mix of homes across the area as well as promoting vibrant and living town centres.

6.1.5 SO4: To ensure that the natural, built and historic environment is safeguarded and enhanced and that habitats and species are protected.

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact on the appearance of the built environment or the natural environment. Anyone wishing to make alterations to a listed building would still require the relevant consent.

6.1.6 SO5: To make a significant contribution towards tackling the cause and adapting to the effect of climate change by promoting the efficient use and safeguarding of resources.

Expected impact of LDO: By concentrating commercial uses in the town centre, which is accessible to pedestrians and users of public transport, the LDO will be consistent with efforts to promote sustainable development. It will promote the appropriate use and/or re use of existing buildings (including but not exclusively vacant buildings).

6.1.7 SO6: *To assist in widening and promoting education and skills training opportunities for all.*

Expected impact of LDO: A more permissive planning regime in the town centre may provide opportunities for additional facilities.

6.1.8 SO7: *To assist in protecting and enhancing the Welsh Language and the County's unique cultural identity, assets and social fabric.*

Expected impact of LDO: A more permissive planning regime in the town centre may well generate additional opportunities and facilities for promoting the County's special characteristics.

6.1.9 SO8: *To assist with widening and promoting opportunities to access community, leisure and recreational facilities as well as the countryside.*

Expected impact of LDO: A more permissive planning regime in the town centre may well generate additional opportunities and facilities.

6.1.10 SO9: *To ensure that the principles of equal opportunities and social inclusion are upheld by promoting access to a high quality and diverse mix of public services, healthcare, shops, leisure facilities and work opportunities.*

Expected impact of LDO: The LDO is designed to encourage a mix of appropriate and complementary town centre uses. This would seek to encourage social and/or physical inclusion.

6.1.11 SO10: *To contribute to the delivery of an integrated and sustainable transport system that is accessible to all.*

Expected impact of LDO: By concentrating developmental opportunities within the town centre, which is accessible to pedestrians and users of public transport, the LDO will be consistent with efforts to promote sustainable development.

6.1.12 SO11: *To encourage investment & innovation (both rural and urban) by:*

(a) making an adequate provision of land to meet identified need; and,

(b) making provision for the business and employment developmental needs of indigenous /new employers, particularly in terms of hard & soft infrastructural requirements (including telecommunications/ICT); and,

(c) making provision for the infrastructural requirements associated with the delivery of new homes particularly in terms of hard & soft infrastructural requirements (including foul and surface water); and,

(d) adhering to the principles of sustainable development and social inclusion in terms of the location of new development.

Expected impact of LDO: The LDO is designed to encourage a mix of appropriate and complementary town centre uses. It is considered that a more permissive planning regime will provide opportunities to increase employment opportunities.

6.1.13 SO12: *To promote and develop sustainable & high quality all year round tourism related initiatives.*

Expected impact of LDO: The LDO is designed to encourage a mix of appropriate and complementary town centre uses. It is considered that a more permissive planning regime will provide opportunities to increase visitor economy related opportunities.

6.1.14 SO13: *To assist with the development and management of safe and vibrant places & spaces across the County.*

Expected impact of LDO: The LDO will be consistent with efforts to promote a vibrant, safer and diverse living town centre which acts as a catalyst to the wider regeneration of the area.

6.1.15 SO14: *To assist with the delivery and management of mixed & sustainable communities by:*

(a) promoting safe, vibrant and socially interactive places; and,

(b) promoting the utilisation of local services and produce whenever possible.

Expected impact of LDO: The LDO will be consistent with efforts to promote a vibrant, safer and diverse living town centre which acts as a catalyst to the wider regeneration of the area.

LDP – Selected/Relevant Strategic Policies

6.1.16 SP1: *Sustainable Places and Spaces*

Expected impact of LDO: The LDO will be consistent with efforts to promote a vibrant, safer and diverse town centre which acts as a catalyst to the wider regeneration of the area. By concentrating upon town centre appropriate uses, which are accessible to pedestrians and users of public transport, the LDO will be consistent with efforts to promote sustainable development.

6.1.17 SP2: *Climate Change*

Expected impact of LDO: The LDO will promote the re use of existing buildings (including but not exclusively vacant buildings). In relation to flood risk, the LDO is supported by a Strategic Flood Consequence Assessment (SFCA) and as such there is potential for the

LDOs implementation to mitigate and manage given that a large part of the town is already located within Development Advice Map Zone C2. No Highly Vulnerable Development is permitted on the ground floors by the LDO.

6.1.18 *SP3: Sustainable Distribution- Settlement Framework*

Expected impact of LDO: The local and regional importance of Llanelli within the LDP is recognised given its classification as a Growth Area. The LDO will be consistent with this classification in seeking to facilitate a vibrant town centre.

6.1.19 *SP5: Housing*

Expected impact of LDO: By providing opportunities for upper floor conversion to residential, the LDO will be consistent with efforts to provide a range and mix of homes across the area. The LDO will not create any new buildings, but it will encourage appropriate conversions in the town centre, thus contributing to the housing supply.

