

EXECUTIVE BOARD

Monday, 22 February 2021

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 R. James, J.S. Edmunds and D.M. Cundy

The following Officers were in attendance:

W. Walters, Chief Executive

J. Morgan, Director of Community Services

C. Moore, Director of Corporate Services

R. Mullen, Director of Environment

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

L.R. Jones, Head of Administration and Law

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

J. Jones, Head of Regeneration

J. Morgan, Head of Homes & Safer Communities

D. Hockenull, Marketing and Media Manager

S. Rees, Simultaneous Translator

L. Jenkins, Executive Board Support Officer

E. Bryer, Democratic Services Officer

J. Corner, Technical Officer

M. Evans Thomas, Principal Democratic Services Officer

M.S. Davies, Democratic Services Officer

R. Lloyd, Democratic Services Officer

L Morris, Senior Press Officer

D. Phillips, Press and Communications Officer

K. Thomas, Democratic Services Officer

Virtual Meeting - 10.00 - 11.30 am

1. APOLOGIES FOR ABSENCE.

There were no apologies for absence.

The Leader of the Council referred to the severe adverse weather experienced across Carmarthenshire over the previous weekend with heavy rainfall causing flooding to homes, businesses and highways. He commented on the plans put in place by the Council, and partner agencies, in anticipation of the disruption and praised all council and agency staff for their efforts in responding to the flooding. He also referred to the increasing frequency of such events arising from climate change and on the need to have national policies in place to address these issues and that the Executive Board was making representations to the Welsh Government in that regard.

2. DECLARATIONS OF PERSONAL INTEREST.

Councillor / Officer	Minute Number	Nature of Interest
H. Evans	3 – Minutes of the meeting held on the 8 th February – Proposal to change the nature of provision at Model VA Primary School	Is a member of the Executive Board for the St David's Diocese Board of Finance
H. Evans	8 – Housing Revenue Account Budget 2021/22 to 2023/24 and Housing Rent Setting for 2021/22	Sister is the Chief Executive of a Housing Association
H. Evans	9 – The Carmarthenshire Homes Standard Plus (CHS+) Business Plan 2021-24	Sister is the Chief Executive of a Housing Association

3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE EXECUTIVE BOARD HELD ON THE 8TH FEBRUARY, 2021

(NOTE Cllr H Evans declared an interest during the meeting on the discussion relating to Model VA School and left the meeting during its consideration)

Councillor H Evans referred to her declaration of interest recorded in minute 2 and requested that it be amended to read “ Is a member of the Executive Board for St David's Diocese Board of Finance”

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Executive Board held on the 8th February, 2021 be signed as a correct record subject to the above amendment.

Having approved the minutes of the meeting on the 8th February, subject to the above amendment, the Leader of the Council advised that two issues had subsequently arisen which the Executive Board may wish to reflect upon as matters of urgency.

The first related to Minute 6 of the meeting on the proposal to change the nature of provision at the Model VA school and to correspondence received from the school's governing body advising the Authority that, as governors, they had not been made fully aware of the proposal.

The Executive Board Member for Education and Children advised that while the proposal had been discussed with the Chair of the school's Governing Body and the Headteacher, it appeared the wider membership of the Governing Body and wider school staff were not fully aware of the proposal. In view of that position, he expressed an opinion the authority may not wish to proceed with the consultation where the majority of the Governing Body or staff complement were not aware of the proposal. He therefore proposed, in the interests of fairness, that the Council

discontinue the proposal (meant to commence that day - 22nd February, 2021) to allow time to engage fully with the Governing Body and Staff.

The Leader advised that the Second item related to the Notice of Motion considered by Council on the 10th February 2021 on the appropriateness of conducting consultations on matters such as education provision during a pandemic which had been referred to the Executive Board for its consideration.

The Executive Board Member for Education and Children advised that while that Notice of Motion was to be considered by the Executive Board on the 1st March 2021, the Welsh Government on the afternoon of the 10th February, following the Council meeting, had extended the temporary changes to certain requirements of the School Organisation Code for a further period so as to enable consultations to continue despite the pandemic. Subsequently, on the 15th February, the Welsh Government had issued revised Guidance on “Consultation on School Organisation Proposals During a Pandemic” and the Executive Board would need to take those intervening documents into account when it debated the Notice of Motion. As the Council had some consultations which technically expired on the 21st February, and in view of the imminent debate on the Notice of Motion, he suggested the Board may consider it unfair to close those consultations whilst there was a live issue to be debated. He therefore proposed, as a matter of urgency, that the period for making representations on those consultations be extended until the Executive Board had debated the Notice of Motion on the 1st March 2021.

