

**MONDAY, 14 SEPTEMBER 2020**

**TO: ALL MEMBERS OF THE EXECUTIVE BOARD**

I HEREBY SUMMON YOU TO ATTEND A **VIRTUAL MEETING** OF THE **EXECUTIVE BOARD AT 10.00 AM, ON MONDAY, 21ST SEPTEMBER, 2020** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

*Wendy Walters*

**CHIEF EXECUTIVE**

**Democratic Officer:**

**Emma Bryer**

**Telephone (direct line):**

**01267 224029**

**E-Mail:**

**Ebryer@carmarthenshire.gov.uk**

**NOTE:-**

If you require Welsh to English simultaneous translation during the meeting please telephone 0330 336 4321 Passcode: 06032390#

(For call charges contact your service provider)

Wendy Walters Prif Weithredwr, *Chief Executive*,  
Neuadd y Sir, Caerfyrddin. SA31 1JP  
*County Hall, Carmarthen. SA31 1JP*

# EXECUTIVE BOARD

## MEMBERSHIP - 10 MEMBERS

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

# **A G E N D A**

- 1. APOLOGIES FOR ABSENCE.**
- 2. DECLARATIONS OF PERSONAL INTEREST.**
- 3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 7TH SEPTEMBER, 2020** 5 - 10
- 4. QUESTIONS ON NOTICE BY MEMBERS**
- 5. PUBLIC QUESTIONS ON NOTICE**
- 6. APPOINTMENT OF ACTING SENIOR CORONER PEMBROKESHIRE AND CARMARTHENSHIRE JURISDICTION** 11 - 16
- 7. IMPACT OF COVID19 LOCKDOWN ON AIR QUALITY IN CARMARTHENSHIRE** 17 - 40
- 8. COUNCIL'S REVENUE BUDGET MONITORING REPORT** 41 - 70
- 9. CAPITAL PROGRAMME 2020/21 UPDATE** 71 - 78
- 10. ANNUAL TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR REPORT 2019-2020** 79 - 96
- 11. 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.**
- 12. EXCLUSION OF THE PUBLIC**

THE REPORTS RELATING TO THE FOLLOWING ITEMS ARE NOT FOR PUBLICATION AS THEY CONTAIN EXEMPT INFORMATION AS DEFINED IN PARAGRAPH 14 OF PART 4 OF SCHEDULE 12A TO THE LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) (WALES) ORDER 2007. IF, FOLLOWING THE APPLICATION OF THE PUBLIC INTEREST TEST, THE BOARD RESOLVES PURSUANT TO THE ACT TO CONSIDER THESE ITEMS IN PRIVATE, THE PUBLIC WILL BE EXCLUDED FROM THE MEETING DURING SUCH CONSIDERATION.
- 13. PENTRE AWEL** 97 - 292
- 14. MODERNISING EDUCATION PROGRAMME MIM 21ST CENTURY SCHOOLS WELSH EDUCATION PARTNERSHIP - STRATEGIC PARTNERING AGREEMENT** 293 - 2596

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## EXECUTIVE BOARD

Monday, 7 September 2020

**PRESENT:** Councillor E. Dole (Chair)

**Councillors:**

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

**Also in attendance:**

Councillor D.M. Cundy

**The following Officers were in attendance:**

W. Walters, Chief Executive

C. Moore, Director of Corporate Services

G. Morgans, Director of Education & Children's Services

R. Mullen, Director of Environment

L.R. Jones, Head of Administration and Law

P.R. Thomas, Assistant Chief Executive (People Management & Performance)

J. Morgan, Head of Homes & Safer Communities

S. Pilliner, Head of Transportation & Highways

N. Daniel, Head of I.C.T. and Corporate Policy

D. Hockenull, Marketing and Media Manager

G. Morgan, Head of Democratic Services

M. Evans Thomas, Principal Democratic Services Officer

J. Corner, Technical Officer

M.S. Davies, Democratic Services Officer

S. Rees, Simultaneous Translator

J. Hawker, Digital Support Officer

L. Jenkins, Executive Board Support Officer

K. Thomas, Democratic Services Officer

**Virtual Meeting - . - 10.00 - 10.35 am**

**1. APOLOGIES FOR ABSENCE.**

There were no apologies for absence.

**2. DECLARATIONS OF PERSONAL INTEREST.**

There were no declarations of personal interest.

**3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 27TH JULY 2020**

**RESOLVED** that the minutes of the meeting of the Executive Board held on the 27<sup>th</sup> July, 2020 be signed as a correct record.

**4. QUESTIONS ON NOTICE BY MEMBERS**

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

## **5. PUBLIC QUESTIONS ON NOTICE**

The Chair advised that no public questions had been received.

## **6. TRANSITIONAL HOMELESSNESS PLAN**

The Executive Board was advised that arising from the outbreak of Covid-19 the Welsh Government had placed a requirement on all Welsh local housing authorities whereby they must, regardless of a client's previous history, temporarily accommodate and rehouse all single people presenting as homeless, including prison leavers. The Welsh Government recognised the requirement would place a significant pressure on local authority resources and had initially providing a £10m hardship fund to assist in meeting those pressures (that was due to end in July) with the Council having claimed approximately £80k per month from that fund. The Welsh Government had also indicated an additional £20m (mixture of revenue and capital) would be made available to local authorities with them being invited to submit bids to the fund to aid their recovery and to make transitional plans for tackling homelessness. That bid required the production of sustainable plans to improve the provision of temporary accommodation and support to enable homeless households to gain permanent accommodation

In accordance with the above requirement, the Executive Board considered the authority's proposed Transitional Homelessness Plan that:

- Outlined the impact of COVID-19 on homelessness provision, particularly in relation to single people;
- Outlined plans to support and re-house homelessness people over the next 12 months and into the future and;
- Informed a bid to the Welsh Government for funding to assist local authorities to make the plans and changes required.

Arising from the above the Executive Board was advised that a member of Staff at Ysgol Y Derwen had tested positive for Covid-19 and the Test, Trace and Protect protocols had been activated and were working well. The Head Teacher had written to all parents of children at the school advising it was working with the Local Authority on managing the position and reminding them of the symptoms of Covid-19, what to do should they suspect they had the symptoms including to self-isolate and to contact Llesiant Delta Wellbeing.

The Executive Board noted the systems and protocols in place were working to protect the staff at the school.

### **UNANIMOUSLY RESOLVED**

- 6.1 That the way the Council had managed the demand on homelessness services as a result of Covid-19 be noted;**
- 6.2 That the actions outlined in the report be approved and the transitional plan to inform the bid to the Welsh Government be confirmed.**

## **7. EQUALITY PROMOTION CALENDAR AND FLAG & ILLUMINATION PROTOCOL**

The Executive Board considered a report on the proposed introduction of an Equality Promotion Calendar, together with a suggested calendar for 2020/21, the aim of which was to provide a standardised and authorised key equality and diversity celebrated / designated days and a platform for internal and external communication across all of the protected characteristics in the Equality Act 2010, as detailed within the report.

It was noted that having a planned calendar of designated / celebratory days provided an opportunity to advance equality and foster good relations between protected groups and avoided the need to consider various individual requests for support which could lead to a lack of representation from across the protected groups, as not all characteristics would have representative symbols/flags to display. If adopted, the protocol would be reviewed on an on-going basis, at least annually, in discussion with the Executive Board Member for Equalities and any additions to the calendar would be agreed with the Leader of the Council, in consultation with all group leaders.

The Executive Board also considered an amended Flag and Illumination protocol to reflect the requirements of the Equality Promotion Calendar (subject to approval of the Calendar) that outlined arrangements for designated flag flying dates (as set out by the Department for Digital, Culture, Media and Sport), locally agreed flag flying dates and the process for requesting additional dates/events for the flying of flags or the illumination of Council Buildings.

The Executive Board was advised that for clarity, should an organisation be celebrating an event over a period of time, for example one month, the flying of flags/illumination of County Buildings would only occur at the start of the event e.g. the start day or at the weekend but not for the whole of the event period. Additionally, applicants requesting the illumination of council buildings during the summer months would need to be advised of its potential effectiveness during the longer daylight and shorter night periods. The Executive Board agreed the wording of the protocol would be amended to reflect the above points.

### **UNANIMOUSLY RESOLVED:**

- 7.1 That the standardised Equality Promotion Calendar for Carmarthenshire County Council for the year be agreed;**
- 7.2 That the key communication and promotion channels within the calendar be agreed;**
- 7.3 That the amended Flag and Illumination Protocol be agreed**

## **8. INTRODUCTION OF PUBLIC SPACES PROTECTION ORDER (PSPO) - CARMARTHENSHIRE COUNTY COUNCIL (CONSUMPTION OF ALCOHOL IN LLANELLI TOWN CENTRE) ORDER 2020**

The Executive Board considered a report on proposals to introduce the Public Spaces Protection Order (PSPO) Carmarthenshire County Council (Consumption of Alcohol in Llanelli Town Centre) Order 2020. If adopted, the Order would provide police officers, Police Community Support Officers and other people

authorised by the Council, additional powers where they believed a person was, or had been, consuming alcohol within the designated area of the town centre.

It was noted that whilst the Order would prohibit the consumption of alcohol on the land to which it applied, it would not be an offence to drink alcohol in the designated area. However, it would be an offence to fail to comply with a request made by the police, or other authorised people, to cease drinking or surrender alcohol without a reasonable excuse. Failure to comply with that request would amount to a breach of the Order and individuals would either be issued with a Fixed Penalty Notice of up to £100 or, arrested which could result in a fine of up to £500.

It was further noted that the Order would not apply to public spaces where the sale and consumption of alcohol was authorised under other legislation for example, in clubs and licensed premises. The Order would remain in place for a period of three years and be regularly reviewed.

#### **UNANIMOUSLY RESOLVED**

- 8.1 That the introduction of a Public Spaces Protection Order to address alcohol-related crime, disorder and nuisance in the area identified in Llanelli be approved;**
- 8.2 That the amount payable when a Fixed Penalty Notice was issued shall be £100;**
- 8.3 That a review of the Order's boundary be undertaken within six months**

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

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

#### **10. EXCLUSION OF THE PUBLIC**

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

#### **11. CROSS HANDS ECONOMIC LINK ROAD COMPULSORY PURCHASE ORDER**

Following the application of the public interest test it was **RESOLVED** pursuant to the Act referred to in minute no. 10 above not to publicise the content of the report as it contained exempt information relating to the financial or business affairs of any particular person (including the Authority holding that information) (Paragraph 14 of Part 4 of Schedule 12A to the Act).



**The public interest test in respect of this report outweighs the public interest in disclosing the information contained therein as disclosure would undermine the Council's position in any subsequent negotiations.**

The Executive Board was reminded that at its meeting held on the 25<sup>th</sup> April, 2016 it had approved, in principle, the use of compulsory purchase powers by the Council to acquire land necessary for the construction of the Cross Hands Economic Link Road. Subsequent to that decision, the Board gave consideration to a report seeking the use of those powers to acquire land for the link road

**UNANIMOUSLY RESOLVED to approve the making of "THE CARMARTHENSHIRE COUNTY COUNCIL (CROSS HANDS ECONOMIC LINK ROAD) COMPULSORY PURCHASE ORDER 2020" (CPO), as detailed in the report.**

**12. CROSS HANDS ECONOMIC LINK ROAD SIDE ROAD ORDER (SRO)**

**Following the application of the public interest test it was RESOLVED pursuant to the Act referred to in minute no. 10 above not to publicise the content of the report as it contained exempt information relating to the financial or business affairs of any particular person (including the Authority holding that information) (Paragraph 14 of Part 4 of Schedule 12A to the Act).**

**The public interest test in respect of this report outweighs the public interest as the report the report contains detailed financial information together with reasons about a possible Order to be made by the Council. Although the public interest would normally favour openness and transparency this is outweighed by the public interest in maintaining commercial confidentiality and confidentiality ahead of serving any notices / orders on recipients and could place the Council at a commercial disadvantage in any subsequent negotiations with landowners causing a potential loss to the public finances.**

The Executive Board considered a report on the making of the Cross Hands Economic Link Road Side Road Order (SRO) in connection with the construction of the Link Road

**UNANIMOUSLY RESOLVED to approve the making of "THE CARMARTHENSHIRE COUNTY COUNCIL (CROSS HANDS ECONOMIC LINK ROAD) SIDE ROADS ORDER 2020", as detailed in the report.**

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**CHAIR**

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**DATE**

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Directorate: Chief Executive Report Author: Amanda Bebb	Designations:  Electoral and Civil Registration Service Manager	Tel: 01267 228609 Email addresses: abebb@carmarthenshire.gov.uk
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## **EXECUTIVE SUMMARY**

### **Appointment of Acting Senior Coroner Pembrokeshire and Carmarthenshire Jurisdiction**

Following Mr Mark Layton's resignation, normal procedure would be a recruitment exercise undertaken by Pembrokeshire and Carmarthenshire Councils for a Senior Coroner to be appointed. However, under the Coroner and Justice Act 2009, the Chief Coroner and Lord Chancellor's Department/Ministry of Justice now require each Council to first consider whether the relevant Coroner Area should be amalgamated with another Coroner Area before a permanent Senior Coroner appointment is made.

In essence there are two senior coroner vacancies in neighbouring areas as Mr Colin Philips has been the acting senior coroner in Swansea and Neath Port Talbot for quite some time. In such circumstances, it is the policy of the Chief Coroner and Lord Chancellor to explore the option of merging the coroner areas – not least as there would be no incumbent coroner.

With this in mind, the Chief Coroner has asked each respective Council representatives to discuss the way forward. The options will include the possible amalgamation of the Pembrokeshire and Carmarthenshire Coroner area with the jurisdiction of Swansea, Neath/Port Talbot or submitting a business case on remaining as two jurisdictions. Each Council will need to consider whether amalgamation is appropriate and justify the decision it reaches.

If amalgamation is favoured by all local authorities concerned, the Ministry of Justice will undertake formal targeted consultation before a final decision on the issue of amalgamation is taken by the Chief Coroner, Lord Chancellor's Department and Ministry of Justice. A six week consultation will be required subject to approval by each authority's respective Full Council of the business case proposing a merger.

If amalgamation is not favoured, each Council will be required to set out its rationale to the Chief Coroner, Lord Chancellor's Department and the Ministry of Justice, who may or may not accept each Council's position. It is anticipated that the issue of amalgamation is likely to take at least 6months-12 months to conclude. Very little progress has been made to date regarding this possible merger due to the coronavirus pandemic.

Until the issue of amalgamation is addressed, each Council is required to put in place appropriate interim arrangements for the Pembrokeshire and Carmarthenshire Coroner area to ensure that an effective coroner service is maintained. With the support of the Chief Coroner, Mr Paul Bennett, Assistant Coroner for Swansea, Neath/Port Talbot Coroner area was approached and was happy to accept the position of Acting Senior Coroner for Pembrokeshire and Carmarthenshire Coroner Area. Mr Bennett will work in that role 4 days a week with Mr Gareth Lewis (Assistant Coroner) working the 5<sup>th</sup> day and covering Mr Bennett for leave and sickness. This appointment took effect from 1<sup>st</sup> June 2020. The arrangements for payment and hours to be worked will remain the same i.e. base salary of £20k with a daily rate of £440 for a part time role of 4 days, 30-hour week, for which each Local Authority contributes 50%. Mr Bennett has confirmed that he is happy to act in this role until such time a permanent solution is found.

There are no alternative options, Pembrokeshire and Carmarthenshire Councils have an obligation to ensure that appropriate arrangements are in place with regards the Coroner Service. Each Council must ensure that any interim arrangements are sufficiently robust and resilient to mitigate any identified risk.

**DETAILED REPORT ATTACHED?**

**NO**

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: Amanda Bebb, Electoral and Civil Registration Service Manager

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

## IMPLICATIONS

### Legal

Schedule 3 paragraph 7 Coroners and Justice act 2009:

***Appointment of senior, area and assistant coroners***  
***Appointment of senior coroners***

***1(1)The relevant authority for each coroner area must appoint a coroner (the “senior coroner”) for that area.***

***(2)In the case of a coroner area that consists of the areas of two or more local authorities, the relevant authority for the area must consult the other authorities before making an appointment under this paragraph.***

### Finance

The arrangements for payment and hours to be worked will remain the same i.e. base salary of £20k with a daily rate of £440 for a part time role of 4 days, 30-hour week, for which each Local Authority contributes 50%.. For the Assistant coroner the JNC guidance rate is set at a daily rate of £375, which equates to a total of £10,500. This post covers for the period that the Coroner is not available due to his part time role, which equates to 7 weeks per year. Any additional time worked would have to be time recorded and invoiced at the £375 daily rate.

# CONSULTATIONS

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

Signed: Amanda Bebb, Electoral and Civil Registration Service Manager

**(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**

Pembrokeshire County Council are the lead authority for the jurisdiction. This report is also being presented to their appropriate Council meeting.

**5. Staff Side Representatives and other Organisations**

Not applicable

**EXECUTIVE BOARD PORTFOLIO  
HOLDER(S) AWARE/CONSULTED**

YES

**Include any observations here**

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

**THERE ARE NONE**

Title of Document	File Ref No.	Locations that the papers are available for public inspection



**EXECUTIVE BOARD  
DATE: 21<sup>ST</sup> SEPTEMBER 2020**

**SUBJECT:  
IMPACT OF COVID19 LOCKDOWN ON AIR QUALITY IN  
CARMARTHENSHIRE**

**Recommendations / key decisions required:**

1. To note the contents of the report for information.
2. The Executive Board is recommended to make a commitment to discourage non-essential journeys under the 'new normal' arrangements by expanding on current policies relating to home and agile working, when the work can be done effectively either at home or at a closer more convenient office base.
3. The Executive Board is recommended to encourage staff to consider using non-travel related digital techniques as a preferred first option (where possible) for meetings and training purposes.

**Reasons:**

1. To inform members of the impact the COVID – 19 lockdown has had on Air Quality in Carmarthenshire;
2. To outline how Air Quality can be improved by reducing vehicle movements and how we can influence this via our multi departmental Air Quality Action Plans.

Relevant scrutiny committee to be consulted: NO

Exec Board Decision Required YES - 21<sup>st</sup> September 2020

Council Decision Required NO

**EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:-**

Cllr Philip Hughes, Executive Board Member for Public Protection

Directorate  
**Communities**

Name of Head of Service:  
**Jonathan Morgan**

Head of Homes and  
Safer Communities

01554 899 285

[JMorgan@carmarthenshire.gov.uk](mailto:JMorgan@carmarthenshire.gov.uk)

Report Author:  
**Lisa Jones**

Environmental Health  
Practitioner

01269 598 255

[LisaJJones@carmarthenshire.gov.uk](mailto:LisaJJones@carmarthenshire.gov.uk)

**EXECUTIVE SUMMARY  
EXECUTIVE BOARD  
21<sup>ST</sup> SEPTEMBER 2020**

**SUBJECT:  
IMPACT OF COVID19 LOCKDOWN ON AIR QUALITY IN  
CARMARTHENSHIRE**

**1. BRIEF SUMMARY OF PURPOSE OF REPORT.**

One of the general responses to dealing with the COVID-19 pandemic has been for restrictions to be placed on numerous activities, including the closure of many attractions, tourist locations, shops, entertainment venues etc. It has also included the need for people to work from home wherever they can and has prohibited non-essential journeys. This has generally become known as “lockdown” and is a measure that has been employed by Countries across the world.

As a consequence of lockdown, a drastic reduction of road vehicle movements has been observed within Carmarthenshire. The Environmental Protection service is responsible for the Review and Assessment of Air Quality – a statutory function under the provisions of the Environment Act 1995. Through this regime, the main pollutant of concern for Carmarthenshire has been identified as Nitrogen Dioxide (NO<sub>2</sub>) from road vehicles. We have 91 locations throughout the County where NO<sub>2</sub> is measured (via diffusion tubes – standard practice outlined in the relevant guidance document), and we have 3 Air Quality Management Areas (AQMAs) where levels exceed annual statutory limits in “hotspot” locations. There is an AQMA in Llandeilo, Llanelli and Carmarthen. The Aim of the AQMAs is to improve Air Quality to the extent that no further breaches of the standards occur. Our Air Quality Action Plans set out how we do this, and to be successful, it is essential to work closely with our colleagues within and outside the Council (Transportation and highways / Planning services being two key partners).

We have been able to continue with our monitoring programme throughout lockdown and have been able to work with our laboratory partner during this time to ensure that the analytical results continue to be received. This report demonstrates the effect reduced road vehicle journeys have on improving Air Quality and provides an indication as to how critical road vehicle journeys are to achieving our collective aims.