6.1.20 *SP6: Affordable Housing*

Expected impact of LDO: By providing opportunities for upper floor conversion to residential, the LDO will be consistent with efforts to provide a range and mix of homes across the area, including affordable housing.

6.1.21 *SP8: Retail*

Expected impact of LDO: The LDO will be consistent with the aim of protecting and enhancing the role of Llanelli as a principal centre. It is hoped that a more permissive planning regime will help ensure its continued attractiveness as a destination with a strong retail offer.

6.1.22 *SP9: Transportation*

Expected impact of LDO: By concentrating commercial uses in the town centre, which is accessible to pedestrians and users of public transport, the LDO will be consistent with efforts to promote sustainable development.

6.1.23 *SP13: Protection and Enhancement of the Built and Historic Environment*

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact on the appearance of the built environment. Anyone wishing to make alterations to a listed building would still require the relevant consent.

6.1.24 *SP14: Protection and Enhancement of the Natural Environment*

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact. In relation to the Habitats Regulations, the LDO has been subject to Test of Likely Significant Effect.

6.1.25 *SP15: Tourism and the Visitor Economy*

Expected impact of LDO: The LDO will be consistent with the aim of protecting and enhancing the role of Llanelli in the tourism hierarchy. It is hoped that a more permissive planning regime will help provide opportunities in relation to the visitor economy.

6.1.26 *SP16: Community Facilities*

Expected impact of LDO: A more permissive planning regime in the town centre may provide opportunities as part of a living town centre environment.

6.1.27 SP17: Infrastructure

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact. In relation to supply and treatment of water, the LDO is accompanied by appropriate evidence.

LDP –Relevant Area Wide Policies

6.1.28 GP1: Sustainability and High Quality Design

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact on the appearance of the built environment. A more permissive planning regime can however assist in countering instances of vacant units and dead spaces with a view to enabling a more vibrant street scene with active frontages.

6.1.29 GP3: Planning Obligations

Expected impact of LDO: Permitted uses will not be required to make financial contributions through current planning obligation provisions. Developments may however make a voluntary contribution as appropriate. However, any future implementation of CIL may result in a requirement for contributions to be sought.

6.1.30 GP4: Infrastructure and New Development

Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact. In relation to supply and treatment of water, the LDO is accompanied by appropriate evidence.

6.1.31 RT1: Retailing Hierarchy

Expected impact of LDO: The LDO will be consistent with the aim of protecting and enhancing the role of Llanelli as a principal centre. It is recognised within this statement of reasons and as supported by evidence that Llanelli Town Centre currently exhibits

signs of decline. It is considered at this point that the Town Centre requires specific consideration and policy intervention. It is hoped that a more permissive planning regime will help ensure its continued attractiveness as a destination with a strong retail offer.

6.1.32 RT2: Principal Centres (Growth Areas): Primary Retail Frontage

Expected impact of LDO: The policy is intended to resist any further over-concentration of non-retail (non A1) uses in the Primary Retail Frontages. The Primary Retail Frontage confirms that the principle function should be retail. The policy also states that proposals involving the change of use and / or re-development of a ground floor frontage to residential are not considered compatible with a 'town centre' location. Reference is however made to Section 3 of this Statement of Reasons (Policy Justification). Furthermore, paragraph 6.4.3 of the LDP written statement states that: *"Whilst shopping will be expected to continue as the principal activity in town centres, it is only one of the factors which contribute to their wellbeing. It is evident that retail policies cannot be divorced from the broader functions of the larger towns as centres for other services and facilities, including food and drink establishments (cafes, restaurants, public houses, etc.) and commercial leisure developments. A diversity of uses in town centres assists in promoting their continued viability and, particularly with regard to leisure uses, contributes to the vitality of a successful evening economy"*. This is particularly pertinent in respect of Llanelli Town Centre with the challenges currently being exhibited. Paragraph 6.4.19 of the LDP written statement outlines that: *"As part of the monitoring and review process, the Council will undertake an annual survey of uses within the identified town centres including the Primary Retail Frontages. The survey will not only look at the nature of occupants but also the levels of vacancy which may occur. The survey together with future updates of the retail study will inform policy updates and supplementary guidance emerging from any changes in town centre conditions."* In this respect, the 2016 Carmarthenshire Town Centre Audit highlights the challenges in relation to vacancy etc. being exhibited within certain parts of Llanelli Town Centre. The introduction of the LDO

will mean that the potential conflict between the LPA and a proponent of non-A1 use within Llanelli Town Centre will be removed, subject to the proposal meeting the requirements of the LDO. It should be noted that the LDO does not permit changes of use of ground floor units to residential. It is also recognised that the designation of the LDO reflects the emphasis within Planning Policy Wales.