FURTHER UNANIMOUSLY RESOLVED

- 1. That the proposal adopted in minute 6 of the Executive Board held on the 8th February 2021 to change the nature of provision at the Model VA school be discontinued to allow time to engage fully with the schools Governing Body and staff;**
- 2. That the period for making representations on Council consultations be extended until the Executive Board had debated the Notice of Motion on consultations at its meeting on the 1st March 2021.**

4. PUBLIC QUESTIONS ON NOTICE

The Chair advised that no public questions had been received.

5. QUESTIONS ON NOTICE BY MEMBERS

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

6. REVENUE BUDGET STRATEGY 2021/22 TO 2023/24

The Executive Board considered a report which brought together the latest proposals for the Revenue Budget 2021/2022, provided indicative figures for the 2022/2023 and 2023/2024 financial years and summarised the latest budgetary position giving an update on the budget validation, spending pressures, the Welsh Government provisional settlement and responses received to the budget consultation.

The Executive Board Member for Resources outlined to the Board a number of factors influencing the budget, including the fact the final settlement from the Welsh Government would not be received until the 2nd March 2021. Whilst having regard to the late announcement of the final settlement, he advised that key components of the budget assumptions and allocations had been reviewed and had provided some increased headroom to enable the authority to revisit some of the original budget proposals.

The Executive Board Member for Resources advised that full details of the provisional settlement, included within the report, detailed that Local Government funding on an all Wales basis had increased by an average of 3.8% on the 2020/21 settlement, with Carmarthenshire's allocation being 3.8% (£10.466m). Although that settlement had enabled the authority to allocate funding in its budget for a significant amount of inflationary and unavoidable pressures, it still required savings to be made and while the initial draft budget had included a significant value of savings to be deferred for future years, due to the impact of covid, it had accommodated the changes within the 2021/22 budget, but there would still be a need to continue to deliver further significant changes over future years

The Executive Board Member referred to the final settlement from Welsh government, due to be announced on the 2nd March 2021, and advised that the report sought authority for the Director of Corporate Services in liaison with the Leader, Chief Executive and the Executive Board Member for Resources to make any necessary adjustments to the Budget Strategy prior to County Council on the 3rd March 2020. The Director of Corporate Services had however, made some adjustments to some of the other figures within the report, as part of the normal routine as clearer information became available, with current total validation adding some £10m to the budget. The most significant validation related to pay, which had allowed for 2.5% each year. That, however, did not apply to teachers, which were covered by separate pay arrangements within the Welsh Government's remit with the 2020 award representing a 3.1% increase, with the part year effect being a consistent assumption of 2.5% for any future awards, which was recognised as a key risk to the budget

The Executive Board Member reminded the Board that based on the provisional budget settlement, changes to some of the key assumptions around future pay awards and the impact of delays in the capital programme there was some scope to make changes to the strategy, and it had previously agreed to reduce the Council tax increase for 2021/22 to 4.48%, thereby providing a sum of £958k to respond to the budget consultation. He therefore proposed the following changes to the budget strategy:-

- To remove both the gully cleansing and road sweeping proposals;
- To reduce the highways surface dressing proposal from £300k to £100k;
- Provide funding of £75k for the TrueCall service;
- Provide £50k to provide increased education department capacity to deliver improved financial and governance support as part of the department's responsibility for the overall schools system.

The Executive Board Member advised that having proposed the above changes, sufficient funding was available to further cap the council tax increase to 3.95% for

2021-22. Those proposals, if adopted, would present a fair and balanced budget to the Council.

UNANIMOUSLY RESOLVED THAT IT BE RECOMMENDED TO COUNCIL:-

- 6.1 That the Budget Strategy for 2021/22, be approved;**
- 6.2 That the Band D Council Tax for 2021/22 be set at £1,368.55 (an increase of 3.95% for 2021/22);**
- 6.3 That the £958k recurrent funding available balance be allocated, as detailed above;**
- 6.4 That the provisional Medium Term Financial Plan be approved as a basis for future years financial planning**
- 6.5 That the Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources, be delegated authority to make any amendment necessary as a consequence of the Welsh Government final settlement due on the 2nd March 2021.**

7. FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) - 2021/22 TO 2025/26

The Executive Board considered a report which brought together the latest proposals for the Five-Year Capital Programme (Council Fund) 2021/22 to 2025/2026, taking into account the consultation exercise undertaken and the revenue implications arising from the capital programme.

The Board noted that the capital programme proposed gross expenditure of £258m over the five year period with projected funding of £122.5m from the County Council's own resources through the use of borrowing, capital receipts, reserves and general capital grant and the balance of £135m coming from external sources. A sum of £4m between years 4 and 5 remained unallocated for the present time and would be utilised as other cost and funding crystallised as time progressed .