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: Jonathan Morgan

Head of Homes and Safer Communities

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

### 1. Policy, Crime & Disorder and Equalities

The report is for information only, however the impact of this area of work has a direct influence on the Authority's ability to meet:

- Objective number 8 (A) of our Corporate Wellbeing Objectives : *Eat and breathe healthily*;
- Statutory obligations relating to Air Quality standards;
- The requirements of the Wellbeing of Future Generations (Wales) Act 2015 by ensuring good Air Quality for the County's children, especially whilst walking to and attending school – our Corporate Strategy 2018-23 specifies wellbeing objective 2 as a duty to help children live healthy lifestyles

### 2. Legal

The legislative requirements for this area of work are:

- Environment Act 1995 – statutory duty to review and assess Air Quality within our area;
- Air Quality Standards (Wales) Regulations 2010

## CONSULTATIONS

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

Signed: Jonathan Morgan

Head of Homes and Safer Communities

1. Scrutiny Committee - N/A

2. Local Member(s) - N/A

3. Community / Town Council - N/A

4. Relevant Partners - N/A

5. Staff Side Representatives and other Organisations - N/A

**EXECUTIVE BOARD PORTFOLIO  
HOLDER(S) AWARE/CONSULTED:**

**YES**

Cllr. Philip Hughes has been made aware of the content of the report via email on the 19<sup>th</sup> June, 2020.

### 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
Impact of COVID-19 lockdown on Air quality in Carmarthenshire		Attached.

# Impact of COVID 19 lockdown on Air Quality in Carmarthenshire

## NO<sub>2</sub> Diffusion Tube Study

**Lisa Jones**

Environmental Protection

July 2020

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

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



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## Purpose

The purpose of this report is to study the effect of the COVID 19 Pandemic lockdown on Air Quality within Carmarthenshire, regarding levels of Nitrogen Dioxide (NO<sub>2</sub>) predominantly from sources of traffic. Comparisons will be made to the monthly measured data obtained from sites within the Air Quality Management Areas (AQMA's) in Llandeilo, Carmarthen and Llanelli as well as some other busy parts of the County where Nitrogen Dioxide (NO<sub>2</sub>) monitoring is routinely conducted under Local Air Quality Management duties.

## Introduction

Following the 'Stay at home' messages from Welsh Government introduced on 23<sup>rd</sup> March 2020, a noticeable reduction of traffic was observed UK wide, people were told to work from home where possible to do so and schools closed a week beforehand on 16<sup>th</sup> March 2020. This is an opportune time to assess what 'best case' improvements to Air Quality can be achieved through significantly changing activity around travel, where unnecessary journeys are avoided, school traffic is removed and a large proportion of the population find alternative ways of working and meeting up.

It must be accepted that although the data will provide a snapshot of changes observed during 2020 in comparison with years 2019 and 2018. The changes will not only relate to the COVID 19 lockdown measures because weather will also play a significant part.

## Background

As part of the statutory functions under Local Air Quality Management, the Council routinely monitors Nitrogen Dioxide on the roadside in many different areas in the County and reacts to concerns relating to traffic pollution that may be causing elevated levels of pollution in distinct areas. Air Quality Management Areas have been declared in Llandeilo, Llanelli and Carmarthen and actions plan were developed with the aim to improving air quality in those town centres.

This study will not only build a better picture of what can potentially be achieved from changing behaviour and limiting non-essential travel in the AQMA's, particularly where they have observed exceedances for many years, but it could also illustrate the need for even more action to ensure that we can continue to keep the monitored locations below the Air Quality Objective once activities returns back to normality.

The Air Quality Objective is an annual average and not a monthly target, however for the purpose of this report it is illustrated to put the figures into some sort of context. After all the more each monthly level stays below the objective level the greater the chance that the annual average will not be exceeded.

The diffusion tube preparation, supply and analysis was performed by Socotec Didcot Laboratory and the preparation method is acetone:triethanolamine 50:50.

## Llandeilo

Figure 1.0: Map of the current monitoring sites in Llandeilo, area in red denotes AQMA boundary.

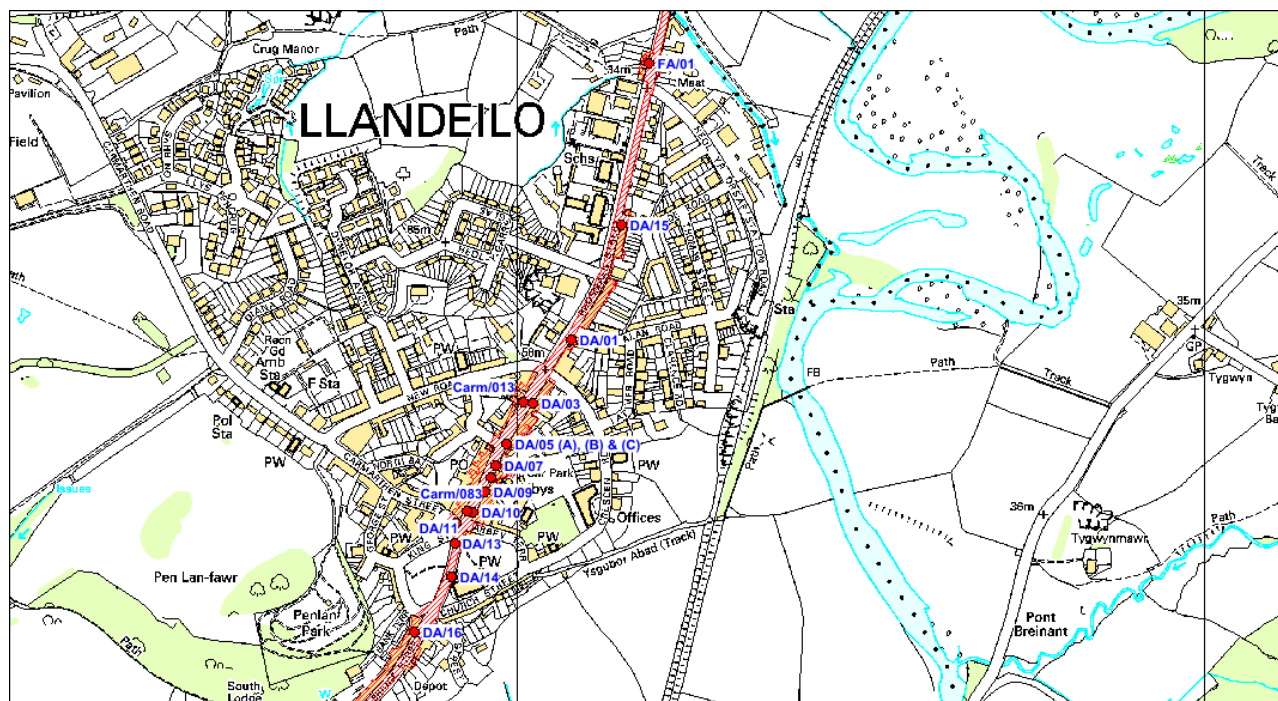


Table 1: Results of a selection of sites within Llandeilo AQMA

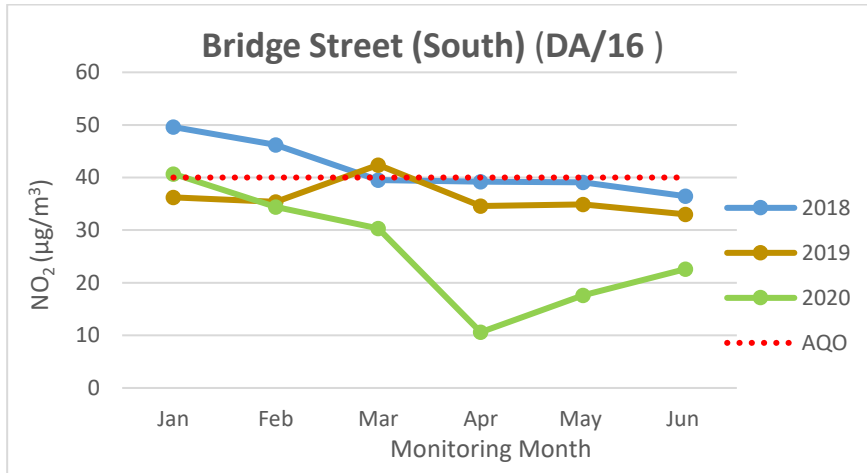
Llandeilo	Site ID	Year	Jan	Feb	Mar	Apr	May	June
Bridge Street (South)	DA/16	2018	49.6	46.2	39.5	39.2	39.1	36.5
		2019	36.2	35.4	42.4	34.6	34.9	33.0
		2020	40.7	34.4	30.3	10.6	17.6	22.6
Rhosmaen Street Park Area	DA/13	2018	40.6	44.2	48.8	47.0	46.0	40.7
		2019	46.3	50.1	41.5	41.7	35.9	38.2
		2020	45.5	26.3	28.4	18.8	19.8	25
Rhosmaen Street (2)	Carm/083	2018	53.6	51.4	65.7	39.3	56.3	55.3
		2019	55.5	51.8	46.6	60.5	44.6	44.7
		2020	53.6	34.4	35.7	31.0	28.1	31.3
Castle Hotel	DA/07	2018	50.9	52.9	53.4	50.9	48.7	47.4
		2019	45.1	39.8	44.7	53.1	42.5	42.2
		2020	51.9	36.1	32.5	23.7	25.4	29.3
Evans Butchers	DA/05	2018	47.5	49.9	52.4	44.6	44.6	40.0
		2019	47.4	39.7	37.1	47.3	37.2	35.1
		2020	48.4	32.1	32.9	23.0	22.6	26.9

COVID 19 Lockdown  
 Lockdown restrictions started to ease



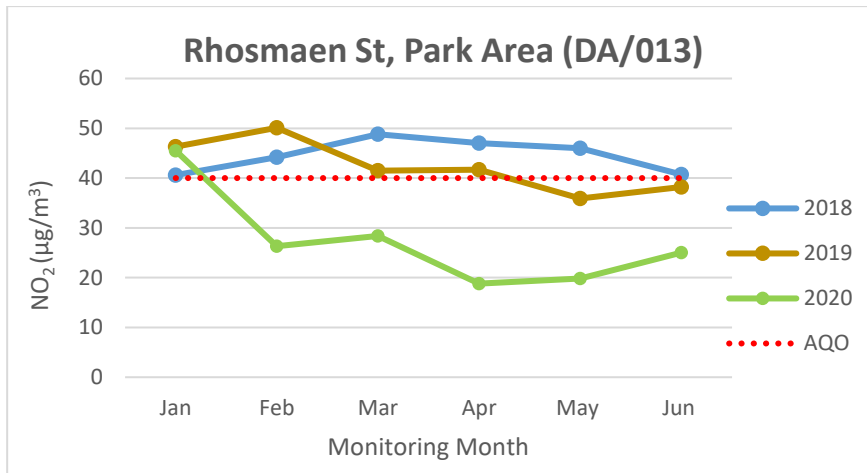
The following graphs illustrate the monthly trends at various sites within Llandeilo's AQMA.

**Figure 1.1**



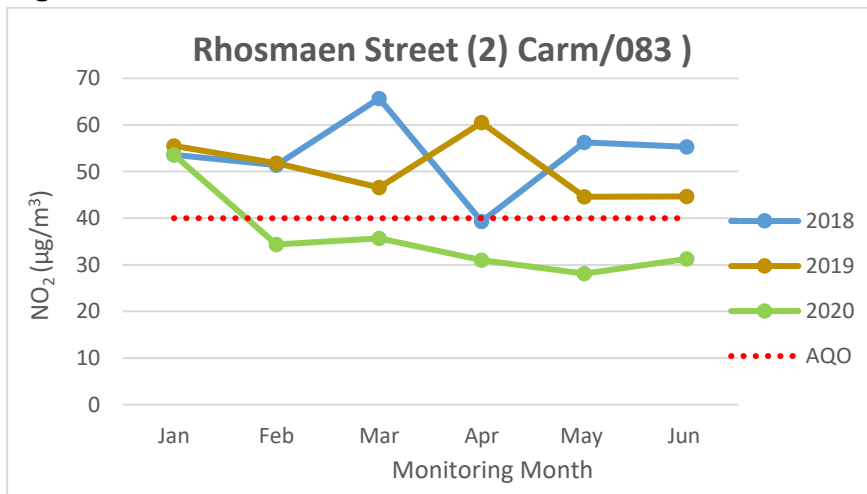
The Bridge Street site is at a property south of Llandeilo, just before the Church Street junction and traffic travelling into Llandeilo from Ffairfach climb an uphill gradient. A significant reduction was observed in April 2020 during the lockdown, compared to previous years; 24µg/m³ less than in April 2019.

**Figure 1.2**



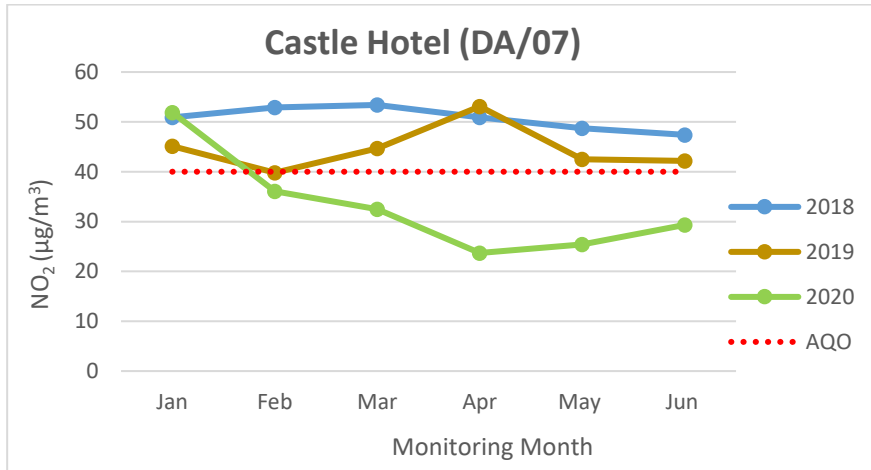
The park site is located slightly further north to the Bridge Street site, just before the turning to King Street. Traffic must often wait here when larger vehicles are passing from the opposite direction. 2020 has seen a significant decrease since February, and similarly to Bridge Street a large reduction in April 2020 compared to 2019.

**Figure 1.3**



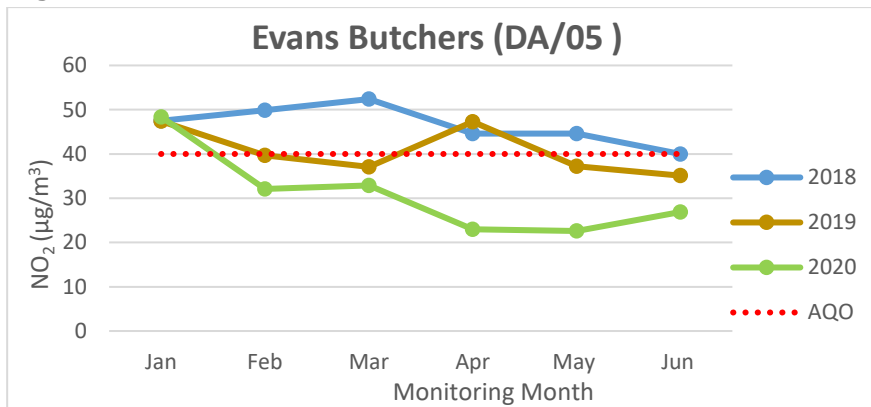
This site is located opposite the Angel Hotel where the road and pavements both narrow with three storey buildings either side. Although measurements have reduced since February in comparison to previous years, the levels are not as low as observed at the sites above. Yet April 2020 is still 29µg/m³ lower than 2019.

**Figure 1.4**



This site is located further north at the Castle Hotel where the narrow road continues but buildings are reduced to two storeys. Again, a large reduction was observed in April 2020 compared to previous years, and although February 2020 was only slightly lower than February 2019, it reduced significantly from the start of the year.

**Figure 1.5**



This site is positioned on a three-storey building in the middle of Rhosmaen Street and a three-storey building is sat opposite, both have two-storey buildings either side on both sides of the road. Similar trends are observed to the Castle Hotel for all years between 2018 to 2020.

## Summary of Results

All the Llandeilo sites appear to follow similar downward trends and most certainly experience a drop in measured levels during April 2020, when the lockdown was fully in place. It's interesting to observe that in January 2020, measurements at most of the Llandeilo sites were not too dissimilar to that observed in the previous two years, however the February and March 2020 measured levels for all sites fell below 40µg/m<sup>3</sup>. This could be attributed by the changes in weather conditions, as February was an extremely windy month. There are also two schools in Rhosmaen Street which closed on 16<sup>th</sup> March, along with the lockdown starting on 24<sup>th</sup> March, which may have resulted in fewer vehicles for a proportion of that month and a reduction in NO<sub>2</sub> levels. This is not as noticeable in Figures 1.2, 1.3 and 1.5 where the monitoring sites are surrounded by 3 storey buildings, as March 2020 levels were marginally higher than February 2020. It is likely that this demonstrates how the canyon effect fails to disperse pollutants as easily as in the more open sites. Although the Park area is much more open, it is also on an uphill gradient and those turning into King Street would likely accelerate into this junction.

The site which experienced the lowest reduction in April 2020 level was Bridge Street, Gerwyn's Fruit and Veg has remained closed since 23<sup>rd</sup> March so there has not been parked vehicles causing other traffic to wait around this area to pass. This may have contributed to this difference along with other factors. Overall, there is a reduction in measurements observed in comparison to the previous years and all five sites measured below 40µg/m<sup>3</sup> from February 2020.

## Carmarthen

Figure 2.0: Map of the current monitoring sites in Carmarthen, area in red denotes AQMA boundary.

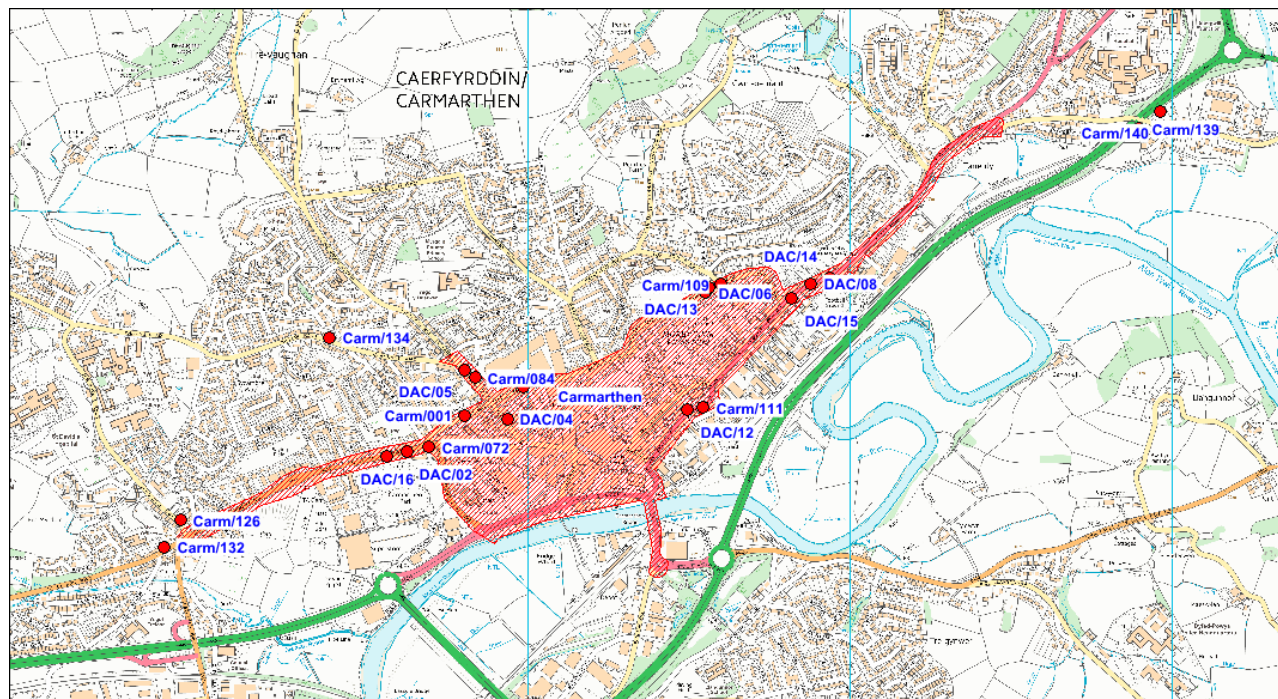


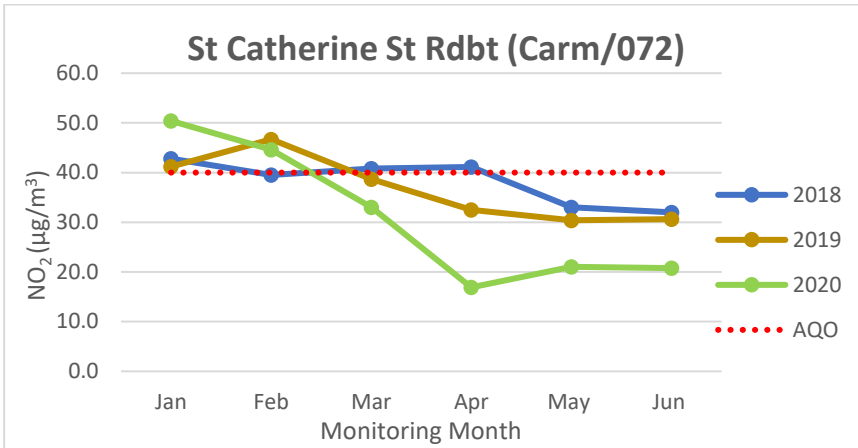
Table 2: Results of a selection of sites within Carmarthen AQMA

Carmarthen	Site ID	Year	Jan	Feb	Mar	Apr	May	June
St Catherine Street rdbt	Carm/072	2018	42.8	39.5	40.8	41.1	33.0	32.0
		2019	41.2	46.7	38.7	32.5	30.4	30.6
		2020	50.4	44.6	33.0	16.9	21.0	20.8
St Catherine Street (A) (Before St Catherine's Walk carpark)	Carm/106	2018	55.2	48.4	45.5	37.9	42.6	35.7
		2019	58.7	43.7	50.9	35.9	35.6	34.2
		2020	54.2	39.9	32.3	19.7	19.4	18.9
Richmond Terrace	Carm/109	2018	56.6	54.7	54.9	45.2	45.3	40.3
		2019	55.9	49.6	43.0	49.1	36.1	34.4
		2020	53.2	42.6	34.1	22.0	21.4	23.7
85 Priory Street (E)	DAC/08	2018	67.5	67.6	69.5	64.5	62.5	60.5
		2019	-	68.4	71.2	54.6	60.9	58.3
		2020	73.8	52.8	46.3	34.3	34.4	42.6
50 Priory Street	DAC/14	2018	53.8	49.7	45.9	39.0	36.7	34.7
		2019	53.8	55.2	44.6	37.2	32.0	32.2
		2020	53.5	34.6	27.2	18.9	18.9	26

COVID 19 Lockdown  
 Lockdown restrictions started to ease

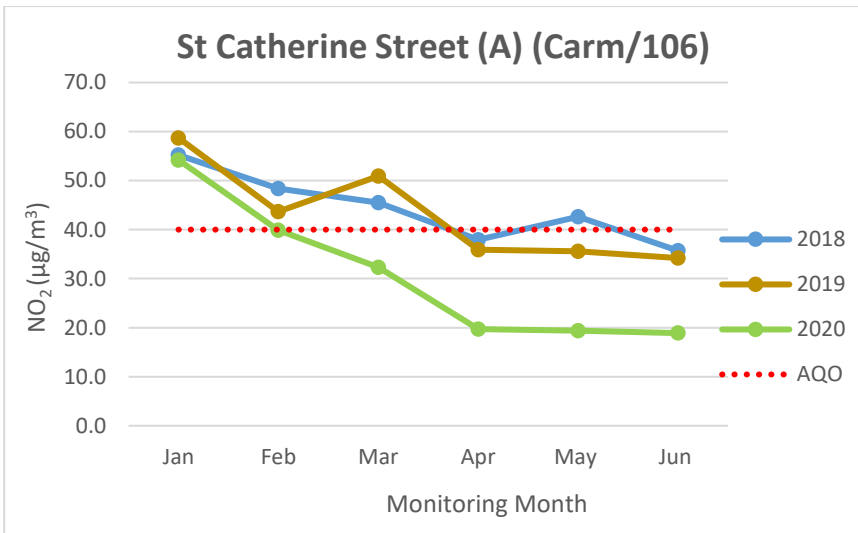
The following graphs illustrate the monthly trends at various sites within Carmarthen's AQMA.