6.1.33 RT3: Principal Centres (Growth Areas): Secondary Retail Frontage

Expected impact of LDO: Whilst the policy recognises the importance of a strong retail element and seeks to control the extent of non-retail uses to protect the general retail character of central streets and maintain continuity of shopping frontages, it does also acknowledge the contribution that a complementary retail, leisure and business offer can make in increasing the overall attractiveness of the town centre. The introduction of the LDO will mean that the requirement to provide a policy justification and/or challenging the LPA's position within the planning application process will not be required as the process would be streamlined and simplified.

6.1.34 RT4: Principal Centres (Growth Areas): Town Centre Zone

Expected impact of LDO: The policy creates opportunities for the introduction of beneficial economic commercial uses to properties which may otherwise become rundown or vacant. It permits the change of use or redevelopment of shops to other appropriate town centre uses within these areas. In this regard, it demonstrates synergy to the objectives of the LDO within the context of Llanelli Town Centre. It should be noted that the LDO does not impact upon those areas covered by this policy.

6.1.35 EP1: Water Quality and Resources, EP2: Pollution and EP3: Sustainable Drainage

6.1.35.1 Expected impact of LDO: The LDO does not permit any building operations; therefore, it will have no impact. In relation to supply and treatment of water, the LDO is supported by appropriate evidence. For the purposes of the Habitats Regulations, a Test

of Likely Significant Effect (TLSE) has been undertaken by the Local Planning Authority. This concluded that the implementation of the LDO was unlikely to have a “significant effect” alone or in combination on the Carmarthen Bay and Estuaries European Marine Site (CBEEMS) and that an Appropriate Assessment is not required.

6.1.35.2 In relation to surface water, those units within the LDO Area are already linked to the sewer/surface water system (in most instances likely to be the combined system). The Memorandum of Understanding (MoU) would not apply in relation to the LDO.

6.1.35.3 Reference should be made to the Procedural Notification process which will ensure that relevant parties (e.g. Natural Resources Wales and Dwr Cymru Welsh Water) are informed of certificates of conformity issued.

7.0 Conditions

General

1. No change of use permitted by the LDO shall commence until an application for a Certificate of Conformity has been submitted to, and approved in writing by, the Local Planning Authority (LPA).

Reason: To ensure that proposed changes of use comply with the terms of the Local Development Order.

2. With reference to Planning Policy Wales Technical Advice Note 15 (TAN15): Development and Flood Risk (or any document that updates or replaces it during the course of the LDO), no change in use to highly vulnerable development (as defined in TAN 15) is permitted in any ground-floor unit located in Development Advice Map Zone C2.

Reason: To accord with the provisions of national planning policy in the form of TAN 15.

3. Change of uses to highly vulnerable development permitted by the LDO on non ground floor units that are located within Development Advice Map Zone C2 shall accord with the provisions of the LDO SFCA and TAN 15. Any required details or measures shall be fully implemented and maintained in that state thereafter.

Reason: To ensure that no development permitted by the LDO has unacceptable flooding consequences.

Removal of permitted-development rights

4. Notwithstanding the provisions of the Town and Country Planning (General Permitted Development) Order 1995 as amended (or any Order revoking or re-enacting that Order), no development within Schedule 2, Part 40, Classes A, B, C, D, E, F, G, H or I may be

carried out at any dwelling house (as defined in Welsh Statutory Instrument 2009 2193(W.185)) created under the LDO without the prior written permission of the LPA.

Reason: To ensure that a satisfactory form of development takes place.

Residential Proposals

5. No conversion scheme implemented under the terms of the LDO, whether in isolation or in combination with another scheme (regardless of ownership), may create an inappropriate concentration of single bedroom units.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Units of multiple occupation

6. No conversion scheme implemented under the terms of the LDO, whether in isolation or in combination with another scheme (regardless of ownership), will be considered appropriate where it results in the creation of a unit of multiple occupation.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Internal floor space

7. No dwelling created under the LDO may be occupied until floor plans that satisfy the relevant minimum standard for internal floor space have been submitted to, and approved in writing by, the LPA. The approved scheme must be retained in that state thereafter.

Reason: To secure an adequate level of residential amenity for occupiers.

Street Scene

8. Existing ground-floor windows and shop fronts must not be obscured, either internally or externally, by paint, whitewash, film, curtains or any other opaque material.

Reason: To maintain the commercial character and appearance of the Town Centre.

Licensing and Public Protection

9. Those uses permitted by the LDO will be required to adhere to requirements in relation to Licensing and matters of public protection. Advice should be sought from the relevant department. The required permissions/licenses must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To protect the amenities of persons in neighbouring properties.

Building Regulations

10. Those uses permitted by the LDO will be required to adhere to requirements in relation to Building Regulations. Advice should be sought from the relevant department. The required approvals must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To ensure compliance with legislative provisions.

Lettings Policy

11. Where appropriate, residential uses permitted by the LDO will be required to adhere to requirements in relation to any County Council Lettings Policy. Advice should be sought from the relevant department.

Reason: To allow the opportunity for the creation of suitable mix of unit sizes and tenure mix within a living town centre environment.