The Executive Board Member advised that Appendix A to the report detailed the full programme, which was fully funded for the five years, and provided potential for further investment in years 4 and five given the yet, unallocated, £4m funds for those years

The Executive Board Member advised while many of the investments in the report were familiar including, the 21st century schools programme, Highways, Regeneration and Housing, it had been possible to add investment to schemes considered to be important for the county to respond to the Covid-19 pandemic. Those included:-

- Economic Regeneration – Targeted regeneration Investment (£1.2m); Commercial Property Development Fund (£1m); Rural Enterprise Fund (£500k) and £1m for the 'Ten Towns' growth plan enabling the authority to draw in considerable private sector investment to the county. Additionally, the £500k approved in 2020/21 for decarbonisation of the council's estate would be repurposed for Renewal Energy Initiative Grants to business to act as a catalyst for private investment in that area and reducing the county's carbon footprint;

- Infrastructure – Trebeddrod Reservoir (£1m), Morfa Bacas coastal path (£300k); public lighting column replacement (£400k p.a. from 2024/25) and a £300k commitment to invest in council owned farms for 2024/24;
- Community Services – ongoing commitment to supporting investment in culture at Oriel Myrddin and continued support for private sector housing in 2024/25 for Disabled Facilities Grants;
- Environment Department – continued support for Highways Improvements, Bridge Maintenance and Road safety schemes into 2025/26. Council funding on Highway maintenance would continue to be bolstered in 2021/22 via the Welsh Government Road Refurbishment Grant ;
- Council Estate – additional funding for essential works to County Hall (£500k) and health and safety works to Ty Elwyn (£700k)
- In addition to the recovery package in 2021/22, the Regeneration budget was supported with further additional investment in the Transformation Strategy Project Fund in 2025/26 which had the potential to attract significant external funding to match the council's investment

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT:-

- 7.1 The Five-Year Capital Programme and its funding detailed in Appendix A to the report with 2021/22 being a hard budget and 2022/23 to 2025/26 soft/indicative budgets be approved;**
- 7.2 The programme be reviewed, as usual, if anticipated external or County Council funding did not materialise;**
- 7.3 The Capital Strategy, as detailed in Appendix D be approved;**
- 7.4 The Director of Corporate Services, in consultation with the Chief Executive, Leader and Executive Board Member for Resources be delegated authority to make any adjustments necessary as a consequence of the Welsh Governments final settlement due on the 2nd March 2021.**

8. HOUSING REVENUE ACCOUNT BUDGET 2021/22 TO 2023/24 AND HOUSING RENT SETTING FOR 2021/22 REVENUE AND CAPITAL

(NOTE: Councillor H Evans having earlier declared an interest in this item left the meeting during its consideration)

The Executive Board considered a report prepared by the Director of Corporate Services, in conjunction with officers from the Communities Department, that brought together the latest proposals for the Revenue and Capital Budgets for the Housing Revenue Account 2021/22 to 2023/24. It was noted the report had been considered, and endorsed, by the Community Scrutiny Committee at its meeting held on the 2nd February 2021 as part of the budget consultation process.

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

The Executive Board Member for Resources advised that capital investment in the region of £231m had delivered the Carmarthenshire Home Standard for tenants and, more recently, up to the end of the current financial year, a further £64m would have been spent in maintaining the CHS+ home standard for properties and tenants. Over the next 3 years it was expected that a further £56m would be spent on maintaining and upgrading the housing stock. The budget also provided funding of some £49m over the next 3 years to support the Affordable Homes Programme, which was on top of the £45m expenditure already incurred to the end of this current financial year. The Strategy would also see the increase in the supply of affordable housing throughout the County through various solutions including our new build programme (such as Glanmor Terrace, Burry Port and Dylan, Bynea) and the buyback scheme.

The Executive Board was reminded that since 2015 the Authority had been required to adopt the Welsh Government Policy for Social Housing Rent Harmonisation, meaning that the proposed rent increase was prescribed by Welsh Government guidance and provided an equitable distribution of the rents for the social sector tenants. While that policy ended in 2018/19, and an interim policy applied for 2019/20 the Welsh Government had subsequently developed a new policy for implementation in 2020/21 to apply for a period of 5 years from 2020/21 and contained some additional/amended requirements, as detailed within the report. The main elements of that policy allowed Local Authorities to uplift the total rent envelope by the Consumer Price Index (CPI) +1% for each of the five years to 2024/25. It also allowed for the level of rent for individual tenants to rise by up to an additional £2 over and above CPI +1% for rent harmonisation, on condition that total rental income collected by the social landlord increased by no more than CPI +1%.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL:

- 8.1 To increase the average housing rent as per the Welsh Government's Social Housing Rents Policy i.e:-**
- a) Properties at target rents to increase by 1.27%**
 - b) Properties where rent was below target rent, rent to increase by 1.27% plus a maximum progression of £1.00**
 - c) Those rents above target rent be frozen until such time as they met the target**
 - d) This will produce an increase on the average housing rent of 1.5% or £1.35**

Thereby producing a sustainable Business Plan, maintain CHS+, resource our Affordable Homes programme and was supported by the CHS+ Steering Group.