**Figure 2.1**



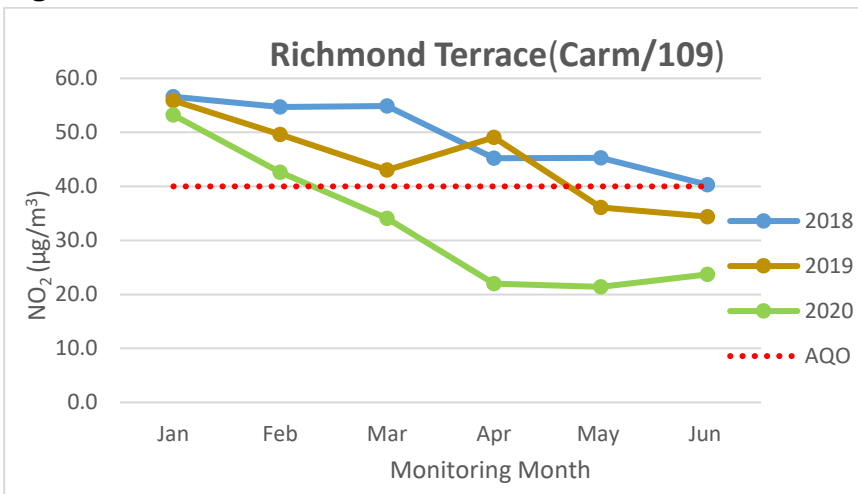
This site is near a busy roundabout leading to Picton Terrace, St Catherine's Street and Morfa Lane. Although 2020 levels were higher in January compared to previous years, a significant reduction was observed in April 2020 during the lockdown, compared to 2018 and 2019.

**Figure 2.2**



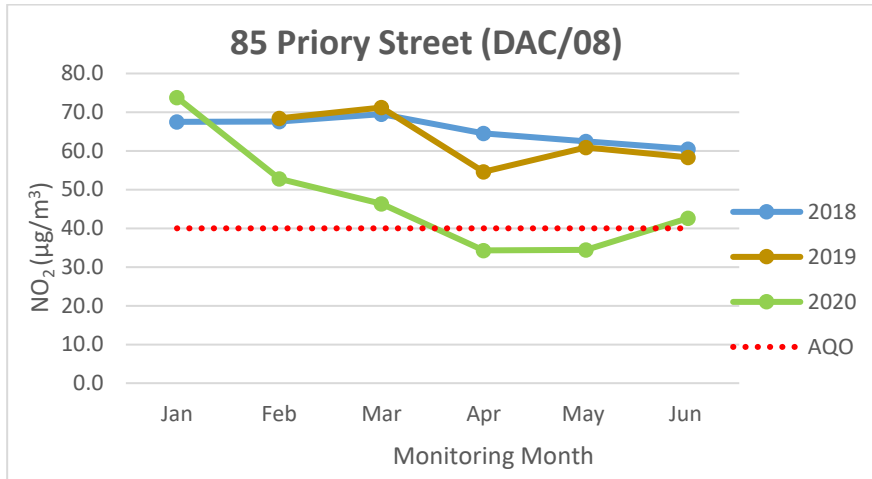
This site is located near the traffic lights, just before the turning for St Catherine's St carpark. Each side of the street has two long rows of terraced houses. 2020 levels were marginally lower than levels observed during January and February 2019, however whilst observing a similar trend to 2019, a significant reduction was observed in April to June 2020 – around 50% reduction in NO<sub>2</sub>.

**Figure 2.3**



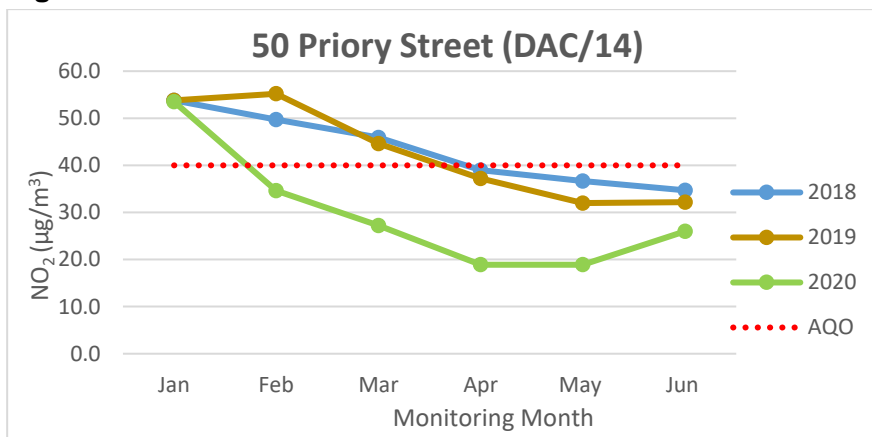
This site is located opposite the junction for Long Acre Road and just before the rear access to Richmond Park School. Richmond Terrace also consists of a long stretch of terraced houses on one side of the road. Measurements for 2018-2020 have followed similar patterns to that in St Catherine St above, though 2018-19 mostly remained above 40.

**Figure 2.4**



This site is located further east of Carmarthen after the Old Oak Roundabout. Measurements at this site are the highest for the County and have continued to exceed the annual AQO for the last 8 years. This is the first time that we have observed any monthly figure fall below 40µg/m<sup>3</sup> for this site, since monitoring began in 2012.

**Figure 2.5**



This site is located further east of the site above and near the traffic lights. Each side of the street is made up of rows of terraced houses. Although January figures are the same for each year, 2020 figures have reduced by approximately 37% and 39% in February and March 2020, and 49% in April 2020 in comparison to 2019.

## Summary of Results

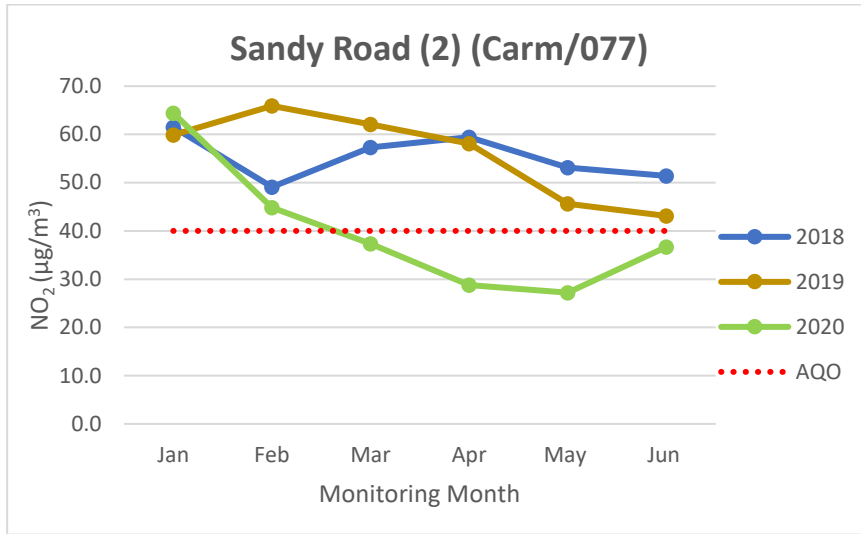
All the Carmarthen sites follow a similar trend for 2020 and observe a significant drop in measured levels during the April 2020 lockdown. Similarly, to Llandeilo January 2020, measurements were not too dissimilar to that observed in the previous two years, yet St Catherine Street Roundabout and 85 Priory Street started off higher in January 2020 compared to previous years. In March 2020, measured levels for most sites fell below 40µg/m<sup>3</sup> except for 85 Priory Street which although observed a downward trend since January this year, only April and May 2020 measured levels fell below 40µg/m<sup>3</sup> with readings of 34µg/m<sup>3</sup>. This demonstrates the importance of changing activity to significantly reduce the amount of traffic travelling through this area. Where most sites have observed reading in the 20's or lower during April 2020, this site remains in the 30's as a best-case scenario. It is therefore concerning, as seen in June 2020 that as soon as travel increases again the monthly readings for this site will continue to rise above 40µg/m<sup>3</sup>.

Overall, there is a reduction in measurements observed in comparison to the previous years and all sites measured below 40µg/m<sup>3</sup> during April and May 2020. Changes in weather conditions will also have played some part in the downward trend since February 2020. Whilst April and May 2020 observed similar levels of NO<sub>2</sub>, this did increase during June in the eastern sites of Carmarthen Town Centre, suggesting that the change in travel behaviour has had a significant benefit on NO<sub>2</sub> levels.



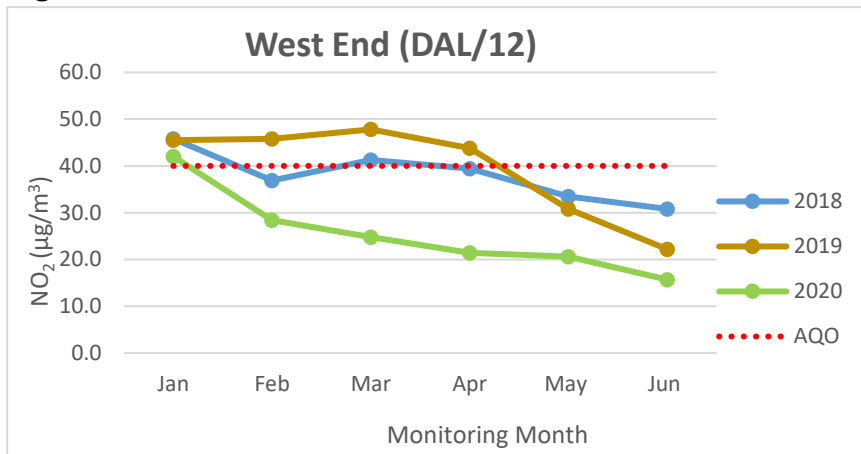
The following graphs illustrate the monthly trends at various sites within Llanelli's AQMA.

**Figure 3.1**



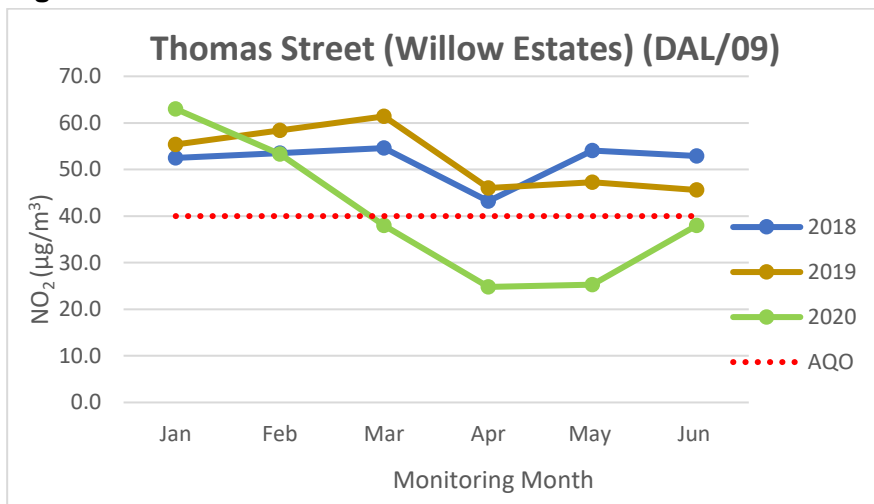
Sandy Road consists of a two long rows of terraced houses either side with a set of traffic lights in the middle. As the main route into Llanelli from the West, traffic can easily build up during peak times and the landscape does not allow pollutants to disperse so easily. March to May 2020 measured much lower levels compared to 2018-19, demonstrating the benefits of reduced in traffic.

**Figure 3.2**



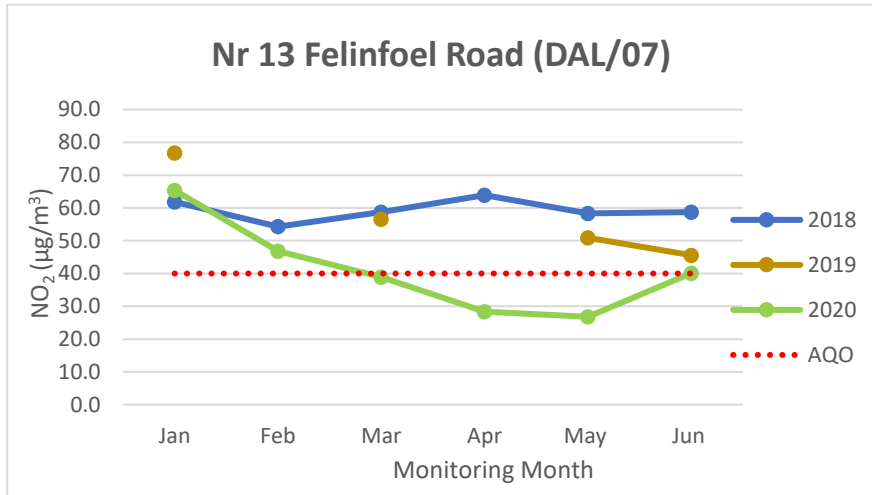
The West End Site is located opposite the turning for New Road. Measurements for 2020 have remained lower than the previous two years and this difference is more noticeable between the months of February and May. In comparison to 2019 March and April 2020 measurements are 50% lower.

**Figure 3.3**



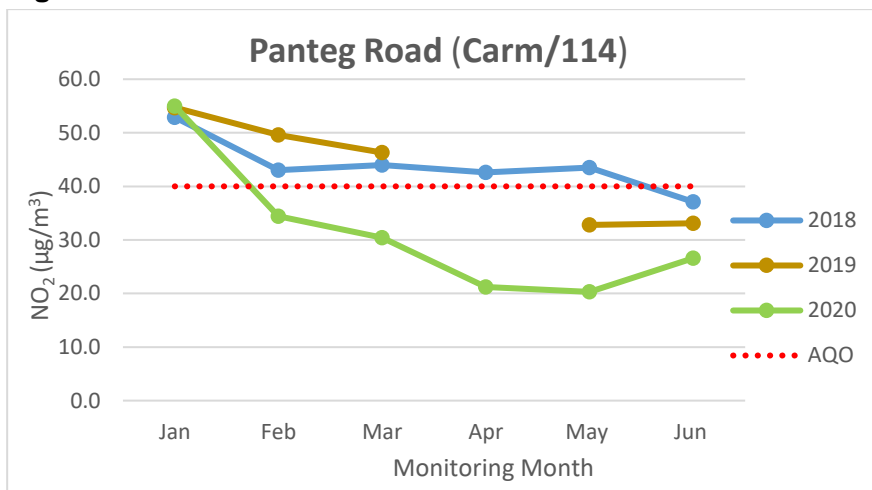
This site in Thomas Street has often exceeded the annual AQO, it's located before the turning for Old Road. There is an uphill gradient, so traffic accelerates harder. January 2020 had higher levels than in 2018-19. 2020 levels observed a similar trend to 2019 from March to May but with measurements 21-23µg/m<sup>3</sup> lower.

**Figure 3.4**



This site is further north of the Thomas Street site above, positioned further up the hill and has two rows of terraced houses each side of the road. Although February and April data are missing for 2019, this site in Llanelli has exceeded the AQO for the last 7 years and observes the highest NO<sub>2</sub> levels in Llanelli. The last time its monthly figure fell below 40 was August 2015.

**Figure 3.5**



Panteg Road is much further east of Llanelli just before the mini roundabout joining Farmers Row, this site has not exceeded the AQO but is closely monitored as some monthly figures are above 40µg/m<sup>3</sup>. January to April 2020 has observed a similar downward trend to other sites across Llanelli, and April and May 2020 have seen a 50% reduction to that in 2018.

## Summary of Results

All the Llanelli sites follow a similar downward trend for 2020 and observe a significant drop in measured levels during April 2020, after the lockdown started. Similarly, to Llandeilo and Carmarthen in January 2020, measurements were often higher than 2018, with three of these sites Sandy Road, Thomas Street (Willow Estates) and Panteg Road starting off with higher levels in January 2020 compared to both previous years.

In March 2020, measured levels for all these sites fell below 40µg/m<sup>3</sup>, but surprisingly February 2020 measured levels remained above 40µg/m<sup>3</sup> for three of the sites, despite the extremely windy weather that was experienced. The change in activity during April and May 2020 significantly reducing the amount of traffic travelling through these areas appears to have reduced measured readings in the 20's, which is a significant improvement. However, at some sites the levels have increased in June.

Overall, there is a reduction in measurements observed in comparison to the previous years and all sites measured below 40µg/m<sup>3</sup> during March to May 2020, however it must be accepted that changes in weather conditions will also have influenced results observed.