Other Regulatory Regimes

12. Those uses permitted by the LDO will be required to adhere to any other relevant requirements. For example, operational times and regimes (including arrival, departure, loading or unloading of any commercial delivery vehicles). Appropriate advice can be sought from the LPA in this regard. Any required approvals (notwithstanding 10 and 11

above) must be in place prior to commencement of change of use (irrespective of whether a LDO statement of conformity has been issued).

Reason: To protect the amenities of persons in neighbouring properties.

8.0 Notes

1. The LDO is active for a period of three years from its adoption. This period will however be subject to ongoing review and may be extended or reduced in light of the success or failure of the LDO.

2 Development that commences while the LDO is in effect may be completed and/or continued after this three-year period. Once the LDO has expired, however, no new changes of use will be allowed under its terms without conventional planning permission. Towards the end of the three-year period, Carmarthenshire County Council will assess the impact of the LDO and decide whether to (i) renew the LDO with no revisions, (ii) renew the LDO with new terms and conditions or (iii) revoke the LDO.

3. The LDO does not grant planning permission for any “development” (as defined in Part III, Section 55 of the Town and Country Planning Act 1990) except the changes of use described in section 5 of these reasons.

4. In order to alleviate the impact of development on local services and facilities, section 106 and Community Infrastructure Levy contributions may be sought in accordance with current council procedures.

5. The LDO does not remove any requirement for advertisement or listed-building consent.

6. The LDO does not remove any requirement for consent under non-planning regulations, such as those relating to licensing, environmental health and building control.

7. The LDO applies only to the area indicated on the LDO plan (see section 13).

8. Occupiers of dwellings created under the terms of the LDO will not be entitled to council parking permits.

9. The LDO has been screened under the Environmental Impact Assessment Regulations, and it is considered that an Environmental Statement is not required.

10. A Test of Likely Significant Effect (TLSE) has been undertaken by the Local Planning Authority for the purposes of the Habitats Regulations. This concluded that the LDO was unlikely to have a “significant effect” alone or in combination on the Carmarthen Bay and Estuaries European Marine Site (CBEEMS) and that an Appropriate Assessment is not required.

11. Applicants may need to submit access statements for proposals that would necessitate access by employees and/or provide services to the public. (If the proposed and existing uses should belong to the same class, or if an A2 or A3 use should become an A1 use, an access statement will not be required.)

12. The Welsh Government’s Development Advice Map may be viewed on their website. Reference is also made to the Plan set out in Section 15.

9.0 Compliance

Carmarthenshire County Council will monitor changes of use within the Town centre and, when appropriate, may take enforcement action against unauthorised development, including any uses that operate in breach of the conditions.

10.0 Results and monitoring

In addition to reviewing applications for Certificates of Conformity, Carmarthenshire County Council will monitor vacancy levels in ground-floor units and footfall. The findings of such research will be presented in annual monitoring reports as part of the statutory LDP Monitoring Process. Consideration is also being given to introducing a periodic monitoring regime within the Town Centre.

11.0 Planning contributions/Community Infrastructure Levy

Section 106 and Community Infrastructure Levy contributions may be sought in accordance with current council procedures and regulatory and legislative requirements.

12.0 Risk Assessment

The below sets out some of the key issues that are considered to be worthy of review:

- Democratic control and the role of Elected Members and the Community;
- Officer workload, particularly in terms of monitoring and compliance;
- How would bodies that are ordinarily be notified/consulted through the planning application process be engaged?;
- Loss of Planning application fees;
- Planning Obligations;
- Legal and Financial matters arising from any future LDO revocation;
- Residential amenity;

- The integrity of the historic environment;
- Parking;
- Regulatory matters;
- Flood Risk.

12.1 It is considered that the LDO may ultimately reduce workload in development management, cutting out routine work within the defined LDO area. Furthermore in relation to monitoring, there are established mechanisms available and a data capture system has been set up by the Data Management Officer within Planning Services.

12.2 A notification system whereby key consultees (e.g. Town/Rural Councils, Dwr Cymru or Natural Resources Wales) are informed of LDO proposals has been established by the Council. This reflects the fact that such bodies would ordinarily be notified/consulted through the planning application process.

12.3 Any LDOs will result in a reduced income from planning applications fees, as developers only need to submit a pre-notification, for which they pay the Council a nominal fee for administrative purposes. It is considered however that the scope and extent of the impact would be potentially minor in income terms (based on the potential number of applications likely to be received). Whilst not quantifiable the impact in income terms will be negated through regeneration benefits within the town centre.

12.4 It should be noted that as part of the democratic reporting process, the Council has been afforded the opportunity to review a range of pertinent considerations, particularly in terms of resource and legal implications.