- 8.2 To implement a maximum progression of £1.00 for rents below target, until target rents were achieved;**
- 8.3 To maintain garage rents at £9.00 per week and garage bases at £2.25 per week;**
- 8.4 To apply the service charge policy to ensure tenants who received the benefit from specific services paid for those services;**

- 8.5 To increase charges for using the Council's sewerage treatment works in line with the rent increases;
- 8.6 To approve the Housing Revenue Account Budget for 2021/22 (2022/23 & 2023/24 being soft budgets) as set out in Appendix A to the report;
- 8.7 To approve the proposed Capital Programme and applicable funding for 2021/22 and the indicative spends for 2022/23 to 2023/24, as set out in Appendix B to the report.

9. THE CARMARTHENSHIRE HOMES STANDARD PLUS (CHS+) BUSINESS PLAN 2021-24

(NOTE: Councillor H Evans having earlier declared an interest in this item left the meeting during its consideration)

The Executive Board considered the Carmarthenshire Homes Standard Plus (CHS+) Business Plan 2021-2024 plan the purpose of which was to:

- Explain the vision and detail of the Carmarthenshire Homes Standard Plus over the next three years, and what it means for tenants
- To show the income received from tenants and other funding sources afforded a capital programme of £107m over the next three years to:
 - Build over 400 affordable homes;
 - Improve and maintain the existing stock
 - Develop new standards for energy efficiency and move towards carbon neutral homes
- To show how the housing investment programmes could help stimulate the economy and recovery from Covid-19
- Produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2021/22, equating to £6.2m.

The Executive Board Member for Housing advised the report was divided into the following four key themes aimed at driving the business forward for the next three years:-

1. Theme 1 – Supporting Tenants and Residents;
2. Theme 2 – Investing in Homes and the Environment, including the development of a new Welsh Home Quality Standard, building on that already achieved through the CHS+, featuring an increased standard for energy efficiency in the Council's homes;
3. Theme 3 – Providing 500 more homes by investing £60m in the next four years together with the development of a new 10 year Affordable Housing and Regeneration Masterplan by Autumn 2021;
4. Theme 4 – Foundational economy, community benefits and procurement via the authority's response to Covid-19 by further developing the Council's approach to procurement to ensure it maximised its contribution to local economy prosperity and enhancing its focus on social value and community wealth

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT:-

- 9.1 The vision of the CHS+, the Council's new build programme,

- the financial and delivery programmes over the next three years be confirmed;
- 9.2 The 2021/22 Business Plan be submitted to the Welsh Government;
- 9.3 The principles behind moving towards carbon neutral homes and developing a decarbonisation strategy to support that be noted;
- 9.4 The importance of the investment included in the plan and its role in stimulating the local economy and recovery from the Covid 19 pandemic be noted.

10. TREASURY MANAGEMENT POLICY AND STRATEGY 2021-22

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

In accordance with the above requirements, the Executive Board considered the Council's Treasury Management Policy and Strategy for the 2021-22 financial year prior to its formal submission to the Council for final adoption.

UNANIMOUSLY RESOLVED TO RECOMMEND TO COUNCIL THAT:-

- 10.1 The Treasury Management Policy and Strategy for 2021-22 and the recommendations contained therein be approved.
- 10.2 The Treasury Management Indicators, Prudential Indicators, Minimum Revenue Provision Statement, the Investment Strategy and recommendations therein be approved.

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.

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

12. 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.

13. BUSINESS TENANTS - RENT CONCESSION

Following the application of the public interest test it was **RESOLVED** pursuant to the Act referred to in minute no. 11 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 outweighed the public interest in disclosing the information contained therein as disclosure would harm the businesses to which the report applied, undermining their position in the market place and potentially put jobs at risk and cause harm to the local economy.

Further to minute of the meeting held on the 13th July 2020, the Executive Board considered an update report on the rent concession granted to its business tenants as a consequence of the Covid 19 pandemic and on whether that scheme should be extended.

UNANIMOUSLY RESOLVED that the Council's business tenants be offered a 50% rental concession for the quarter period December 2020 to March 2021, to be assessed on hardship, and granted to the most needed and that qualifying businesses be required to apply for the concession by a specific date and confirm any grant assistance already received.

CHAIR

DATE