## Other Sites

Maps of other monitoring sites in Carmarthenshire, not within an AQMA

Figure 4.0 Burry Port

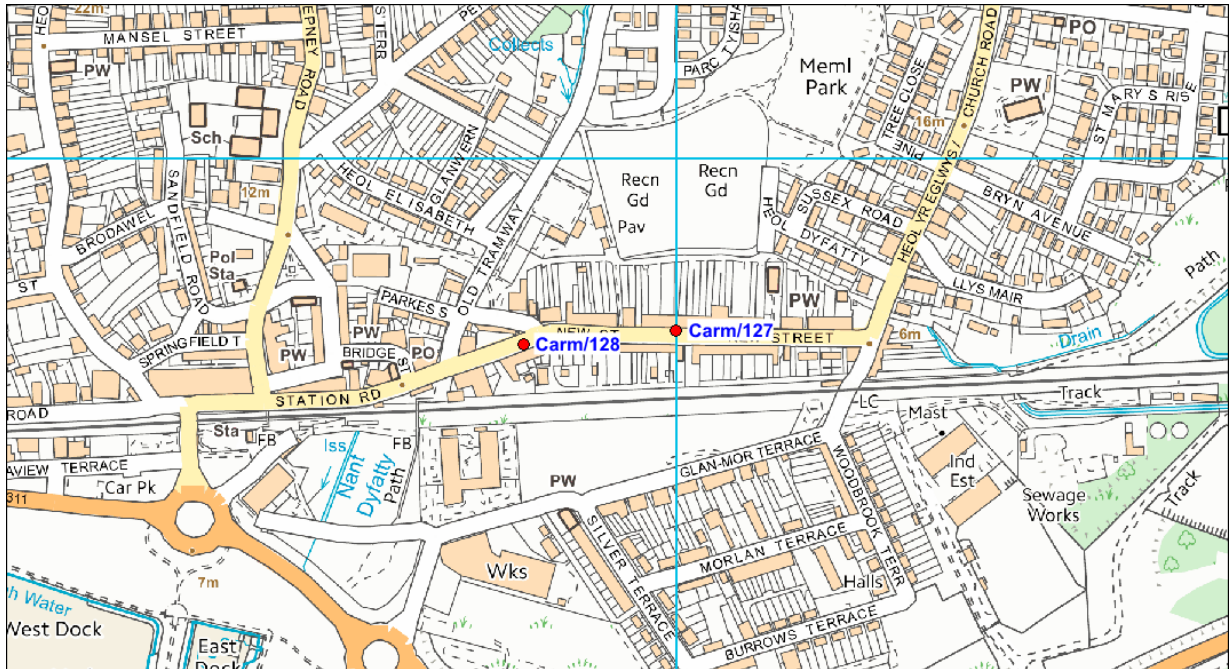
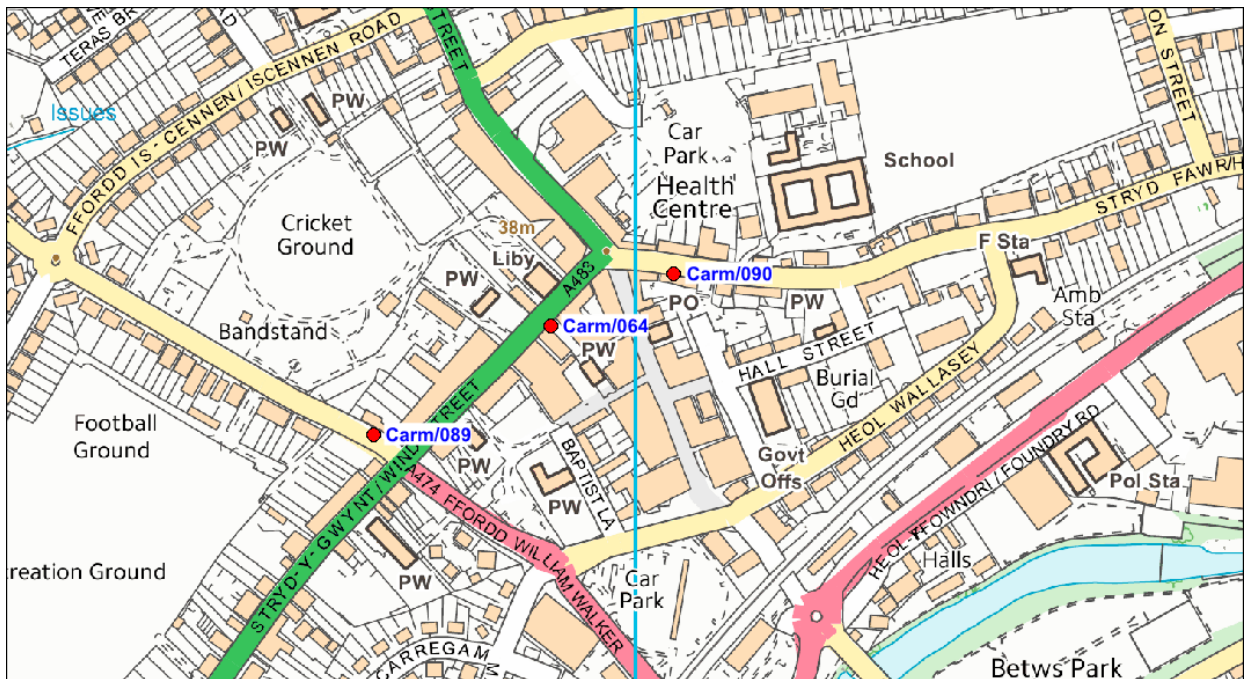
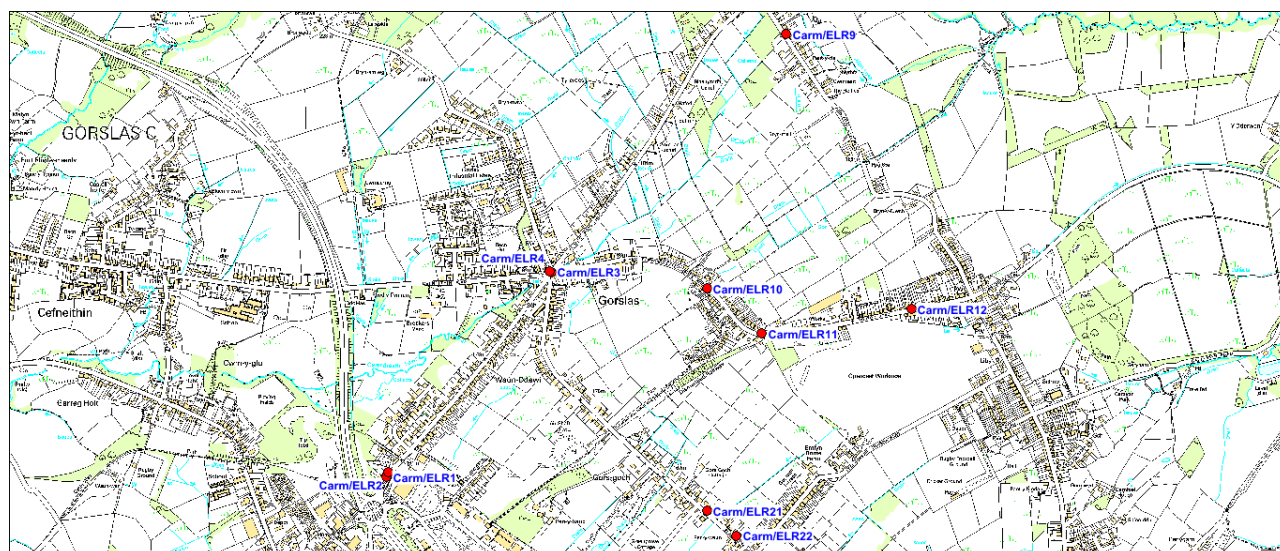


Figure 4.1 Ammanford



**Figure 4.2 Cross Hands/Gorslas**



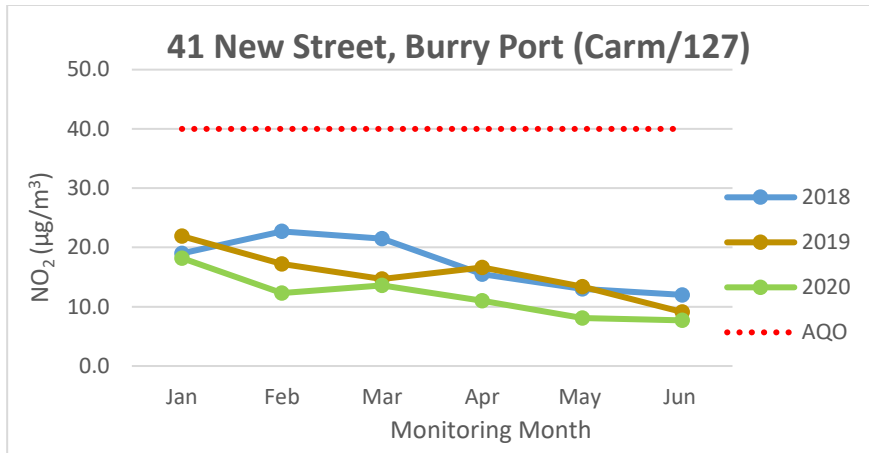
**Table 4: Results of the selection of other sites in Carmarthenshire**

Others	Site ID	Year	Jan	Feb	Mar	Apr	May	June
Burry Port -41 New Street	Carm/127	2018	19.0	22.7	21.5	15.5	13.0	12.0
		2019	21.9	17.2	14.7	16.6	13.4	9.1
		2020	18.2	12.3	13.6	11.0	8.1	7.7
Burry Port - Station Rd, Lloyds Bank	Carm/128	2018	22.8	21.4	22.6	19.2	18.9	18.0
		2019	22.7	21.7	18.3	18.7	16.8	13.4
		2020	22.9	-	13.8	14.9	10.7	11.5
Ammanford -Tirydail Lane(2)	Carm/089	2018	30.8	41.9	39.1	32.3	26.5	29.7
		2019	29.8	25.4	25.2	28.2	22.3	18.0
		2020	30.3	17.7	18.9	15.1	13.4	14.4
Ammanford, - Wind Street	Carm/064	2018	35.8	37.5	33.1	31.2	29.7	25.8
		2019	34.7	30.3	26.4	31.7	25.9	21.9
		2020	38.4	24.3	23.5	28.9	15.7	18
Ammanford - High Street (2)	Carm/090	2018	38.7	27.2	40.3	34.5	35.9	33.1
		2019	42.6	48.2	31.7	31.3	31.1	27.6
		2020	43.0	29.9	28.3	17.5	16.7	19.3
Cross Hands (2)(rdbt)	Carm/ELR1	2018	48.4	39.3	43.6	45.7	47.7	40.2
		2019	46.2	52.8	40.0	46.9	39.2	32.3
		2020	50.3	33.7	23.7	22.2	21.3	23.3
Gorslas Sixways (2)	Carm/ELR4	2018	22.4	21.3	22.4	17.6	17.9	16.2
		2019	21.6	23.2	18.6	18.1	16.4	11.6
		2020	24.8	12.7	13.8	-	8.3	10.6

COVID 19 Lockdown  
 Lockdown restrictions started to ease

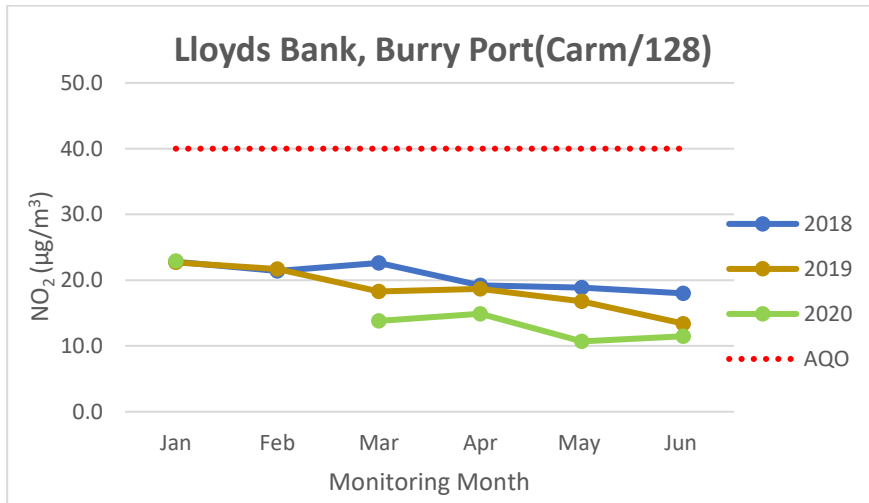
The following graphs illustrate the monthly trends at various sites across Carmarthenshire which do not have Air Quality Management Areas including Burry Port, Ammanford, Cross Hands and Gorslas.

**Figure 4.3**



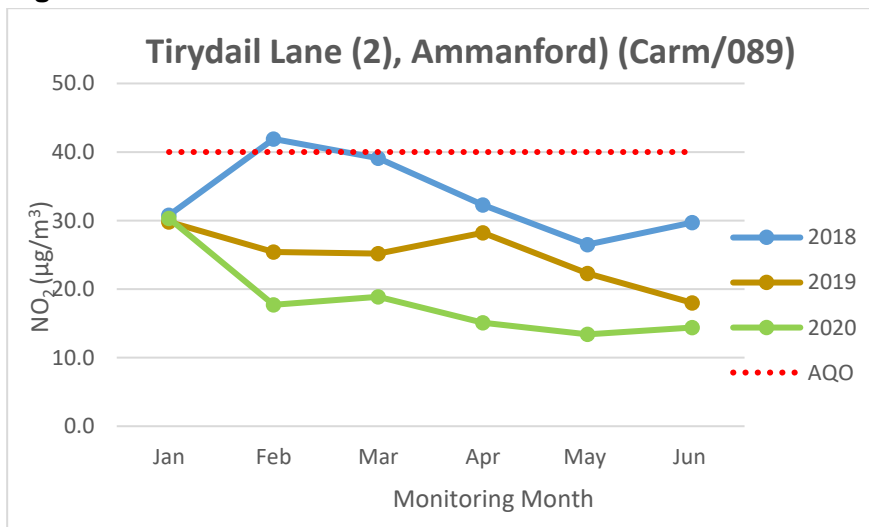
This monitoring site is in a residential area consisting of rows of terraced houses either side of the road. It's also one of the main access routes into and out of Burry Port town centre from the A484. A small improvement has been observed during 2020 in comparison to 2019.

**Figure 4.4**



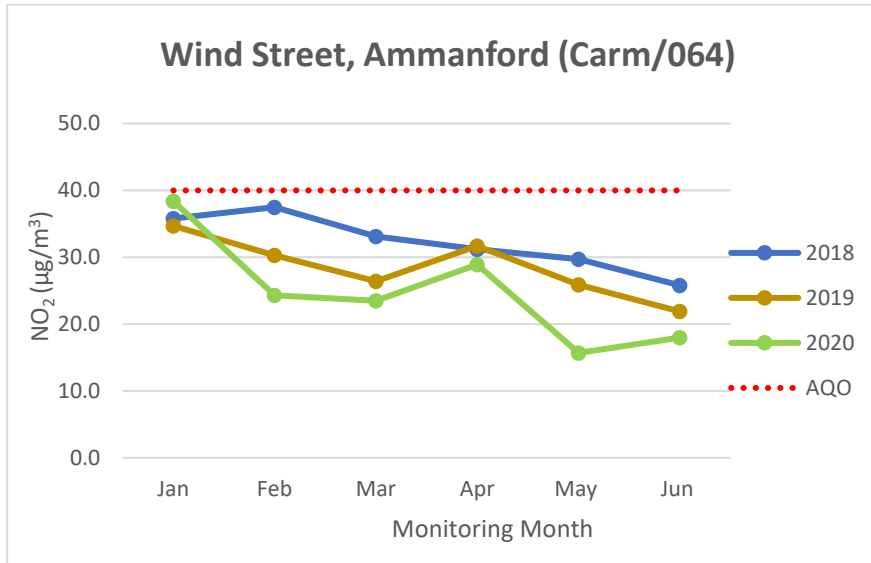
This monitoring site is closer to Burry Port town centre on Station Road. There are three terraced properties each side of the road, one side three-storey the other two-storey. Although data was unavailable for February 2020, January levels were the same for 2018-2020, March 2020 saw a decrease, but April 2020 increased marginally from March, in a similar pattern to 2019.

**Figure 4.5**



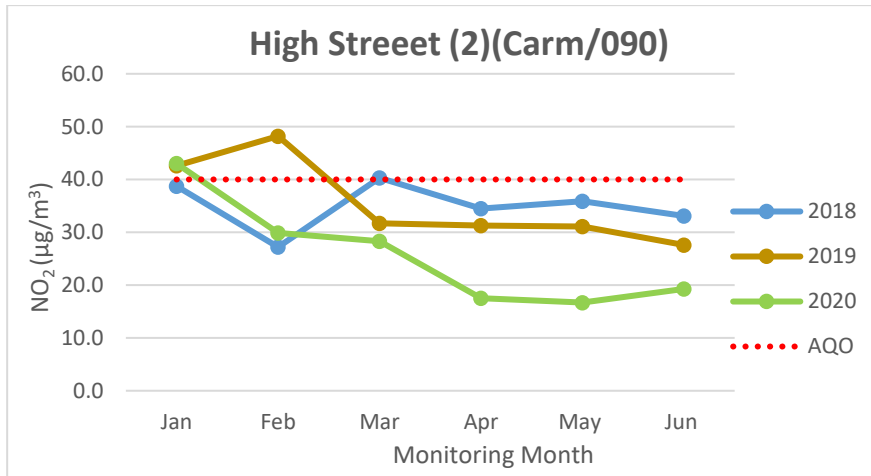
This monitoring site is located near Bush House Veterinary on Tirydail Lane. Works began to build a roundabout in early 2018 which completed February 2019 and improved traffic flows. 2020 results illustrate a similar trend to New Street, Burry Port in 2020, because January results are like previous years, March was marginally higher than February and April was just slightly lower than February.

**Figure 4.6**



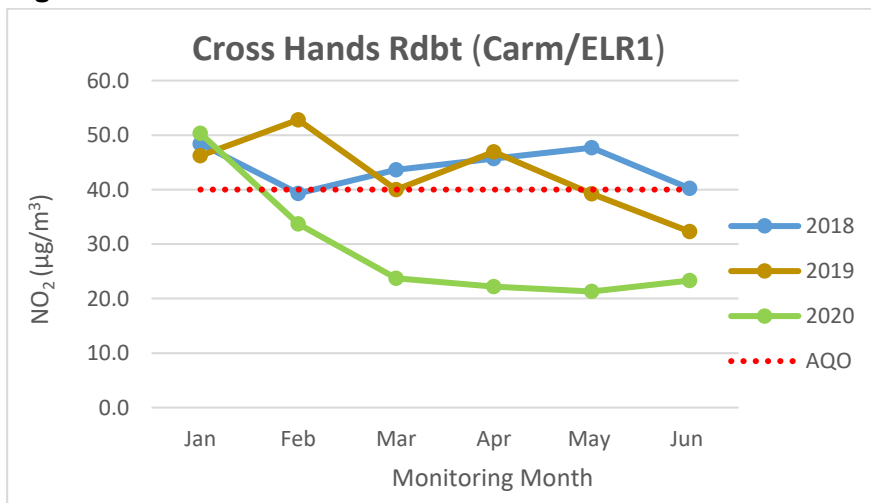
This site is in the middle of Wind Street next to the Crisp and Fry chip shop. The street is part of the A483 trunk road, and the properties are mostly terraced. Although Feb-April 2020 results are lower than previous years, very little reduction was noticed in March 2020 compared to February 2020, and April 2020 results increased, in a similar pattern to 2019. The biggest decrease was seen in May 2020.

**Figure 4.7**



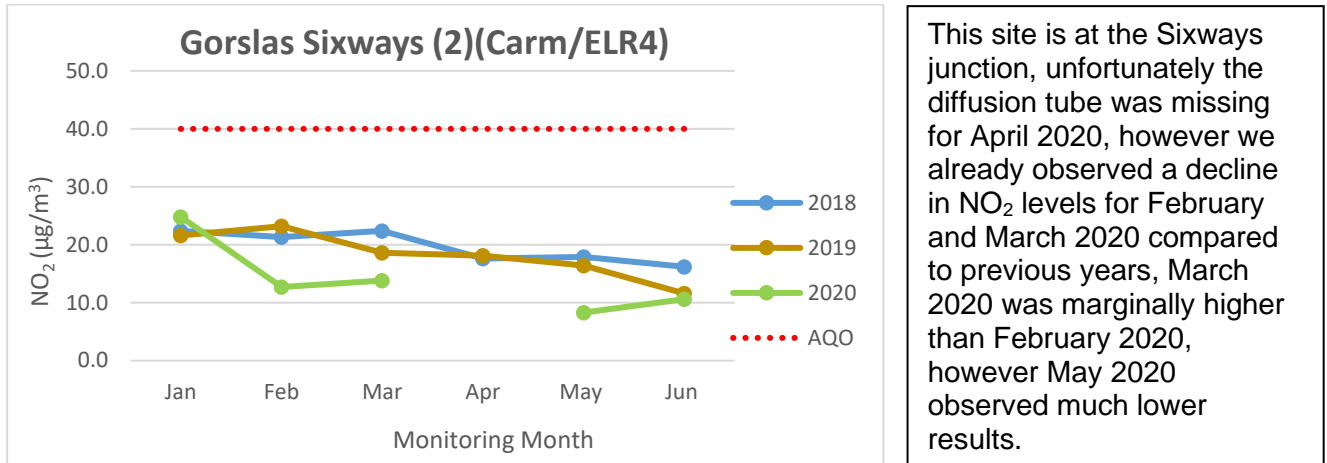
This site is located next to the Cwtch café, the properties in this area are terraced both sides and there are traffic lights nearby at the square. The 2020 results for this site follows a similar downward trend to that seen in sites within the AQMA's, with significant reduction in April 2020, levels remaining the same in May and starting to increase in June.

**Figure 4.8**



This kerbside site is on Llandeilo Road further uphill past the entrance to KFC. The uphill gradient from the roundabout causes vehicles to accelerate harder, so it does observe high monthly readings. In 2020, however a significant reduction in NO<sub>2</sub> was measured in February to June compared to previous years.

**Figure 4.9**



This site is at the Sixways junction, unfortunately the diffusion tube was missing for April 2020, however we already observed a decline in NO<sub>2</sub> levels for February and March 2020 compared to previous years, March 2020 was marginally higher than February 2020, however May 2020 observed much lower results.