12.5 An LDO may be revoked or revised at any time by the LPA on its own initiative. The Welsh Government also has reserve powers to direct an LPA to revoke an LDO or prepare a revision of it. Where an LPA revokes an LDO the authority must :-

- Publish on their website a statement that the LDO has been revoked
- Give notice of the revocation by local advertisement. This is a requirement to publish the notice in as many newspapers as necessary to secure that the press coverage (taken as a whole) extends to the whole of the area to which the LDO relates, and
- Give written notice of the revocation to every person whom the authority consulted before the making of the order.

12.6 Section 189 of the Planning Act 2008 amends Sections 107 and 108 of Town and Country Planning Act 1990, which provide for compensation where a development order or local development order is withdrawn. In summary, where planning permission granted by a LDO is withdrawn, there will be no entitlement to compensation where notice of the withdrawal is published not less than 12 months or more than the prescribed period (24 months) before the withdrawal takes effect.

12.7 If development is started before the notice is published, compensation will be available unless the order in question contains provision permitting the completion of development. The reform may therefore offer LPAs reassurance, through providing additional flexibility when considering the revision or withdrawal of LDO permissions, although the Welsh Government considers that an LPA would only rarely need to do this where the merits and effect of an LDO have been properly considered during its preparation.

12.8 Residential amenity is an important consideration because there are already people residing within the LDO area. There are separate legislative frameworks that seek to can control various threats to residential amenity, including noise and odour.

12.9 In relation to parking, the Town Centre is well served by public transport and pedestrian networks; therefore, it is considered unlikely that the LDO will substantially increase demand for off- and on-street parking. Occupants of new dwellings will not be entitled to parking permits.

12.10 The LDO does not allow developers to display advertisements on, or make external alterations to, any building in the town centre. In order to ensure the continuing protection of the built heritage, development which would affect a listed building is also excluded from the scope of LDOs. In view of this, it is felt that the LDO will preserve the special character and appearance of listed buildings and the Conservation Area.

12.11 In relation to flooding, the LDO area is heavily impacted by the C2 flood zone, with several buildings already located within the C2 flood zone (Lliedi). Technical Advice Note (TAN15): Development and Flood Risk (July 2004) confirms that Highly Vulnerable Development (HVD) should not be considered in zone C2. HVD includes all residential premises (use classes C1 and C3), public buildings (often use class D1) and, in some cases, leisure-related businesses (use class D2).

12.12 It should be noted that the LDO will not permit any change in use to a highly vulnerable use (HVD) in any ground-floor unit within that area of the LDO which is within the C2 Zone. In relation to upper floors, it should be noted that a Strategic Flood Consequence Assessment (SFCA) has been completed by the LPA to the satisfaction of Natural Resources Wales (NRW). As a result, the LDO permits HVD uses (including C3) on upper floors and remain complaint with TAN 15 - subject to the required details or measures being fully implemented and maintained in that state thereafter.

12.13 In regulatory terms, the LDO has been subject to a screening opinion for the purposes of the Environmental Impact Assessment Regulations and does not constitute “Schedule 1 development” or “Schedule 2 development”. A Test of Likely Significant Effect (TLSE) for the purposes of the Habitats Regulations has concluded that the LDO will have no significant effect (alone or in combination) with a European Site or a European Offshore Marine Site. The LDO has also been screened as part of the Equalities Impact Assessment process. The LDO does not require its own Sustainability Appraisal – Strategic Environmental Assessment (SA-SEA) because the LDO is deemed to be an elaboration upon the provisions of the Carmarthenshire Local Development Plan 2006 — 2021 (Adopted December 2014). The LDP has already been subject to SA-SEA along with a Plan level Habitats Regulations Assessment.