### Summary of Results

All the sites follow a downward trend for 2020 in comparison to 2018 and 2019, however not all observe a significant drop in measured levels during April 2020, when the lockdown was fully in place. Similarly, to the AQMA sites in Llandeilo, Carmarthen and Llanelli; NO<sub>2</sub> measurements in January 2020 were often higher or at a similar level as seen in January 2018 and 2019, and all these 'other' sites experienced a reduction in measurements during February 2020, the windiest month. Overall a reduction of 30 – 49% was observed in February 2020 compared to January 2020. Four of these sites measured a reduction between 12µg/m<sup>3</sup>-16µg/m<sup>3</sup>, New Street however, saw the smallest decrease from these winds with a reduction of 5.6µg/m<sup>3</sup>, yet it still gave the lowest NO<sub>2</sub> result for all 'other' sites.

In March and April 2020 measured trends for these sites were not as consistent as that seen in the AQMA's. Whilst High Street in Ammanford and Cross Hands Roundabout observed a similar downward trend to the AQMA sites. New Street in Burry Port, Tirydail Lane in Ammanford and Sixways junction in Gorslas however, all had marginal increases in March 2020 compared to February 2020. Nevertheless, all three of these sites had much lower NO<sub>2</sub> measurements below 20µg/m<sup>3</sup>.

Interestingly, Wind Street in Ammanford and Station Road in Burry Port both measured an increase in NO<sub>2</sub> levels in April 2020 compared to March 2020 and followed the same pattern as seen in 2019. It is not clear why we are seeing this increase when there has been a general reduction in non-essential travel and a reduction across the County during April 2020. The butchers in Wind Street continued to stay open on the opposite side of the road to the monitoring site and locals would have continued to visit the bank and the Premier shop in Burry Port where the monitoring site is located. Notably, both roads are key access routes into their town centres, so it's possible that residents continued to travel by vehicles for their essential journeys. Even so, despite these increases, both these sites remain much lower than 30µg/m<sup>3</sup> and May 2020 results reduced even further.

Overall, there is again a reduction in measurements of NO<sub>2</sub> in comparison to the previous years and all 'Other' sites measured below 40µg/m<sup>3</sup> between February to June 2020. Whilst changes in weather conditions have played a significant part in the February 2020 drop, benefits from changes in activity are not as noticeable in the quieter towns of Burry Port and Ammanford compared to the towns with AQMA's. All sites in May 2020 observed lower results than April, and all sites have increased in June.

## Conclusions

There are many factors that can contribute to improvements in NO<sub>2</sub> levels, generally we are noticing a small improvement year on year as vehicles become cleaner, although this is not always so noticeable when more vehicles are on the road. This may explain why measurements in some areas started higher this year compared to previous years.

As mentioned in the introduction, weather can complicate the patterns that we are seeing, February 2020 was the windiest month since 1980 which would help disperse pollutants more easily. We can clearly observe this for all sites and the busier sites which generally measure higher levels of NO<sub>2</sub> seem to benefit more significantly from stronger winds than sites with less traffic. The sites experiencing the canyon effect with rows of terraced houses either side, also observe decreases of NO<sub>2</sub> with the wind, however they don't appear to achieve as much of a reduction than the more open sites, as pollutants can remain somewhat trapped.

Spring 2020 has also been the sunniest since records began. Increased sunshine can reduce the levels of NO<sub>2</sub>, it causes a chemical reaction with NO<sub>2</sub>, separating one of the oxygen atoms which then adds to naturally occurring oxygen molecules (O<sub>2</sub>) in the air to create Ozone (O<sub>3</sub>). Across the UK we have observed an improvement in Air Quality regarding certain pollutants such as NO<sub>2</sub>, however there has been a significant increase in Ozone which has harmful effects to vegetation and health. Ozone can irritate the lungs and cause symptoms of asthma and lung disease to worsen.

It is however clear that we have measured significant lower levels of NO<sub>2</sub> during the April and May 2020 across Carmarthenshire's AQMA's, and for the first time in over 7 years all monitoring sites measured a monthly reading below 40µg/m<sup>3</sup>. This outcome has tremendous significance for the monitoring sites at 85 Priory Road, Carmarthen and 13 Felinfoel Road, Llanelli which have continued to measure the highest readings in those towns. Unfortunately, June 2020 measurements had already started to see levels increase in most areas with lockdown restrictions started to ease. Non-essential shops opened on 22<sup>nd</sup> June and schools reopened on 29<sup>th</sup> June. The results indicate that much more work will be needed to address the high levels seen in Felinfoel Road, Llanelli and Priory Street, Carmarthen to maintain much lower monthly readings.

Although Llandeilo has continued to see measurements below 40µg/m<sup>3</sup> during June 2020, levels are increasing with returning traffic and there is a risk it will continue to rise as further lockdown restrictions are removed. As a main trunk road from Swansea to Chester, the A483 through Llandeilo suffers from a large proportion of through traffic that are not visiting the town, it is clear from these results how much residents and shoppers would benefit from reduced numbers of vehicles travelling through this area.

The smallest changes have occurred in the more rural of areas or less busy urban areas where NO<sub>2</sub> levels are usually much lower than the Air Quality Objective. They will continue to experience background levels of Nitrogen Dioxide and with less pollution in general, will subsequently not benefit as greatly from the lockdown as the busier towns, particularly where traffic numbers were not so high in the first place. None the less it is Welsh Government's policy to improve air quality wherever possible, so even small gains are beneficial.

## Recommendations

The findings of this report demonstrate how much we can improve air quality in our AQMA's and throughout the County from reducing non-essential journeys and clearly illustrates how much of the NO<sub>2</sub> emanates from traffic sources. It is therefore important that we do something to ensure that we don't just fall back into our old ways and help deliver Welsh Government's policy in making improvements to Air Quality wherever possible.

Work will continue to deliver this through the development process and further work is being made in key towns and villages to improve cycling routes and footways, building on electric vehicle charging points in addition to progressing further actions outlined within the AQMA Action plans for Llanelli, Carmarthen and Llandeilo collaboratively with our partners.

There are several council buildings located within our Air Quality Management Areas, so it is important that we reflect on our own contribution towards local air quality and make our own improvements where possible. It is recommended that the Council makes a commitment to expand on current policies relating to home working and agile working so not to encourage non-essential journeys when the work can be done effectively either at home or at a closer more convenient office base.

We have also seen incredible benefits from increased use of Microsoft Teams or Skype Meetings, teleconferencing and webinars to administer training, not only reducing travel and pollution, but also preventing lost time from travelling and subsequently resulting in increased productivity and reduced mileage costs. It is recommended that use of non-travel related techniques is considered the preferable first option under 'new normal' arrangements, and at the very least incorporating a digital option, to save all invitees needing to travel unnecessarily.

Air pollution is a cause of underlying health conditions that can make people more susceptible to severe health outcomes of COVID-19. The COVID-19 lockdown has enabled us to think about how we travel, whether we need to use our vehicles and how we can do things differently. Across the UK the public have also recognised the benefits of fewer vehicles on the road and many have embraced new low pollution behaviours such as walking, cycling and working from home. Cleaner air is considered more important than ever so this is an opportune time to welcome this willingness to change, reflect on what we have learned and act to support improvements to improve our local air quality.

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## Executive Board 21<sup>st</sup> September 2020

### Council's Revenue Budget Monitoring Report

#### Recommendations / key decisions required:

That the Executive Board receives the Budget Monitoring report and considers the budgetary position and appropriate corrective action.

In light of the current forecast of significant overspends at departmental level, Chief Officers and Heads of Service to critically review options available to them to limit the forecasted overspend of budgets, whilst recognising the pressure Covid-19 has placed on the Authority's overall budget.

#### Reasons:

To provide the Executive Board with an update on the latest budgetary position as at 30<sup>th</sup> June 2020, in respect of 2020/21. This budget position recognises the substantial additional pressures that have been placed on the Authority in responding to the Covid 19 pandemic.

Relevant scrutiny committee to be consulted: NA

Exec Board Decision Required YES

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. David Jenkins

Directorate: Corporate Services

Name of Director:  
Chris Moore

Report Author:  
Randal Hemingway

Designations:

Director of Corporate Services

Head of Financial Services

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# EXECUTIVE SUMMARY

## Executive Board

### 21<sup>st</sup> September 2020

The revenue budget monitoring reports for the period to 30<sup>th</sup> June 2020 are attached and indicate that:

#### **COUNCIL FUND REVENUE ACCOUNT (Appendix A)**

Overall, the monitoring report forecasts an end of year overspend of £7,400k on the Authority's net revenue budget with an overspend at departmental level of £8,000k. This unprecedented position is due to a combination of additional irrecoverable costs due to Covid-19 activity, foregone income from closed services which may not be fully recompensed by Welsh Government (WG) and planned savings proposals which have been undeliverable due to the pandemic.

Members should note that this forecast does not include any allowance for a reduction in Council Tax collection. Whilst Carmarthenshire experienced a marked reduction in payments during the first quarter, it is not clear how much of this is due to financial hardship of residents versus the restrictions of lockdown. This area is being monitored closely by the Director of Corporate Services as every 1% reduction in collection is worth nearly £1m.

The full year forecast includes known financial positions up to the point of writing as well as assumptions of future levels of WG Covid-19 funding. As such, figures are acutely sensitive to changes in these assumptions. Currently the Authority is submitting a monthly hardship claim for additional Covid-19 expenditure. The majority of costs are being refunded, though some are deemed ineligible and it is not clear how long this funding mechanism will continue. Likewise, WG have confirmed recompense of some key areas of lost income such as waste, leisure, culture, parking and school meals for April – June, though again the full picture is unclear at present. On 17<sup>th</sup> August, WG announced an additional £260m financial support for Local Authorities, taking the total support to around half a billion pounds, however detail of what is included or deemed ineligible is not yet clear.

Broadly it is assumed that services will gradually return to normal activity levels over the course of the financial year and that WG support for additional costs reduces over time. Specifically, no provision is made for additional costs or further loss of income from either a localised lockdown or second wave over the winter months. Where such assumptions have been made, these are provided in the commentary against specific budget variances within Appendix A.

#### Chief Executive's Department

The Chief Executive Department is anticipating an overspend of £247k for the year. This is made up of a £774k overspend due to rent holidays granted to tenants of the council's commercial properties, which it is assumed will only be partially funded by WG, offset by underspend on Member expenses and staffing savings from vacant posts across the department. £637k net underspend on operational budgets.

## **Operational budgets**

The Chief Executive's section is anticipating an underspend of £57k, primarily due to vacant posts.

There is an anticipated £19k overspend in the People Management section. £28k underspend relates to supplies and services costs, offset by £43k shortfall in income target, partially due to Covid-19 restrictions.

The ICT & Corporate Policy section are anticipating a £159k underspend largely due to part year vacant posts within the division.

Admin and Law are anticipating an underspend of £144k. Members expenses are underspent (£97k), there is additional income from Joint Committees (£37k) and Legal Services have some staffing vacancies (£49k). Offset against this is a shortfall in Land Charges income – it is forecast that £100k will be lost but only half recovered from WG.

The Marketing and Media section are anticipating a £66k net underspend, made up of an overspend of £130k within Marketing and Media on salary costs pending a staffing review within the whole division (19-20 saving proposal), and also a loss of income streams from external partners such as ERW. Potential alternative income streams are currently being sought. This is offset by an underspend on staffing costs in the Customer Services Centres, Translation Unit and Yr Hwb. These will all form part of the divisional staffing review.

Within Statutory Services, income from Registrars is down £40k, offset by underspends in Electoral Services and Coroners.

The Regeneration division is anticipating a £676k overspend for the year. This is made up of an overspend of £774k from the council's commercial and industrial properties due to short term rent holidays which it is assumed are only partially funded by WG, with small offsets from staffing and supplies and services.

### Department for Communities

The Department for Communities is projecting a £1,686k overspend for the year. Older People's budgets along with Physical Disabilities account for the majority of the overspend with underspends forecast within Learning Disabilities. Social care teams have prioritised the safe delivery of key services, meaning that the department has been unable to progress many of the planned savings proposals. Additionally, WG have deemed pay enhancements agreed locally for frontline staff to provide resilience as ineligible for funding. However, the budget position is highly uncertain with eligibility for grant funding and demand changing rapidly since June.

Older People's budgets are £917k overspent, of which £728k is identified as temporary pay enhancements to provide resilience during the pandemic which WG have deemed ineligible for hardship funding. There are significant movements between budget lines due to the closure of day services at the start of the Pandemic.

Physical Disabilities services are forecasting a £989k overspend, the budget position is volatile with considerable uncertainty regarding grants eligibility and future demand.

In Learning Disability services, there is an underspend of £785k. At the start of the pandemic, day services were closed, and community services reduced significantly, reducing expenditure in this area. Whilst alternative support measures were put in place, the costs are shown in other budgets.

The overspend in Mental Health of £321k is largely due to a lower health contribution for joint packages than budgeted. However, this reflects delays in joint working through Covid-19 and may be recovered.

Leisure & Culture Services are predicting a £150k overspend, though this area is particularly sensitive to assumptions around future demand and the recovery of lost income from WG. There are forecasts of overspends across leisure centres due to lost income which it is assumed is not fully recovered. This is offset by some underspends in specific budget areas as activities which ordinarily run at an operating deficit have been reduced.

#### Corporate Services

The Corporate Services Department is projecting a £55k overspend for the year, though this is made up of much larger variances.

The budget for Council Tax Reduction Scheme is forecast to be £1,047k overspent due to exceptional increased demand, of which it is assumed only 50% is funded by WG (this remains a live discussion at the time of writing). This is almost fully offset by reductions in pre LGR costs, efficient recovery of rent allowance overpayments and vacancies across the department. There is also £60k of net additional income from services provided to M&WWFA and WPP.

#### Department for Education and Children

The Department for Education and Children is forecasting a net overspend of £3,538k at year end, of which £1,600k relates to school budgets.

The forecast includes £850k of additional Covid-19 cleaning costs for schools. It is assumed that additional cleaning measures will be required, albeit scaled back, to the end of the financial year, but that the level of WG funding may also reduce.

The other main adverse departmental budget variations relate to: assuming reduced income from Sept to March for the school meals & breakfast service £822k; Special Educational Needs provision £534k; Education Other Than At School £100k; Adoption services due to a specific family placement £90k; Music Service running costs (mainly staff) exceeding the SLA income from schools by £84k; School Modernisation property decommissioning costs £41k; increased staffing costs with Covid-19 enhancement payments in the Children's respite centres £18k.

This is partially offset by staff vacancies, utilisation of additional grants and external income to support core spend (£329k); forecast reduction in redundancy processes due to Covid-19 (£120k); reduced number of out of county placements within children's (£170k).

#### Schools Delegated Budgets

Schools working budgets are predicting a net overspend in year of approximately £1.6m. This is based on current forecasts and evidence from individual schools budgets submitted, so remains subject to change between now and the end of the financial year as plans develop.

Members should note that budgets do not include any additional Covid-19 safety measures incurred for the safe reopening of schools – such costs have been retained centrally within departmental budgets.

The year-end position 2019/20 resulted in a net deficit on school reserves of £2m which is a significant deterioration from the £373k deficit in 2018/19.

The position is being considered in detail by the Directors in liaison with Portfolio Members, with many meetings between council departments and schools having taken place. It is recognised that in many cases, it will take time to effect the changes necessary to balance individual school budgets, and therefore deficit recovery plans will be agreed on a school by school basis.

#### Environment

The department is anticipating an overspend of £2,475k for the financial year, largely due to lost income due to Covid-19 across parking and property maintenance, combined with new PPE requirements which it is assumed may not be fully funded by WG.

The Waste and Environmental Services division is projecting a £197k overspend. This is due to additional social distancing measures and sickness/shielding cover in waste collection, offset by savings from the delay to the AHP collection service (total £124k) as well as underachievement of income against budget on Sustainable Drainage Approval (£87k).

Highways and Transportation are anticipating a £1,016k overspend for the year. This is due to a loss of income in parking services (annual target income £3.3m) which it is assumed is only partially recovered from WG.

Planning Division is anticipating a £303k overspend for the year, largely accounted by a reduction in income due to Covid-19. It is not yet clear the extent to which applications are reduced versus merely delayed.

The Property Division is anticipating an £717k overspend due to the operational impact of Covid-19 on the service. This service normally operates on a cost recovery model, therefore the budget is highly sensitive to the effects of sickness absence, shield or productivity changes.

Additional PPE costs have been forecast of which it is assumed that £225k may be unrecoverable from WG. Currently WG are making central provision for common social care service needs, however the authority has needed to procure significant additional PPE for other services (schools PPE costs are shown within education) as well as a strategic reserve against the risk of market changes. This budget will be particularly sensitive to the assumptions made and any policy change on face coverings.

## **HOUSING REVENUE ACCOUNT (Appendix B)**

The HRA is predicting to be underspent by £2,193k for 2020/21. Repairs and Maintenance is likely to be underspent by £2,443k. Budget managers are predicting underspends on Responsive (£740k), Minor Works (£1,586k) and Voids (£118k). This is a result of a general reduction in demand due to Covid-19, with only emergency and legislative servicing being undertaken in quarter 1. Gold Command approved returning to deliver minor works at their meeting on 16<sup>th</sup> July 2020. Barriers to effective delivery include contractors who have furloughed staff and may be reluctant to bring staff out of furlough without a guaranteed pipeline of work. Additionally, several operatives within Property Maintenance are shielding due to their own/family underlying health issues, supply chain issues with certain materials e.g. Gypsum products (plaster/plasterboards), aggregate products e.g. concrete blocks (local supplier in administration). Furthermore, tenants may be reluctant to allow tradespeople to work at their properties due to potential transmission. No inspections have taken place for 4 months and will need to recommence to build up a pipeline of work. Inspectors have been and continue to be redeployed on other projects (e.g. PPE/School reopening) and introduction of safe systems of work.

Supervision & Management is projecting an underspend of £93k mainly due to staff related costs and supplies. Recharges are predicted to be overspent by £219k. Capital financing charges will be £485k less than budgeted due to a reduction in previously forecast interest rates and an underspend on the capital programme.

Income (inclusive of rents) will be under target by approximately £609k. Made up predominantly of less than budgeted rental income of £585k, and underachievement of commission on sales relating to the collection of water rates £47k.

Lists of the main variances are attached to this report.

**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 <b>NONE</b>	Legal <b>NONE</b>	Finance <b>YES</b>	ICT <b>NONE</b>	Risk Management Issues <b>NONE</b>	Staffing Implications <b>NONE</b>	Physical Assets <b>NONE</b>
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### 1. Finance

#### Council Fund

Overall, the Authority is forecasting an overspend of £7,400k at this point in time. The Authority will monitor this position going forward with Directors controlling and limiting spend wherever possible. Clarity over the continued level of additional funding from WG will be critical to the potential out-turn position.

#### HRA

The HRA is predicting to be underspent by £2,193k for 2020/21.

## CONSULTATIONS

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

Signed: **Chris Moore**

Director of Corporate Services

**1. Scrutiny Committee – Not applicable**

**2. Local Member(s) – Not applicable**

**3. Community / Town Council – Not applicable**

**4. Relevant Partners – 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
<b>2020/21 Budget</b>		<b>Corporate Services Department, County Hall, Carmarthen</b>

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## REPORT OF THE DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD 21<sup>st</sup> SEPTEMBER 2020

## COUNCIL'S BUDGET MONITORING REPORT 2020/21

Director and Designation	Author & Designation	Telephone No	Directorate
C Moore, Director of Corporate Services	R Hemingway, Head of Financial Services	01267 224886	Corporate Services

Table 1

Forecasted for year to 31st March 2021

Department	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Controllable Expenditure	Controllable Income	Net Non Controllable	Total Net	Controllable Expenditure	Controllable Income	Net Non Controllable	Total Net	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Chief Executive	31,628	-13,065	-5,564	12,999	32,140	-13,330	-5,564	13,246	247
Communities	153,347	-62,998	12,711	103,060	152,809	-60,774	12,711	104,746	1,686
Corporate Services	80,642	-51,382	-1,614	27,645	117,606	-88,291	-1,614	27,700	55
Education & Children (incl. Schools)	176,598	-25,100	26,677	178,175	180,852	-25,816	26,677	181,713	3,538
Environment	132,462	-86,056	12,708	59,115	123,626	-74,744	12,708	61,590	2,475
<b>Departmental Expenditure</b>	<b>574,676</b>	<b>-238,601</b>	<b>44,918</b>	<b>380,994</b>	<b>607,032</b>	<b>-262,955</b>	<b>44,917</b>	<b>388,994</b>	<b>8,000</b>
Capital Charges/Interest/Corporate				-19,940				-20,540	-600
								0	0
<b>Levies and Contributions:</b>									
Brecon Beacons National Park				138				138	0
Mid & West Wales Fire & Rescue Authority				10,400				10,400	0
<b>Net Expenditure</b>				<b>371,592</b>				<b>378,992</b>	<b>7,400</b>
Transfers to/from Departmental Reserves									
- Chief Executive				0				0	0
- Corporate Services				0				0	0
- Environment				0				0	0
<b>Net Budget</b>				<b>371,592</b>				<b>378,991</b>	<b>7,400</b>

**Chief Executive Department**  
**Budget Monitoring - as at 30<sup>th</sup> June 2020**

EXECUTIVE BOARD 21st SEPTEMBER 2020

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Division	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	
Chief Executive	868	0	-836	31	1,059	-248	-836	-25	-57
People Management	4,399	-1,463	-2,615	322	4,428	-1,473	-2,615	341	19
ICT & Corporate Policy	5,825	-922	-4,864	39	5,692	-948	-4,864	-120	-159
Admin and Law	4,319	-823	684	4,180	4,077	-725	684	4,036	-144
Marketing & Media	2,825	-810	-1,428	588	2,487	-538	-1,428	521	-66
Statutory Services	1,276	-303	282	1,255	1,351	-401	282	1,232	-23
Regeneration	12,117	-8,744	3,212	6,584	13,046	-8,997	3,212	7,260	676
<b>GRAND TOTAL</b>	<b>31,628</b>	<b>-13,065</b>	<b>-5,564</b>	<b>12,999</b>	<b>32,140</b>	<b>-13,330</b>	<b>-5,564</b>	<b>13,246</b>	<b>247</b>

## Chief Executive Department - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Chief Executive</b>						
Chief Executive Business Support Unit	608	0	802	-248	-54	2 vacant posts - one not being filled and the other not being filled during 20/21
<b>People Management</b>						
Business & Projects Support	275	0	247	0	-28	Savings on supplies and services
Employee Well-being	718	-296	711	-246	43	£50k Income target not being met due to: less external work and less 1:1 health screenings taking place due to social distancing; £7k short-term savings on pay costs.
<b>ICT &amp; Corporate Policy</b>						
Welsh Language	165	-10	120	-10	-45	Vacant post not currently being filled due to team review being undertaken. Delayed due to COVID-19 but due to be completed by end of 20/21
Chief Executive-Policy	848	-30	733	-30	-115	Vacant posts not currently being filled due to team review being undertaken. Delayed due to COVID-19 but due to be completed by end of 20/21
<b>Admin and Law</b>						
Democratic Services	1,850	-260	1,782	-289	-97	Underspend on Members pay & travelling costs along with an additional £33k income for work undertaken for the Housing Revenue Account.
Democratic Services - Support	494	0	457	0	-37	Additional income for work undertaken for the Wales Pension Partnership (£20k), the Police and Crime Commissioner (£7.5k) and Education through Regional Working (£5k)
Land Charges	130	-300	72	-193	49	Assumption that 50% of income will be received in Q2, and 75% in Q3 & Q4. Further assumption that 70% of the income loss will be reimbursed by WG. This still leaves a £100k reduction in income as a result of COVID-19 partially offset by savings on supplies and services and legal costs
Legal Services	1,777	-263	1,699	-242	-58	4 vacant posts (£49k) that are due to be filled shortly. An additional £10k of income for work undertaken for the Wales Pension Partnership.

# Chief Executive Department - Budget Monitoring - as at 30th June 2020

## Main Variances

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EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Marketing &amp; Media</b>						
Marketing and Media	501	-285	403	-58	130	Overspend on salaries pending divisional realignment. Loss of income streams from external partners (e.g. ERW £80k). Looking at alternative potential partnership arrangements.
Translation	552	-51	459	-35	-78	£20k saving down to staff reducing their hours. £27k underspend as a result of maternity leave and £17k saving on staff at a lower point on the salary scale than budgeted for. Further savings on supplies and services.
Customer Services Centres	1,112	-346	1,079	-348	-35	Four vacant posts pending divisional realignment
Yr Hwb	187	-92	77	-65	-83	Three vacant posts pending divisional realignment
<b>Statutory Services</b>						
Registration Of Electors	166	-2	190	-50	-24	Additional grant made available by the electoral commission to fund canvassing.
Registrars	430	-301	484	-312	43	Loss of fee income £40k due to COVID-19.
Coroners	384	0	352	0	-32	The Coroner and Assistant Coroner posts are split 50:50 with Pembrokeshire County Council.
<b>Regeneration &amp; Property</b>						
Community Development and External Funding	469	0	492	0	23	Reduction in staff time recharged to other projects
Food hubs and banks	0	0	262	-262	0	£99k reimbursement received from WG, £163k draw down from reserves
Property	1,241	-67	1,171	-69	-72	Part year vacant post (£42k). Assumed post will be filled from September. Large underspend on travelling and car hire as well as other supplies and services savings.
Commercial Properties	32	-582	35	-449	137	£85k income shortfall due to rent holidays - this reflects 100% relief for period Apr-Jun, 50% relief in July and 25% relief in August. Assumption that WG will fund 50% of the shortfall. The remainder relates to a general loss of income due to properties becoming vacant and no immediate prospect of re-letting.
Provision Markets	581	-651	581	-460	191	£260k shortfall due to rent holidays - this reflects 100% relief for period Apr-Jun, 50% relief in July and 25% relief in August. Assumption that WG will fund 50% of the shortfall. The remainder is down to ongoing reduction in Lettings income due to market forces impacting rates achievable.
Administrative Buildings	2,859	-771	2,753	-697	-33	Small savings as a result of properties being vacated.

**Chief Executive Department - Budget Monitoring - as at 30th June 2020**  
**Main Variances**

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20	Notes
	Expenditure	Income	Expenditure	Income	Forecast Variance for Year	
	£'000	£'000	£'000	£'000	£'000	
Industrial Premises	539	-1,520	452	-1,179	255	£596k loss of income due to rent holidays - this reflects 100% relief for period Apr-Jun, 50% relief in July and 25% relief in August. Assumption that WG will fund 50% of the shortfall. Partially offset by savings on premises related costs.
County Farms	74	-335	70	-270	62	Reduction in income received. £73k directly due to rent holidays - this reflects 100% relief for period Apr-Jun, 50% relief in July and 25% relief in August. Assumption that WG will fund 50% of the shortfall.
Livestock Markets	59	-209	22	-41	130	Anticipated shortfall in income collected at Nant Y Ci Mart
Other					-23	
<b>Grand Total</b>					<b>247</b>	

**Department for Communities**  
**Budget Monitoring - as at 30th June 2020**

EXECUTIVE BOARD 21st SEPTEMBER 2020

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Division	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	
<b>Adult Services</b>									
Older People	60,409	-24,827	3,240	38,822	61,193	-24,694	3,240	39,739	917
Physical Disabilities	8,110	-1,784	253	6,579	9,233	-1,919	253	7,567	989
Learning Disabilities	40,406	-9,616	1,291	32,082	39,400	-9,394	1,291	31,297	-785
Mental Health	9,575	-3,864	256	5,967	9,636	-3,604	256	6,287	321
Support	6,940	-4,978	1,129	3,090	7,034	-4,983	1,129	3,180	90
<b>Homes &amp; Safer Communities</b>									
Public Protection	3,158	-1,094	535	2,599	3,077	-1,020	535	2,592	-7
Council Fund Housing	9,142	-7,972	523	1,693	9,587	-8,406	523	1,704	11
<b>Leisure &amp; Recreation</b>									
Leisure & Recreation	15,607	-8,863	5,485	12,229	13,649	-6,754	5,485	12,379	150
<b>GRAND TOTAL</b>	<b>153,347</b>	<b>-62,998</b>	<b>12,711</b>	<b>103,060</b>	<b>152,809</b>	<b>-60,774</b>	<b>12,711</b>	<b>104,746</b>	<b>1,686</b>

## Department for Communities - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Adult Services</b>						
<b>Older People</b>						
Older People - Commissioning	3,646	-727	3,553	-727	-93	Vacant posts and underspend on travelling
Older People - LA Homes	7,944	-5,097	8,257	-5,042	368	Enhanced rates of pay re Covid19 not funded by Welsh Government Hardship Fund £481k (assumes 5 months), and reflects the position at June, subsequent changes to funding will mean that the final outturn is uncertain.
Older People - Private/ Vol Homes	24,748	-13,314	25,284	-13,314	536	Funded by Welsh Government Hardship Fund: Covid19 top up payment £50; specific packages of care that are clearly linked to additional costs; additional deep clean costs; market stability payments re voids. Subsequent changes to funding will mean that the final outturn is uncertain.
Older People - Extra Care	774	0	825	0	51	Cwm Aur contract - savings proposals in previous years only partially delivered. Delay in changes caused by Covid-19
Older People - LA Home Care	7,555	0	7,863	0	308	Enhanced rates of pay re Covid19 not funded by Welsh Government Hardship Fund £247k (5 months), subsequent changes to funding will mean that the final outturn is uncertain.
Older People - Private Home Care	8,238	-2,523	8,389	-2,523	151	Spend and income is highly unpredictable as grant criteria changed. Funded by Welsh Government Hardship Fund: Covid19 top up payment £1 per hour; specific packages of care that are clearly linked to additional costs; market stability payments to maintain base level of hours. Not claimed: general increased activity between different types of care where there is no overall additional cost. Efficiency proposals of £1,017k will only be partially achieved. Demand has fluctuated making it very difficult to predict the remainder of the year. For example, people cancelling their care in March are now returning to us for reassessment with associated very high levels of referrals in June/July. For example, putting in additional support to replace the withdrawal of day services and respite.
Older People - Enablement	1,876	-444	1,692	-444	-185	Staff vacancies - being progressed
Older People - Private Day Services	225	0	25	0	-200	Day Services closed from March 2020. Assume closure for whole financial year. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget. However this is not claimable under Welsh Government Hardship Fund where there is no additional cost.

## Department for Communities - Budget Monitoring - as at 30th June 2020

### Main Variances

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EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Physical Disabilities</b>						
Phys Dis - Commissioning & OT Services	861	-109	753	-109	-108	Vacant posts
Phys Dis - Group Homes/Supported Living	1,079	-167	1,329	-167	250	Significant changes over recent years as packages reassessed following the transfer of Welsh Independent Living Grant into Revenue Support Grant. Primarily affected Physical Disabilities and learning Disability clients for Direct Payments, Day Services and Community Support. Budget adjustments to be monitored to check initially virements were accurate
Phys Dis - Direct Payments	2,535	-577	3,285	-527	800	Lack of clarity of application Welsh Independent Living Grant budget allocation, and delay in recovery of unused payments makes projections highly volatile.
<b>Learning Disabilities</b>						
Learn Dis - Private/Vol Homes	10,812	-2,844	10,962	-2,844	150	Efficiency proposals for £606k covering Rightsizing Supported Living, Rightsizing Residential and Deregistration of Residential settings has been delayed but work is now being picked up at pace and the service will partially deliver with a projected shortfall of £329k for these projects
Learn Dis - Direct Payments	3,954	-547	4,229	-547	275	Lack of clarity of application Welsh Independent Living Grant budget allocation, and delay in recovery of unused payments makes projections highly volatile.
Learn Dis - Group Homes/Supported Living	9,829	-2,221	10,529	-2,221	700	More demand in Supported Living as an alternative to residential care. Rightsizing in Supported Living ongoing but delayed due to Covid19. Accommodation and Efficiency project which plans for strategic longer term future accommodation options as well as current client group is now picking up pace.
Learn Dis - Day Services	2,482	-410	2,371	-356	-58	Vacant posts and underspend on taxis for clients
Learn Dis - Private Day Services	1,438	-80	447	-80	-991	This service area is highly volatile due to service models changing because of Covid-19. Day Services closed from March 2020. Assume closure for whole financial year. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget. However this is not claimable under Welsh Government Hardship Fund where there is no additional cost
Learn Dis - Transition Service	600	0	568	0	-32	Vacant posts
Learn Dis - Community Support	3,547	-158	2,629	-158	-918	This service area is highly volatile due to service models changing because of Covid-19. Community Services provision greatly reduced from March 2020. Activity levels beginning to increase. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget. However this is not claimable under Welsh Government Hardship Fund where there is no additional cost



## Department for Communities - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Mental Health</b>						
M Health - Private/Vol Homes	6,081	-3,064	6,081	-2,814	250	Multi-Disciplinary Team meetings which assess funding arrangements have been paused during Covid19 therefore Partner contribution is uncertain at June. Next monitoring should show a more definitive position.
M Health - Substance Misuse Team	363	-135	308	-135	-55	Vacant post (now filled) and projected underspend on client needs
<b>Support</b>						
Performance, Analysis & Systems	429	-39	480	-43	46	Staffing, unfunded post
<b>Other Variances - Adult Services</b>					286	
<b>Homes &amp; Safer Communities</b>						
<b>Public Protection</b>						
PP Business Support unit	87	0	70	0	-17	Vacant posts
Air Pollution	127	-35	124	-17	16	Underachievement of licensing income
Animal Safety	158	0	135	0	-23	Vacant Posts
Financial Investigator	32	-271	98	-337	-0	
Other Variances - Public Protection					17	
<b>Council Fund Housing</b>						
Other Variances - Council Fund Housing					11	

## Department for Communities - Budget Monitoring - as at 30th June 2020

### Main Variances

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EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Leisure &amp; Recreation</b>						
Millenium Coastal Park	226	-110	225	-93	16	Q1 rent 'free' for Machynys & Wildfowl Centre due to inactivity resulting from COVID-19
Burry Port Harbour	77	-142	77	-113	29	Predicted loss of income from parking and boatyard rental
Discovery Centre	36	-79	35	-95	-16	Includes loss of income claim forecast of £34k for parking (100% Q1 & 50% Q2)
Pendine Outdoor Education Centre	513	-348	242	-234	-157	Includes loss of income claim forecast of £192k for all income streams (100% Q1 & 50% Q2) net of Catering saving
Pembrey Ski Slope	382	-411	268	-286	11	Includes loss of income claim forecast of £153k for all income streams (100% Q1 & 50% Q2) net of catering saving
Newcastle Emlyn Sports Centre	287	-155	271	-125	14	Includes loss of income claim forecast of £62k for all income streams (70% whole year) net of utility savings
Carmarthen Leisure Centre	1,640	-1,751	1,391	-1,236	266	Includes loss of income claim forecast of £797k for all income streams (70% whole year) net of catering and utility savings
Amman Valley Leisure Centre	910	-833	834	-641	115	Includes loss of income claim forecast of £391k for all income streams (70% whole year) net utility savings
Llandovery Swimming Pool	208	-104	196	-68	23	Includes loss of income claim forecast of £42k for all income streams (70% whole year) net utility savings
Actif Communities	292	-45	272	-62	-38	Furlough income and part year vacancy in structure
Sport & Leisure General	744	-46	727	-40	-11	Includes loss of income claim forecast of £14k for all income streams (70% whole year)
Llanelli Leisure Centre	1,340	-1,145	1,240	-844	201	Includes loss of income claim forecast of £655k for all income streams (70% whole year) net of catering and utility savings
ESD Rev Grant - Ynys Dawela	43	-43	33	-5	28	Grant for project not yet confirmed by funding body
Outdoor Recreation - Staffing costs	245	0	203	-4	-46	In year staff vacancies
Pembrey Country Park	696	-842	640	-922	-136	Includes loss of income claim forecast of £497k for all income streams (100% Q1 & 50% Q2)
Carmarthen Library	485	-17	481	0	12	Income shortfall due to building closure resulting from COVID-19
Ammanford Library	286	-10	289	-0	12	Income shortfall due to building closure resulting from COVID-19
Llanelli Library	474	-17	473	-1	16	Income shortfall due to building closure resulting from COVID-19
Libraries General	996	-1	1,070	-33	42	Unable to fully achieve vacancy factor in Service
Museums General	151	0	207	0	56	Unable to fully achieve vacancy factor in Service
Arts General	25	0	0	0	-25	Vacant post being held pending restructure
Laugharne Boathouse	147	-112	138	-85	18	Includes loss of income claim forecast of £40k for all income streams (70% whole year) net of catering savings

## Department for Communities - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
Lyric Theatre	373	-286	106	-54	-36	Includes loss of income claim forecast of £52k for all income streams (70% whole year) net of catering, utility and Performance Fee savings
Y Ffwrnes	848	-502	367	-132	-111	Includes loss of income claim forecast of £122k for all income streams (70% whole year) net of catering, utility and Performance Fee savings
Ammanford Miners Theatre	56	-19	21	4	-11	Includes loss of income claim forecast of (£5k) for all income streams (70% whole year) net of catering, utility and Performance Fee savings
Entertainment Centres General	485	-62	423	-78	-78	Includes loss of income claim forecast of (£38k) for all income streams (70% whole year)
Motor Sports Centre - Pembrey	0	-96	0	-72	24	Q1 rent 'free' due to inactivity resulting from COVID-19
Leisure Management	400	0	368	-0	-32	Vacant post in structure
Other Variance - Leisure & Recreation					-36	
<b>Grand Total</b>					<b>1,686</b>	

**Corporate Services Department**  
**Budget Monitoring - as at 30th June 2020**

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	
Financial Services	4,845	-2,308	-2,548	-10	4,964	-2,663	-2,548	-247	-236
Revenues & Financial Compliance	4,793	-1,723	-2,404	666	42,616	-39,743	-2,404	469	-198
Other Services	71,003	-47,351	3,337	26,989	70,026	-45,885	3,337	27,478	489
<b>GRAND TOTAL</b>	<b>80,642</b>	<b>-51,382</b>	<b>-1,614</b>	<b>27,645</b>	<b>117,606</b>	<b>-88,291</b>	<b>-1,614</b>	<b>27,700</b>	<b>55</b>

## Corporate Services Department - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20	Notes
	Expenditure	Income	Expenditure	Income	Forecast Variance for Year	
	£'000	£'000	£'000	£'000	£'000	
<b>Financial Services</b>						
Corporate Services Management team	485	-63	472	-98	-47	£35k income from Fire Authority SLA and £12k savings on supplies and services
Accountancy	1,697	-459	1,590	-469	-116	Vacant posts not likely to be filled in the short term. A few staff members currently being paid at the lower points of the scale whilst budgeted at the top.
Treasury and Pension Investment Section	258	-182	246	-207	-37	£25k additional income for work undertaken for the Wales Pension Partnership; £12k - three staff members currently at lower points of the salary scale but budgeted at top of scale.
Payments	531	-76	491	-71	-35	Net £12k part year vacant posts and £23k savings on supplies and services
<b>Revenues &amp; Financial Compliance</b>						
Audit	482	-19	435	-19	-47	2 vacant posts during the year. One expected to be filled in the second part of the financial year.
Risk Management	148	-0	164	-0	16	Agency staff to cover maternity leave to continue until August 2020
Local Taxation	958	-741	944	-775	-46	A few posts have been vacant during the year to date and are expected to be filled imminently. A number of staff members are currently on lower points of the salary scale but budgeted at the top of scale and 2 staff members have reduced their hours.
Housing Benefits Admin	1,624	-752	1,477	-717	-113	A few posts have been vacant during the year to date and are expected to be filled imminently. A large number of staff members are currently on lower points of the salary scale but budgeted at the top of scale.
<b>Other Services</b>						
Audit Fees	316	-92	287	-90	-27	A proportion of audit fees chargeable directly to grants
Council Tax Reduction Scheme	15,511	0	17,558	-1,000	1,047	Significant increase in caseload as a result of COVID-19. Estimated cost is £2m greater than 19-20 actual cost. Assumed 50% of this will be recovered from WP
Rent Allowances	46,923	-47,140	44,250	-44,676	-209	Efficient recovery of overpayments
Miscellaneous Services	8,185	-120	7,873	-120	-313	£238k underspend on pre LGR pension costs
<b>Other Variances</b>					-18	
<b>Grand Total</b>					<b>55</b>	

**Department for Education & Children**  
**Budget Monitoring - as at 30th June 2020**

EXECUTIVE BOARD 21st SEPTEMBER 2020

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Division	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	
<b>Schools Delegated Budgets</b>	127,632	-9,001	0	118,631	129,232	-9,001	0	120,231	1,600
Director & Strategic Management	1,480	0	-108	1,371	1,484	0	-108	1,375	4
Education Services Division	7,949	-1,718	21,324	27,555	8,579	-1,842	21,324	28,061	506
Access to Education	8,962	-6,117	1,589	4,433	7,121	-3,450	1,589	5,260	827
School Improvement	2,291	-103	429	2,617	2,585	-397	429	2,618	1
Curriculum & Wellbeing	4,827	-2,907	704	2,624	6,365	-4,398	704	2,671	47
Children's Services	23,458	-5,254	2,739	20,943	24,636	-6,729	2,739	20,646	-298
Additional Cleaning for schools re-opening	0	0	0	0	850	0	0	850	850
<b>TOTAL excluding schools</b>	<b>48,966</b>	<b>-16,099</b>	<b>26,677</b>	<b>59,544</b>	<b>51,620</b>	<b>-16,815</b>	<b>26,677</b>	<b>61,482</b>	<b>1,938</b>
<b>GRAND TOTAL</b>	<b>176,598</b>	<b>-25,100</b>	<b>26,677</b>	<b>178,175</b>	<b>180,852</b>	<b>-25,816</b>	<b>26,677</b>	<b>181,713</b>	<b>3,538</b>