13.0 Llanelli Town Centre

Draft Local Development Order

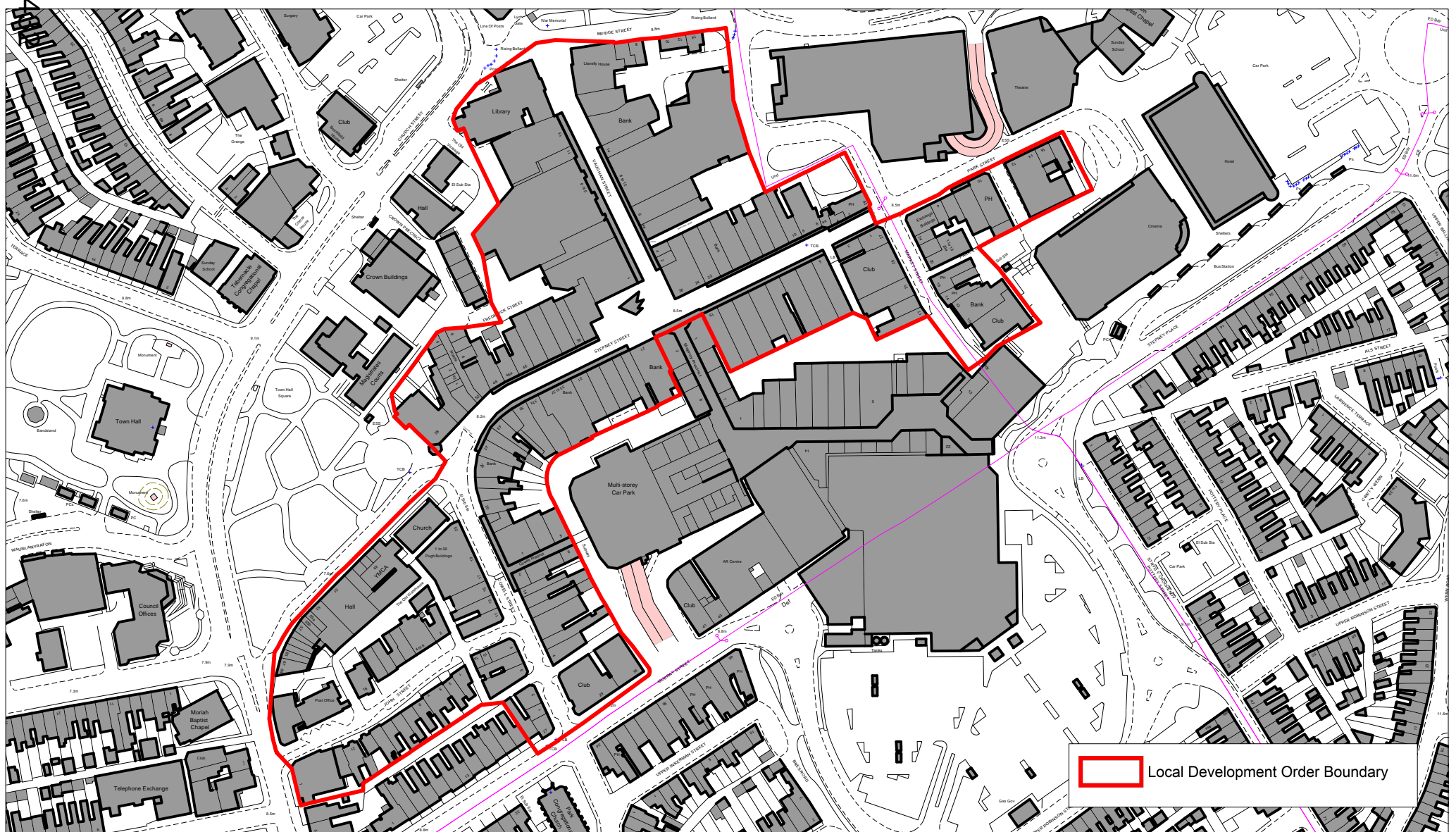
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Scale 1:2500



14.0 Listed Buildings & Conservation Area

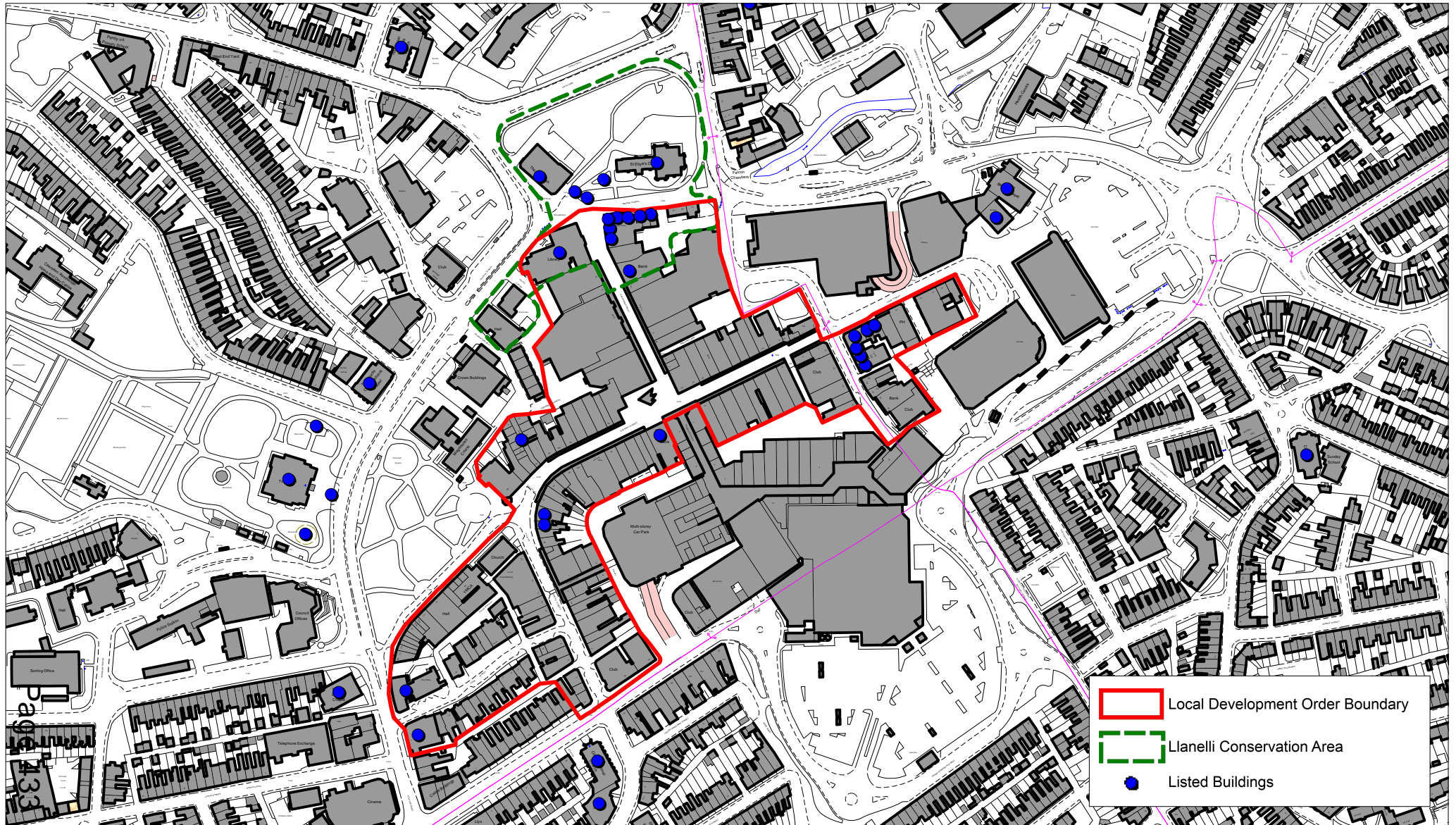
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Scale 1:3500