## Department for Education & Children - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20 Forecast Variance for Year £'000	Notes
	Expenditure £'000	Income £'000	Expenditure £'000	Income £'000		
<b>Schools Delegated Budgets</b>						
Primary Schools	66,606	-5,415	67,306	-5,415	700	Based on schools' working budgets received for 2020/21. Deficit budget submissions are included subject to approval of recovery plans by LA
Secondary Schools	56,894	-3,546	57,394	-3,546	500	
Special Schools	4,132	-40	4,532	-40	400	
<b>Education Services Division</b>						
School Redundancy & EVR	2,067	0	1,945	0	-122	Forecast based on business cases approved to date. Schools are supported and challenged on staffing structure proposals
Special Educational Needs	2,685	-1,379	3,208	-1,368	534	Forecast based on existing known commitments. Continuing high level of Statutory Assessments issued. Increase in existing Out of County placement costs and small number of new placements.
Education Other Than At School (EOTAS)	2,137	-339	2,313	-415	100	Ongoing increasing demand from schools for alternative provision
<b>Access to Education</b>						
School Admissions	262	0	225	0	-37	Part year staff vacancy & secondment cover not filled
School Modernisation	114	-1	189	-34	41	Premises costs relating to closed schools
School Meals & Primary Free Breakfast Services	8,586	-6,116	6,708	-3,416	822	Overspend based on 50% income forecast for Sept-March £743k; Breakfast Clubs voluntary donations income target not achievable £100k, partially offset by reduced food costs -£20k. Assuming FSM payments are met by WG until 11th Sept
<b>Curriculum and Wellbeing</b>						
Music Services for Schools	302	0	1,117	-732	84	Delay with staff restructuring which has been further affected by COVID-19 £59k and reduced SLA income from schools £25k
Welsh Language Support	337	-10	830	-476	26	Reduction in income and funding streams due to COVID-19
Youth Offending & Prevention Service	1,369	-577	1,761	-1,013	-44	Reduced travelling and maximising grants to release core budget

# Department for Education & Children - Budget Monitoring - as at 30th June 2020

## Main Variances

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EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20	Notes
	Expenditure	Income	Expenditure	Income	Forecast Variance for Year	
	£'000	£'000	£'000	£'000	£'000	
<b>Children's Services</b>						
Corporate Parenting & Leaving Care	983	-52	999	-52	16	Increased Board & Lodging costs - increased number of children receiving WIR payments
Fostering Services & Support	3,941	0	3,941	-15	-16	Maximisation of grant income
Adoption Services	532	0	1,026	-404	90	One-off payment committed for adoption of sibling group
Out of County Placements (CS)	670	0	500	0	-170	Reduction in Out of County placements and no current remand placements
Respite Units	987	0	1,005	-0	18	Overspend forecast on staffing as result of COVID-19 related enhanced payments (assumed continuing to end of August) not claimable from WG
Childcare	433	-128	459	-170	-17	Maximisation of grant income
Short Breaks and Direct Payments	535	0	575	-61	-20	Part year staff vacancy
Family Aide Services	172	0	112	0	-60	Part year vacant posts and maximisation of grant income
Other Family Services incl Young Carers and ASD	541	-300	645	-437	-33	Part year vacant post - aiming to fill post by 1st November
Children's Services Mgt & Support (incl Care First)	992	-76	1,129	-274	-60	Further utilisation of grants - £37k, staff budget saving as not all staff at top of grade - £10k, staff recruitment savings with most posts advertised on our website - £13k
School Safeguarding & Attendance	251	0	533	-338	-55	Part year vacant posts and maximisation of grant income
<b>Additional Cleaning for schools re-opening</b>	0	0	850	0	850	£850k net additional costs of cleaning schools based on the following assumptions: Q2 - costs fully funded by WG, Q3 - same level of cleaning but only 50% reimbursed by WG and Q4 - 50% level of spend but no funding from WG. Expectation that additional cleaning costs in other establishments will be recovered from the user departments.
<b>Other Variances</b>					-9	
<b>Grand Total</b>					<b>3,538</b>	



**Environment Department**  
**Budget Monitoring - as at 30th June 2020**

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget				Forecasted				June 20 Forecast Variance for Year £'000
	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	Expenditure £'000	Income £'000	Net non- controllable £'000	Net £'000	
Buisness Support & Performance	23	-92	132	63	7	-59	132	80	17
Waste & Environmental Services	25,654	-4,471	1,380	22,563	26,922	-5,542	1,380	22,760	197
Highways & Transportation	59,470	-38,682	10,399	31,186	56,763	-34,960	10,398	32,202	1,016
Property	42,902	-40,787	465	2,580	35,501	-32,669	465	3,297	717
Planning	4,414	-2,024	333	2,723	4,208	-1,515	333	3,026	303
PPE	0	0	0	0	225	0	0	225	225
<b>GRAND TOTAL</b>	<b>132,462</b>	<b>-86,056</b>	<b>12,708</b>	<b>59,115</b>	<b>123,626</b>	<b>-74,744</b>	<b>12,708</b>	<b>61,590</b>	<b>2,475</b>

## Environment Department - Budget Monitoring - as at 30th June 2020

### Main Variances

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EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20	Notes
	Expenditure	Income	Expenditure	Income	Forecast Variance for Year	
	£'000	£'000	£'000	£'000	£'000	
<b>Business Support &amp; Performance</b>						
Business Support	-155	-35	-185	-35	-30	Posts budgeted at top of scale but majority are not at the top of scale yet; a few temporary vacant posts during the year.
Operational Training	44	-57	41	-23	30	Overspend due to COVID-19 restrictions and training time allocated to refuse and cleaning departments
Departmental - Core	53	0	70	0	17	£7k department's share of the Health and Wellbeing Co-ordinators' pay costs; £10k efficiency not yet achieved
<b>Waste &amp; Environmental Services</b>						
Flood Defence & Land Drainage	534	-0	517	-0	-17	Technician post temporarily vacant, to be recruited soon
SAB - Sustainable Drainage approval Body Unit	120	-115	120	-28	87	Anticipated income not materialised - Dependent on number of submissions and market buoyancy of development projects
Waste Services	17,129	-1,316	17,259	-1,321	124	£194k additional net cost of resourcing due to social distancing and potential cover for sickness - assumption that 50% of Q3 costs will be not be funded and Q4 costs will not be funded at all. £70k underspend due to delayed start to the Absorbent Hygiene Products collection service due to COVID-19 pandemic.
<b>Highways &amp; Transportation</b>						
Traffic Management	560	-43	722	-221	-16	Increased income from Traffic Regulation Orders
Car Parks	1,995	-3,271	1,600	-1,836	1,039	Assumptions: 25% income for Sept, 50% income Oct to March. WG reimburse total qtr 1 loss of £701k but only reimburse 50% of net loss for the period July to Sept and no reimbursement for the period Oct to March. The proposed efficiency of a modest price increase of 20p per charge band to sustain highways and transport services has been delayed to January 2021.
Nant y Ci Park & Ride	80	-33	147	-70	30	Increased maintenance costs
Road Safety	183	-30	138	0	-15	Post temporarily vacant
School Crossing Patrols	120	0	151	0	31	The school crossing patrols section has reviewed all patrols to identify where there is no requirement to provide them according to the National Safety criteria. Vacancies that arise in the sites that do not require school crossing patrols will not be filled as and when they become vacant.
Bridge Maintenance	741	0	715	0	-26	Structures Engineer vacant for part year
Public Rights Of Way	937	-66	901	-56	-26	Post temporarily vacant

## Environment Department - Budget Monitoring - as at 30th June 2020

### Main Variances

EXECUTIVE BOARD 21st SEPTEMBER 2020

Division	Working Budget		Forecasted		June 20	Notes
	Expenditure	Income	Expenditure	Income	Forecast Variance for Year	
	£'000	£'000	£'000	£'000	£'000	
<b>Property</b>						
Property Maintenance Operational	30,380	-31,924	24,406	-25,233	718	£126k Design CHS works – estimated effect of COVID-19 delays and the consequential impact on productivity; £592k Property Maintenance – estimated loss of recharge income due to shielding, redeployment and works on-stop due to social distancing. An on-going review of the situation is being carried out by divisional management with a view to quantifying the exact loss for the first quarter and the potential knock-on effect on the remainder of the financial year.
<b>Planning</b>						
Planning Admin Account	341	-14	379	-40	11	Overtime costs incurred for software implementation
Building Regulations Trading - Chargeable	488	-541	404	-325	132	Shortfall in income offset by less expenditure due to COVID-19
Building Control - Other	187	-5	176	-6	-12	Less staff travel due to COVID-19
Minerals	363	-240	372	-165	83	Shortfall in income due to COVID-19
Policy-Development Planning	679	-0	628	-0	-52	Part year vacancy and employee on maternity
Development Management	1,573	-970	1,459	-747	109	Shortfall in income offset by less expenditure due to COVID-19
Conservation	414	-22	440	-8	40	One-off consultancy cost
<b>PPE</b>	0	0	225	0	225	Net additional cost of PPE based on following assumptions - £50k per month - Q2 costs fully funded by WG, Q3 50% of costs reimbursed by WG and Q4 no funding from WG. If WG change their policy on face coverings these costs will increase significantly.
<b>Other Variances</b>					-7	
<b>Grand Total</b>					2,475	

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### Housing Revenue Account - Budget Monitoring as at 30th June 2020

	Working Budget £'000	Forecasted £'000	June 20 Variance for Year £'000	Notes	
<b>Expenditure</b>					
<b>Repairs &amp; Maintenance</b>					
Responsive	1,840	1,100	-740	Budget managers predicting underspends on Responsive -£740k, Minor works -£1,586k and Voids -£118k. This is as a result of general reduction in demand due to Covid 19 only undertaking emergency and legislative servicing in qtr 1. Gold command approved returning to deliver minor works at their meeting on 16/07/20. Barriers to effective delivery include contractors have furloughed staff and may be reluctant to bring staff out of furlough without a guaranteed pipeline of work, several operatives with Property Maintenance are shielding due to their own/family underlying health issues, supply chain issues with certain materials e.g. Gypsum products (plaster/plasterboards), aggregate products e.g. concrete blocks (local supplier in administration), tenants may be reluctant to allow tradesmen to work at their properties due to potential transmission, no inspections have taken place for 4 months and will need to recommence to build up a pipeline of work, inspectors have been and are continuing to be redeployed on other projects (e.g. PPE/School reopening) and introduction of safe systems of work.	
Minor Works	3,086	1,500	-1,586		
Voids	3,448	3,330	-118		
Servicing	1,723	1,723	0		
Drains & Sewers	142	142	0		
Grounds	770	770	0		
Unadopted Roads	107	107	0		
<b>Supervision &amp; Management</b>					
Employee	5,988	5,893	-95		Staff Vacancies
Premises	1,507	1,558	51		Overspend due to increased cleaning costs linked to pandemic
Transport	72	39	-33	Reduction in staff travel due to pandemic restriction on travel and many employees working from home.	
Supplies	920	905	-15		
Recharges	2,107	2,325	219	Overspend due to some Capital funded posts not undertaking work eligible to be capitalised in	
Provision for Bad Debt	511	511	0		
Capital Financing Cost	15,423	14,938	-485	Capital HRA programme is predicting a £3m underspend on the revised budget of £39.4m, increasing the borrowing requirement in year from £14.76m to £17.63m the impact on mid-year CFR and therefore interest is significant, reducing capital charges by £485k. This does assume an interest rate of 4.1% which may change if other elements of the capital programme on Council Fund vary.	
Central Support Charges	1,687	1,687	0		
DRF	10,000	10,000	0		
<b>Total Expenditure</b>	<b>49,329</b>	<b>46,527</b>	<b>-2,802</b>		

## Housing Revenue Account - Budget Monitoring as at 30th June 2020

Page 70

	Working Budget £'000	Forecasted £'000	June 20 Variance for Year £'000	Notes
<b>Income</b>				
Rents	-41,913	-41,328	585	Voids currently running at 4.19% compared to budget of 2.9% will result in £536k additional rental void loss. Also delay in new build and refurbishment of buy backs reducing the rent due by approx. £49k
Service Charges	-833	-833	-0	
Supporting People	-81	-81	0	
Interest on Cash Balances	-139	-162	-23	
Grants	-237	-236	1	
Insurance	-169	-169	0	
Other Income	-546	-499	47	Underachievement of income from Commission on Sales relating to the collection of water rates.
<b>Total Income</b>	<b>-43,917</b>	<b>-43,309</b>	<b>609</b>	
<b>Net Expenditure</b>	<b>5,412</b>	<b>3,219</b>	<b>-2,193</b>	

HRA Reserve	£'000
Balance b/f 01/04/2020	21,252
Budgeted movement in year	-5,412
Variance for the year	2,193
Balance c/f 31/03/2021	<b>18,033</b>

## Executive Board 21<sup>ST</sup> September 2020

### CAPITAL PROGRAMME 2020/21 UPDATE

Purpose: To report the latest projected outturn of the capital programme for the financial year.

#### Recommendations / key decisions required:

That the capital programme update report is received and the virement detailed in the report be approved.

#### Reasons:

To provide Executive Board with an update of the latest budgetary position for the 2020/21 capital programme, as at the 30<sup>th</sup> June 2020.

Relevant scrutiny committee to be consulted NA

Exec. Board Decision Required YES

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER: Cllr David Jenkins

Directorate: Corporate Services

Name of Director:  
Chris Moore

Report Author:  
Randal Hemingway

Designations:

Director of Corporate Services

Head of Financial Services

Tel No.: 01267 224886

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[RHemingway@cararthenshire.gov.uk](mailto:RHemingway@cararthenshire.gov.uk)

**EXECUTIVE SUMMARY**  
**Executive Board**  
**21<sup>ST</sup> September 2020**

**CAPITAL PROGRAMME 2020-21 UPDATE**

This report provides an update on expenditure on the Capital programme against the budgets for 2020/21 as at the 30<sup>th</sup> June 2020.

**Virements to be approved:**

£500k to be vired in 2020/21 from Amman Valley Leisure Centre to Carmarthen Leisure Centre. Works to the Carmarthen Leisure Centre have been accelerated. The £500k will be paid back to Amman Valley Leisure Centre in 2021/22 from the approved budget for Carmarthen Leisure Centre.

**Appendix A** shows a forecasted net spend of £69,816k compared with a working net budget of £114,079k, giving a **-£44,263k** variance. The significant variance projected at this time is in large part attributable to restrictions associated with the Covid-19 pandemic.

The net budget includes original HRA and General Fund programme, approved by Council on 3<sup>rd</sup> March, slippage from 2019/20, new projects approved by Executive Board on 29<sup>th</sup> June 2020 and budgets relating to Covid-19 Response Field Hospitals.

**Appendix B** details the main variances within each department.

**DETAILED REPORT ATTACHED?**

**YES**





## CONSULTATIONS

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

Signed: Randal Hemingway Head of Financial Services

**1. Scrutiny Committee**

Relevant Scrutiny Committees will be consulted.

**2. Local Member(s)** N/A

**3. Community / Town Council** N/A

**4. Relevant Partners** N/A

**5. Staff Side Representatives and other Organisations** N/A

**EXECUTIVE BOARD PORTFOLIO  
HOLDER(S) AWARE/CONSULTED**

YES/NO \* Delete as appropriate

**Include any observations here**

**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
2020/21 Capital Programme		<p><b>Corporate Service Department, County Hall, Carmarthen.</b></p> <p><b>On-line via corporate website – Minutes of County Council Meeting 3<sup>rd</sup> March 2020.</b></p>

## Capital Programme 2020/21

*Appendix A*

### Capital Budget Monitoring - Report for June 2020

	Working Budget			Forecasted			Variance for Year £'000
DEPARTMENT	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000	
<b>COMMUNITIES</b>							
- Public Housing	40,056	-10,390	29,666	36,369	-9,108	27,261	-2,405
- Private Housing	2,173	-246	1,927	1,836	-246	1,590	-337
- Leisure	5,864	-700	5,164	4,807	-175	4,632	-532
- Social Care	519	0	519	387	0	387	-132
<b>ENVIRONMENT</b>	25,600	-10,750	14,850	24,513	-12,706	11,807	-3,043
<b>EDUCATION &amp; CHILDREN</b>	49,276	-27,315	21,961	22,920	-12,249	10,671	-11,290
<b>CHIEF EXECUTIVE</b>	5,464	0	5,464	3,294	0	3,294	-2,170
<b>REGENERATION</b>	54,104	-19,576	34,528	19,135	-8,961	10,174	-24,354
<b>TOTAL</b>	<b>183,056</b>	<b>-68,977</b>	<b>114,079</b>	<b>113,261</b>	<b>-43,445</b>	<b>69,816</b>	<b>-44,263</b>

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Capital Programme 2020/21

Appendix B

Capital Budget Monitoring - Report for June 2020 - Main Variances

DEPARTMENT/SCHEMES	Working Budget			Forecasted			Variance for Year £'000	Comment
	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000		
<b>COMMUNITIES</b>								
- Public Housing	40,056	-10,390	29,666	36,369	-9,108	27,261	0	-2,405
Sewage Treatment Works Upgrading	348	0	348	348	0	348		0
Telecare Upgrade	20	0	20	9	0	9		-11
Internal and External Works (PROPERTY)	17,224	0	17,224	18,252	0	18,252		1,028
Environmental Works (Housing Services)	391	0	391	85	0	85		-305
Adaptations and DDA Works (Building Services)	1,620	0	1,620	1,370	0	1,370		-250
Programme Delivery and Strategy	1,388	0	1,388	1,271	0	1,271		-117
Housing Development Programme	18,703	0	18,703	14,686	0	14,686		-4,016
ICF - Morfa Parent & Baby Centre (20 School Rd, Llanelli)	37	-37	0	37	-37	0		0
Other	325	-10,353	-10,028	310	-9,071	-8,761	0	1,267
- Private Housing	2,173	-246	1,927	1,836	-246	1,590	0	-337
- Leisure	5,864	-700	5,164	4,807	-175	4,632	0	-532
Carmarthen Leisure Centre & Track	831	0	831	1,078	0	1,078		247
Amman Valley Leisure Centre Masterplan	665	0	665	19	0	19		-646
Oriol Myrddin Redevelopment (765001)	1,073	-700	373	268	-175	93		-280
Libraries & Museums	1,628	0	1,628	1,628	0	1,628		0
Parks & Country Side	1,667	0	1,667	1,814	1	1,815		148
- Social Care	519	0	519	387	0	387	0	-132
<b>ENVIRONMENT</b>	<b>25,600</b>	<b>-10,750</b>	<b>14,850</b>	<b>24,513</b>	<b>-12,706</b>	<b>11,807</b>	0	<b>-3,043</b>
Highways & Infrastructure	19,673	-10,750	8,923	18,524	-10,705	7,819		-1,104
Property	5,927	0	5,927	5,990	-2,002	3,988		-1,939
<b>EDUCATION &amp; CHILDREN</b>	<b>49,276</b>	<b>-27,315</b>	<b>21,961</b>	<b>22,920</b>	<b>-12,249</b>	<b>10,671</b>		<b>-11,290</b>
Llandeilo Primary	2,989	0	2,989	100	0	100		-2,889
Gorslas - New School	5,708	0	5,708	3,000	0	3,000		-2,708
Ammanford Welsh Medium Primary	5,686	0	5,686	200	0	200		-5,486
Ysgol Gymraeg Kidwelly	508	0	508	1,500	0	1,500		992
Ysgol Y Castell	3,803	0	3,803	2,000	0	2,000		-1,803
Ysgol Pum Heol	4,813	0	4,813	3,001	0	3,001		-1,812
Pum Heol Goffa - Replacement Building	10,722	0	10,722	500	0	500		-10,222
School Buildings - Education Capital Maintenance Grants	2,677	0	2,677	1,339	0	1,339		-1,339
MEP Income - 21st Century Schools Grant	0	-22,957	-22,957	0	-8,757	-8,757		14,200
Other Projects with Minor Variances	12,371	-4,358	8,013	11,281	-3,492	7,789	0	-224

Capital Programme 2020/21

Capital Budget Monitoring - Report for June 2020 - Main Variances

DEPARTMENT/SCHEMES	Working Budget			Forecasted			Variance for Year £'000	Comment
	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000		
			0					
<b>CHIEF EXECUTIVE</b>	<b>5,464</b>	<b>0</b>	<b>5,464</b>	<b>3,294</b>	<b>0</b>	<b>3,294</b>	<b>-2,170</b>	
IT Strategy Developments	1,914	0	1,914	1,031		1,031	-883	Projects need to be reprofiled. Delays because of C-19.
Land at Nantglas, Crosshands	300	0	300	0	0	0	-300	on hold pending review of priorities
Purchase of Grillo Site, Burry Port	1,900	0	1,900	1,468	0	1,468	-432	Purchase price lower than expected because of amount of remedial works
Glanamman Industrial Estate Redevelopment	1,268	0	1,268	750	0	750	-518	Delays because of C-19.
Other Projects with Minor Variances	82	0	82	45	0	45	-37	No Major Variances
<b>REGENERATION</b>	<b>54,104</b>	<b>-19,576</b>	<b>34,528</b>	<b>19,135</b>	<b>-8,961</b>	<b>10,174</b>	<b>-24,354</b>	
Swansea Bay City Region Projects	34,273	-13,600	20,673	3,426	-3,000	426	-20,247	Project under development.
Rural Enterprise Fund	1,679	0	1,679	576	0	576	-1,104	Delays because of C-19.
Transformation Commercial Property Development Fund	2,655	0	2,655	1,043	0	1,043	-1,612	Delays because of C-19.
Carmarthen Town Regeneration - Jacksons Lane (81086)	780	-81	699	125	-67	58	-641	Project under review
Pendine Iconic International Visitors Destination	3,243	-797	2,445	3,243	-797	2,445	0	On budget - to be delivered by Spring/Summer 2021.
Llandeilo Market Hall	2,519	-700	1,819	2,000	-700	1,300	-519	Project delayed because of covid 19 by 3 mths - Exp will to be reduced in 2020/21 and be incurred in 2021/22.
TRI Strategic Projects - Market Street North	1,926	-1,276	650	1,602	-1,276	326	-324	Slippage to 2021/22
TRI Strategic Projects - Former YMCA Building, Stepney Street, Llanelli	1,931	-1,726	205	1,700	-1,726	-26	-231	Slippage to 2021/22
Cross Hands East Phase 2	1,828	-994	834	2,285	-994	1,291	457	Project needs to be reprofiled.
Carmarthen Western Gateway & Wetlands	230	-80	150	169	-80	89	-61	Project delay by C-19 restriction.
Ammanford Regeneration Development Fund	286	0	286	196	0	196	-90	Project timescale slipped
Other Projects with Minor Variances	2,755	-321	2,434	2,772	-320	2,452	18	
<b>TOTAL</b>	<b>183,056</b>	<b>-68,977</b>	<b>114,079</b>	<b>113,261</b>	<b>-43,445</b>	<b>69,816</b>	<b>-44,263</b>	

## EXECUTIVE BOARD 21<sup>ST</sup> SEPTEMBER 2020

### ANNUAL TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR REPORT 2019-2020

**To comply with the CIPFA Code of Practice on Treasury Management in the Public Sector.**

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

That the report be received and presented to Full Council.

#### **Reasons:**

To comply with the CIPFA Code of Practice on Treasury Management in the Public Sector.

PEB:

Relevant scrutiny committee to be consulted

YES

Scrutiny committee and date

#### **Policy & Resources Scrutiny Committee TBC**

Exec Board Decision Required                      YES

Council Decision Required                              YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins

Directorate:Corporate Services

Chris Moore

Report Author: Chris Moore

Designation: Director of  
Corporate Services,  
Carmarthenshire County  
Council

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**EXECUTIVE SUMMARY  
EXECUTIVE BOARD  
21<sup>ST</sup> SEPTEMBER 2020**

**ANNUAL TREASURY MANAGEMENT AND  
PRUDENTIAL INDICATOR REPORT 2019-2020**

**1. BRIEF SUMMARY OF PURPOSE OF REPORT.**

The Council adopted the Treasury Management Policy and Strategy and the five year capital programme for 2019-2020 on the 20<sup>th</sup> February 2019. This Annual Report lists the activities that took place in 2019-2020 under the headings of:

Investments

Borrowing

Update on KSF

Security, Liquidity and Yield

Treasury Management Prudential Indicators

Prudential Indicators

Leasing

Rescheduling

**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

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

### Finance

The authority's investments during the year returned an average rate of 0.74%, exceeding the 7 day LIBID rate.

£25m new PWLB borrowing took place during the year. Long term debt outstanding at the year end amounted to £433m.

The Authority did not breach any of its Prudential Indicators during the year.

86.67% of the submitted claim has been received from the administrators of KSF to 31st March 2020.

### Risk Management Issues

The nature of investment returns can fluctuate from time to time due to market conditions. Investment rates have been particularly volatile recently due to the consequences of Covid-19.

## CONSULTATIONS

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

Signed: C Moore

Director

### 1. Scrutiny Committee

For information to Policy and Resources Scrutiny Committee on the TBC.

### 2. Local Member(s)

NA

### 3. Community / Town Council

NA

### 4. Relevant Partners

NA

### 5. Staff Side Representatives and other Organisations

NA

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

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

**THERE ARE NONE**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
CIPFA Treasury Management in the Public Services - Code of Practice Revised 2017		County Hall, Carmarthen

**EXECUTIVE BOARD  
21<sup>ST</sup> SEPTEMBER 2020**

**ANNUAL TREASURY MANAGEMENT AND  
PRUDENTIAL INDICATOR REPORT  
2019-20**

**1. Introduction**

The Treasury Management Policy and Strategy for 2019-20 was approved by Council on 20<sup>th</sup> February 2019. Section B 1.1(2) stated that a year end annual report would be produced.

This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code) and outlines the Treasury Management activities in the 2019-20 financial year.

**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 Funds, 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 with the approved counterparties either via brokers on the Money Markets or direct. The security of the investments is the main priority, appropriate liquidity should be maintained and returns on the investments a 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.

	Maximum to Lend £m
<b>Upper Limit</b> Any one British Bank and Building Society with a credit rating of at least F1, P-1 or A-1 short term or AA-, Aa3 or AA- long term	10
<b>Middle Limit</b> Any one British Bank and Building Society with a credit rating of at least F1, P-1 or A-1 short term	7
<b>UK Banks Part Nationalised</b> Included as investment counterparties, as long as they continue to have appropriate UK Government support	7
Any one Local Authority	5
Any one AAA Rated Money Market Fund	5
Debt Management Office	40

The total investments at 1st April 2019 and 31st March 2020 are shown in the following table:

Investments	01.04.19				31.03.20			
	Call and notice	Fixed Term	Total		Call and notice	Fixed Term	Total	
	£m	£m	£m	%	£m	£m	£m	%
Banks and 100% Wholly Owned Subsidiaries	23.00	0.57	23.57	42	19.00	0.53	19.53	27
Building Societies	0.00	0.00	0.00	0	0.00	3.00	3.00	4
Money Market Funds	0.00	2.50	2.50	4	12.00	0.00	12.00	16
DMADF (DMO)	0.00	15.00	0.00	27	0.00	18.00	18.00	24
Local Authorities	15.00	0.00	15.00	27	0.00	21.00	21.00	29
<b>TOTAL</b>	<b>38.00</b>	<b>18.07</b>	<b>56.07</b>	<b>100</b>	<b>31.00</b>	<b>42.53</b>	<b>73.53</b>	<b>100</b>

The total investment figure of £73.53m at 31<sup>st</sup> March 2020 includes £18.00m Swansea Bay City Deal money.

An analysis of the daily cash schedules indicates that the minimum balance lent over the twelve month period was £56.07m and the maximum balance lent was £110.57m. The average balance for the year was £87.60m.

The total investments made by the Council and repaid to the Council (the turnover) amounted to £1,420.14m. This averaged approximately £27.16m per week or £3.88m per day. A summary of the turnover is shown below:

	£m
Total Investments 1st April 2019	56.07
Investments made during the year	718.80
Sub Total	774.87
Investments Repaid during the year	(701.34)
<b>Total Investments 31st March 2020</b>	<b>73.53</b>

The main aim of the Treasury Management Strategy is to manage the cash flows of the Council and the risks associated with this activity. Lending on the money market secures an optimum rate of return, allows for diversification of investments and consequently reduction of risk, which is of paramount importance in today's financial markets.

The benchmark return for the money market is the "7 day LIBID rate". For 2019-20 the Council has compared its performance against this "7 day LIBID rate". The average "7 day LIBID rate" was 0.54% whereas the actual rate the Council earned was 0.74%, an out performance of 0.20%.

This outperformance can be quantified as £174k additional interest earned compared to the "7 day LIBID rate".

The gross interest earned on investments for 2019-20 amounted to £0.649m, which was more than the estimated figure of £0.500m. The Bank of England Official Rate was reduced from 0.75% to 0.25% on 11<sup>th</sup> March 2020, and a further reduction was made on the 19<sup>th</sup> March 2020 to 0.10%.

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)**

The latest position with the Council's investments with KSF was reported in the Treasury Management and Prudential Indicator Reports to Executive Board during the year.

Three further dividends totalling £36.8k were received in 2019-20, equating to 0.92p in the £.

As at 31<sup>st</sup> March 2020 the sum of £3.47m principal and £212k interest had been received from the Administrators, which equates to 86.67% of the claim submitted. Further dividends are expected to be paid in 2020-21. The Administrators estimate total dividends payable to non-preferential creditors at 86.80%.

#### 4. Security, Liquidity and Yield (SLY)

Within the Treasury Management Strategy Statement for 2019-20, 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 still considered appropriate to keep investments short term to cover cash flow requirements.

Attached at Appendix 1 is a list of the individual investments (excluding the £0.53m in KSF) held as at the 31<sup>st</sup> March 2020 together with their credit ratings, historic risk of default and the risk weighting attached to each investment.

#### 5. Borrowing

As Members are aware the Authority has a capital investment programme. For 2019-20 actual capital expenditure was £76.41m. This was financed from:

	<b>£m</b>
Borrowing	31.29
Grants and Contributions	33.95
Usable Capital Receipts Applied	1.33
Revenue and Reserves	9.84
<b>Total</b>	<b>76.41</b>

Under the Treasury Management Strategy it was resolved:

- To borrow to meet the funding requirements of the Authority, after allowing for capital grants, capital receipts and capital contributions, and to stay within the Prudential Indicators to ensure affordability, prudence and sustainability.
- To borrow when interest rates are at their most advantageous, after considering cash flow requirements.

Loan Reference	Amount (£m)	Interest Rate	Start Date	Period	Maturity Date
509779	5.00	1.77%	27th August 2019	50yrs	28th March 2069
175975	10.00	1.86%	26th March 2020	1yr	26th March 2021
175978	10.00	1.88%	26th March 2020	2yrs	26th March 2022
<b>Total</b>	<b>25.00</b>				

The weighted average interest rate of these new loans was 1.85% which compares favourably with the weighted average rate of the respective loan periods throughout the year.

The total loans outstanding at 1<sup>st</sup> April 2019 and 31<sup>st</sup> March 2020 were:

Loans	Balance at 01.04.19 £m	Balance at 31.03.20 £m	Net Increase/ (Net Decrease) £m
Public Works Loan Board (PWLB)	405.42	425.42	20.00
Market Loan	3.00	3.00	0.00
Salix, Invest-to-Save, HILS & TCL	4.40	4.11	(0.29)
<b>Total</b>	<b>412.82</b>	<b>432.53</b>	<b>19.71</b>

The total external interest paid in 2019-20 amounted to £17.63m, which compares favourably with the budget of £19.69m. The savings have arisen due to under borrowing on the capital programme and borrowing at lower than anticipated interest rates.

## **6. Treasury Management Prudential Indicators**

Under the requirements of the Prudential Code of Practice for Capital Finance in Local Authorities, the Council are required to set a number of treasury management prudential indicators for the year 2019-20. The indicators set and the performance against those indicators is shown below:

6.1 The estimated and actual interest exposure limits as at 31<sup>st</sup> March 2020 were:

	Estimate 31.03.20 £m			Actual 31.03.20 £m		
	Fixed Interest Rate	Variable Interest Rate	Total	Fixed Interest Rate	Variable Interest Rate	Total
Borrowed	446.00	3.00	449.00	429.53	3.00	432.53
Invested	(20.00)	(30.00)	(50.00)	(42.53)	(31.00)	(73.53)
<b>Net</b>	<b>426.00</b>	<b>(27.00)</b>	<b>399.00</b>	<b>387.00</b>	<b>(28.00)</b>	<b>359.00</b>
Proportion of Total Net Borrowing	107%	(7%)	100%	108%	(8%)	100%
<b>Limit</b>	<b>125%</b>	<b>5%</b>				

6.2 Maximum principal sums invested > 365 days

	2019-2020 Limit £m	2019-2020 Actual £m
Maximum principal sums invested > 365 days	10	NIL

6.3 Interest rate exposure limits

	2019-20 Limit £m	2019-20 Actual £m
Limits on fixed interest rates based on net debt	515.00	387.00
Limits on variable interest rates based on net debt	51.00	(28.00)



**6.4** The upper and lower limits set for the maturity structure of borrowing along with the actual maturity structure as at 31<sup>st</sup> March 2020.

	<b>Estimated Upper Limit 2019-2020 %</b>	<b>Estimated Lower Limit 2019-2020 %</b>	<b>Actual 31.03.20 %</b>
Under 12 months	15	0	5.27
12 months to 2 years	15	0	3.65
2 years to 5 years	50	0	6.74
5 years to 10 years	50	0	9.23
10 years to 20 years	50	0	17.89
20 years to 30 years	50	0	18.40
30 years to 40 years	50	0	23.10
40 years and above	50	0	15.72
<b>Total</b>			<b>100.00</b>

Details of the above maturity structure are shown below:

<b>Loan Maturities</b>	<b>PWLB Debt £m</b>	<b>Average Interest Rate %</b>	<b>Market Loans/ Invest to Save/Salix/ HILS/TCL £m</b>	<b>Average Rate %</b>	<b>Total Debt Outstanding £m</b>
Before 1st April 2021	22.04	5.12	0.76	0	22.80
1st April 2021 to 31st March 2022	15.77	3.90	0.00	0	15.77
1st April 2022 to 31st March 2025	29.16	5.05	0.00	0	29.16
1st April 2025 to 31st March 2030	38.64	4.27	1.29	0	39.93
1st April 2030 to 31st March 2040	75.31	4.30	2.06	0	77.37
1st April 2040 to 31st March 2050	79.60	4.03	0	0	79.60
1st April 2050 to 31st March 2060	96.90	5.09	3.00	4.72	99.90
After March 2060	68.00	2.47	0	0	68.00
<b>Total as at 31.03.20</b>	<b>425.42</b>		<b>7.11</b>		<b>489.53</b>

## 7. Prudential Indicators

### 7.1 Affordability

#### 7.1.1 Actual and estimated ratio of financing costs to net revenue stream.

<b>Ratio of Financing Costs to Revenue Stream</b>		
	<b>2019-2020 Estimate %</b>	<b>2019-2020 Actual %</b>
Non-HRA	5.11	4.81
HRA	32.75	32.04

The indicator shows the proportion of income taken up by capital financing costs.

### 7.2 Prudence

#### 7.2.1 The Capital Financing Requirement (CFR).

	<b>31.03.19 Estimate £m</b>	<b>31.03.19 Actual £m</b>
Non-HRA	271	266
HRA	142	144
HRAS	74	74
<b>Total</b>	<b>487</b>	<b>484</b>

The Capital Financing Requirement reflects the underlying need to borrow for capital purposes.

#### 7.2.2 Gross Borrowing against the Capital Finance Requirement indicator.

To ensure that borrowing levels are prudent over the medium term the Council's external borrowing must only be for a capital purpose. Gross borrowing must not exceed the CFR for 2019-20 plus the expected changes to the CFR over 2020-21 and 2021-22 but can in the short term due to cash flows. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

£m	2019-2020 Estimate	2019-2020 Actual
Debt at 1 <sup>st</sup> April 2019	416	413
Expected Change in Debt	70	20
<b>Gross debt at 31<sup>st</sup> March 2020</b>	<b>486</b>	<b>433</b>
<b>CFR</b>	<b>535</b>	<b>501</b>
<b>Under (Over) borrowing</b>	<b>49</b>	<b>68</b>

The Section 151 Officer reports that the authority had no difficulty meeting this requirement in 2019-20.

### 7.2.3 The Authorised Limit and Operational Boundary.

The Authorised Limit is the “Affordable Borrowing Limit” required by Section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2019-20 the Council has maintained gross borrowing within its Authorised Limit.

The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached.

The actual financing costs as a proportion of net revenue stream identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2019-2020 £m
Authorised Limit	588.00
Gross borrowing	432.53
Operational Boundary	535.00
Average gross borrowing position	412.45
Financing costs as a proportion of net revenue stream	7.78%

## 8. Leasing

No finance leases were negotiated during the year.

## 9. Rescheduling

No rescheduling was undertaken during the year.

## 10. Conclusion

This report demonstrates compliance with the reporting requirements of the CIPFA Treasury Management Code of Practice.

## 11. Recommendations

It is recommended that this report be received by the Executive Board.

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## Investment Summary as at 31st March 2020

Carmarthenshire County Council

Totals		
<b>Total</b>	<b>£73,000,000</b>	
<b>Calls &amp; MMFs</b>	£31,000,000	42%
<b>Fixed Deposits</b>	£42,000,000	58%
<b>Specified</b>	£73,000,000	100%

Weighted Average		
<b>Yield</b>		0.57%
<b>Maturity (Days)</b>		
Total Portfolio	Total Portfolio	12.47
<b>Long Term</b>		
<b>Short Term</b>		
AAA	-	1.00
AA	F1	22.08
A	F1	1.68
BBB	F2	0.00
CCC	C	0.00

Risk Factors		
<b>&lt; 1 year</b>	£488	0.005%
<b>1 - 2 years</b>	£0	0.000%
<b>2 - 3 years</b>	£0	0.000%
<b>3 - 4 years</b>	£0	0.000%
<b>4 - 5 years</b>	£0	0.000%
<b>Total Portfolio</b>	£488	0.005%

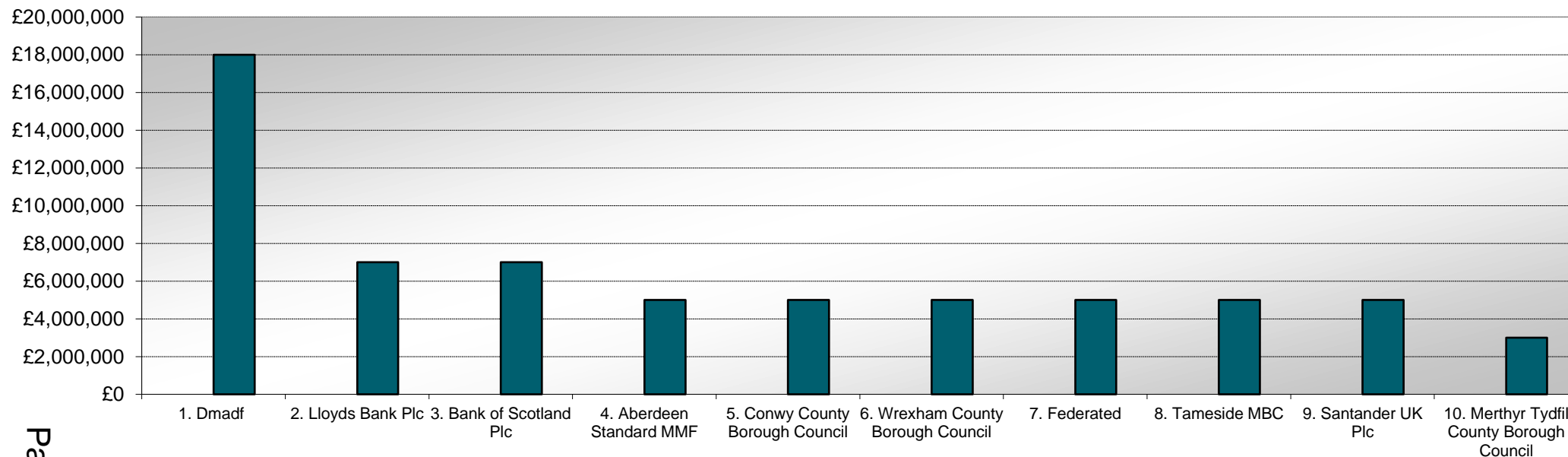
Maturity Structure		
<b>&lt; 1 Week</b>	£37,000,000	51%
<b>&lt; 1 Month</b>	£31,000,000	42%
<b>2 - 3 Months</b>	£5,000,000	7%
<b>3 - 6 Months</b>	£0	0%
<b>6 - 9 Months</b>	£0	0%
<b>9 - 12 Months</b>	£0	0%
<b>12 Months+</b>	£0	0%
<b>Total</b>	<b>£73,000,000</b>	<b>100%</b>

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## Top 10 Counterparty Holdings

Carmarthenshire County Council

Counterparty	Principal	% of Total Holding	WAM (Days)	WAYield	WADefault
1. Dmadf	£18,000,000	25.35%	7	0.07%	0.000%
2. Lloyds Bank Plc	£7,000,000	9.86%	1	0.45%	0.000%
3. Bank of Scotland Plc	£7,000,000	9.86%	1	0.00%	0.000%
4. Aberdeen Standard MMF	£5,000,000	7.04%	1	0.58%	0.000%
5. Conwy County Borough Council	£5,000,000	7.04%	27	1.40%	0.001%
6. Wrexham County Borough Council	£5,000,000	7.04%	20	0.82%	0.001%
7. Federated	£5,000,000	7.04%	1	0.57%	0.000%
8. Tameside MBC	£5,000,000	7.04%	79	0.95%	0.004%
9. Santander UK Plc	£5,000,000	7.04%	1	1.00%	0.000%
10. Merthyr Tydfil County Borough Council	£3,000,000	4.23%	27	1.95%	0.001%



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# Agenda Item 13

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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# Agenda Item 14

By virtue of paragraph(s) 14, 16 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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