15.0 Development Advice Maps

Flood Risk

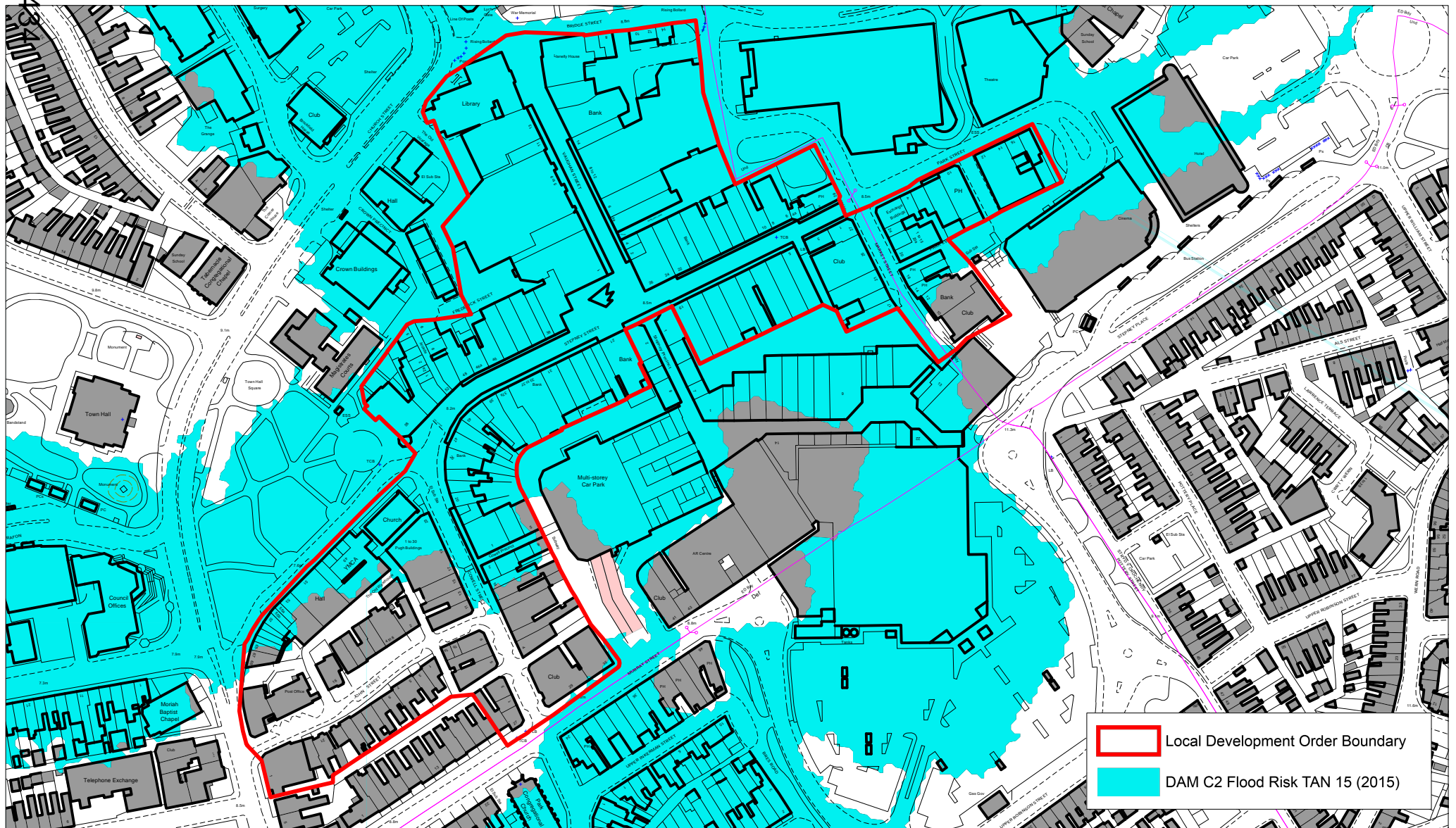
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Scale 1:2500



Notes

i) The above map is based on the Development Advice Maps (DAMs) published by the Welsh Government in January 2015.

ii) The DAMs are reviewed periodically and therefore may change during the three-year lifetime of the LDO. Reference should be made to the Welsh Government's website in this regard.

16.0 Key Contacts

TBC

A1. Local Development Orders

A1.1 The following should be read in conjunction with the content of the main report. It sets out further detail in relation to the legislative framework underpinning an LDO and some specific limitations in their use. In addition in preparing an LDO consideration will be given to any potential implications arising from its designation. The following identifies some specific examples drawn from Welsh Government Good Practice.

Legislative and Policy Framework

A1.2 A Local Development Order (LDO) may be issued by an LPA may under section 61 (A, B, and C) of the Town and Country Planning Act 1990, as inserted by section 40(1) of the Planning and Compulsory Purchase Act 2004 and amended by sections 188 and 238 and Schedule 13 of the Planning Act 2008. This power became effective in Wales on 30 April 2012. Reference is also made to the Development Management Manual 2016 whilst the The Town and Country Planning (Development Management Procedure) (Wales) Order 2012 (DMPWO), sets out the procedural requirements for making LDOs.

A1.3 The Community Infrastructure Levy (CIL) Regulations 2010 state that permission granted by a LDO will constitute “planning permission” (regulation 5(3)(a)ii). As a consequence, an LDO may obviate the need to submit a planning application for a certain type of development, but it will not prevent a levy through CIL from being charged, when appropriate and where a CIL charge applies.

A1.4 It should be noted however that Section 106 planning obligations cannot be required under an LDO; however, this does not prevent section 106 agreements being offered by a developer. For example, if a condition attached to a Local Development Order requires mitigation of an impact from development then a section 106 agreement could be used to secure this.

Considerations associated with LDO's

A1.7 Welsh Government Good Practice prepared in relation LDO's identified a number of areas for Welsh local authorities to consider. Specific examples are as follows:

- Would an LDO lead to a loss of democratic control over development, undermining the role of elected members and local communities? In response WG Good Practice points to case studies undertaken which indicate that where an LDO is in place, Local Planning Authorities and communities still exercise democratic control over development. In this respect clear rules are required in advance as part of the LDO, as opposed to any case-by-case discretion.
- Is there a potential for an increase in workloads and would additional layers of complexity be added to the planning process? – WG Good Practice suggests that it may ultimately reduce workload in development management, cutting out routine work within the defined LDO area.

A1.8 Any LDOs will result in a reduced income from planning applications fees, as developers only need to submit a pre-notification, for which they pay the Council a token sum. However, will only be quantifiable once the LDO and its geographical extent is defined. Subject to its scope and extent the impact may be potentially minor in income terms (based on the potential number of applications likely to be received), however it should be recognised that there will none the less be an impact.

Revision and revocation

A1.9 An LDO may be revoked or revised at any time by the LPA on its own initiative. The Welsh Government also has reserve powers to direct an LPA to revoke an LDO or prepare a revision of it. Where an LPA revokes an LDO the authority must :-

- Publish on their website a statement that the LDO has been revoked
- Give notice of the revocation by local advertisement. This is a requirement to publish the notice in as many newspapers as necessary to secure that the press coverage (taken as a whole) extends to the whole of the area to which the LDO relates, and
- Give written notice of the revocation to every person whom the authority consulted before the making of the order.

Compensation where local development order is withdrawn

A1.10 Section 189 of the Planning Act 2008 amends Sections 107 and 108 of Town and Country Planning Act 1990, which provide for compensation where a development order or local development order is withdrawn. In summary, where planning permission granted by a LDO is withdrawn, there will be no entitlement to compensation where notice of the withdrawal is published not less than 12 months or more than the prescribed period (24 months) before the withdrawal takes effect.

A1.11 If development is started before the notice is published, compensation will be available unless the order in question contains provision permitting the completion of development. The reform may therefore offer LPAs reassurance, through providing additional flexibility when considering the revision or withdrawal of LDO permissions, although the Welsh Government considers that an LPA would only rarely need to do this where the merits and effect of an LDO have been properly considered during its preparation.

Link to Welsh Government Circular 003/2012:

<http://gov.wales/docs/desh/publications/120427ldoguidanceen.pdf>