

# CORPORATE PERFORMANCE & RESOURCES SCRUTINY COMMITTEE

WEDNESDAY, 31 JANUARY 2024

**PRESENT (In person):** Councillor G. Morgan (Chair)

**Councillors (Virtually):**

K. Broom, T. Davies, G. John, D. Nicholas,

**Councillors (In Person):**

A. Evans, D. Jones

**Also in attendance (In Person):**

Councillor D. Price – Leader

Councillor A. Lenny – Cabinet Member for Resources

**The following Officers were in attendance (In Person):**

L. Rees-Jones, Head of Administration and Law;

G. Jones, Chief Digital Officer;

P. Thomas, Assistant Chief Executive

H. Morgan, Economic Development Manager;

C. Moore, Director of Corporate Services;

K. Evans, Democratic Services Officer;

D. Hall-Jones, Member Support Officer;

S. Rees, Simultaneous Translator.

**Also Officers in attendance (Virtually):**

N. Evans, Business Support Manager;

M. Runeckles, Member Support Officer;

**Chamber - County Hall, Carmarthen. SA31 1JP and remotely - 2.00pm - 4.06 pm**

## 1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Derek Cundy and Councillor Jean Lewis. Apologies were also received from Wendy Walters, Chief Executive, Ainsley Williams, Director of Place and Infrastructure and Deina Hockenull, Media and Marketing Manager.

## 2. DECLARATIONS OF PERSONAL INTEREST INCLUDING ANY PARTY WHIPS ISSUED IN RELATION TO ANY AGENDA ITEM

Councillor	Minute Number	Nature of Interest
A. Evans	Item 4 – Revenue and Budget Strategy Consultation 2024/25 to 2026/27	Personal and prejudicial - Family member works in Democratic Services section

Note: These minutes are subject to confirmation at the next meeting.

A. Evans	Item 5 – Revenue and Capital Budget Monitoring Report 2023/24	Personal and Prejudicial - Family member works in Democratic Services section
K. Broom	Item 4 – Revenue and Budget Strategy Consultation 2024/25 to 2026/27	Personal – second/empty homes

There were no declarations of any prohibited party whips

### 3. PUBLIC QUESTIONS (NONE RECEIVED)

No public questions had been received.

### 4. REVENUE BUDGET STRATEGY CONSULTATION 2024/25 TO 2026/27

The Committee considered the Corporate Revenue Budget Strategy Consultation 2024/25 to 2026/27, which provided a current view of the revenue budget for 2024/25 together with indicative figures for the 2025/26 and 2026/27 financial years. The Committee took into account the provisional settlement used by Welsh Government on the 20<sup>th</sup> December, 2023 which was the latest date ever to be provided.

Members were reminded that the report had been considered by Cabinet at its meeting on 15th January 2024 and members of the Committee had recently attended consultation events which had provided an opportunity to analyse and seek clarification on various aspects of the budget.

The report highlighted that funding had not been allocated for either Teachers' or Firefighters' pension increases, as it had not been worked through Westminster and Welsh Government. Whilst this is assumed to be a nil impact on our funding position, this was considered a significant risk until formally confirmed, with a value of circa £4million.

The Committee were informed that there was no additional funding being provided to meet the inherent budget shortfall going forward as a result of either the uplift in Teachers pay (set by Welsh Government), nor the 2023 NJC pay award (set by national pay bargaining) and was the most challenging settlement since devolution.

The Committee were advised that the final settlement was expected to be published by Welsh Government on the 27th February, 2024 alongside the Welsh Government budget, the day before full council meets to agree the final budget.

The Committee thereupon considered the following detailed budget information appended to the Strategy, relevant to Corporate and Performance Scrutiny:-

**Appendix A** – Corporate Budget Strategy 2024/25 to 2026/27

**Appendix A(i)** – Efficiency summary for the Chief Executive and Corporate

Note: These minutes are subject to confirmation at the next meeting.

- Services departments
- Appendix A(ii)** – Growth Pressures summary for the Chief Executive and Corporate Services departments
- Appendix B** – Budget monitoring report for the Chief Executive and Corporate Services departments
- Appendix C** – Charging Digest for the Chief Executive and Corporate Services departments

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

- In response to a query as to why the alternative scenario was chosen by the Authority for the Medium Term Financial Plan, the Director of Resources confirmed that this was the most realistic option out of the two options offered, due to the uncertainty of elections for both the UK Government and Welsh Government combined with a new Welsh First Minister.
- In response to a query, the Committee were advised that the Authority has been pro-active in informing property owners of the increase in premiums to both second and empty homes. This increase was approved by Cabinet in December, 2023 with a review of the policy taking place during 2024. Cabinet will consider further potential increases in premiums. The income received will be built into next year's budget, with a report to Cabinet for consideration of the tax base during the autumn term.
- The Committee were advised that the loan to the Scarlets had matured and a meeting between parties has been arranged during February to work to an acceptable outcome.
- In response to a query, members were advised that the education budget forecasts were monitored throughout the year and due to new expenditure pressures, an indicative sum of £15.4million has been allocated across departments, as identified in appendix B of the report. The Committee were informed that the most significant area of pressures was within Children's services.
- The Committee were advised that a 4% increase for staff salaries was a realistic assumption, given that the rate of inflation was decreasing.
- It was noted by the Committee, that due to lack of information provided from schools regarding individual reserves, future forecasts could not be assumed.
- The Committee were informed that Marketing and Media officers were looking into providing budget consultation feedback to the public.
- In response to a query regarding an increase to Delta Wellbeing fees, officers confirmed that the SLA is now serving more organisations and other authorities including Carmarthenshire. There has been an increase of staff, rising from 40 to 100 and changes to technology.

**UNANAMOUSLY RESOLVED that:**

**4.1 the Revenue Budget Strategy Consultation 2024/25 to 2026/27 be received**

**4.2 the Charging Digest detailed in Appendix C to the report, be endorsed.**

Note: These minutes are subject to confirmation at the next meeting.

## 5. REVENUE & CAPITAL BUDGET MONITORING REPORT 2023/24

The Cabinet Member for Resources presented the Authority's Corporate Budget Monitoring Report and the Chief Executive's and Corporate Services departmental reports as at 31st October 2023 in respect of the 2023/24 financial year.

Amongst the issues and queries raised on the report were the following:

- In response to a query on Transforming Towns Strategic Projects, the Committee were informed that officers were monitoring the acquisition of properties, and in the next couple of weeks, if there was a need, money would be moved, due to flexibility granted by Cabinet.

**UNANIMOUSLY RESOLVED to receive the report.**

## 6. FIVE YEAR CAPITAL PROGRAMME (COUNCIL FUND) 2024/25 TO 2028/29

The Cabinet Member for Resources presented the 5-year capital programme which provided an initial view of the 5-year Capital Programme from 2024/25 to 2028/29. The report formed the basis of the budget consultation process with members and other relevant parties and any feedback, along with the final settlement and would inform the final budget report which would be presented to Cabinet, and in turn to Council in February 2024.

The proposed gross expenditure on the capital programme for 2024/25 is £86.680m with the projected funding being £50.124m from the county council's own resources through the application of borrowing, reserves, direct revenue financing, capital receipts and general capital grant, with the balance of £36.556m coming from external sources.

Whilst the new capital programme is fully funded over the five years, it was proposed to under commit some of the available funding to give flexibility across the programme to cover any unexpected additional costs on approved projects. It does not include any funding relating to ongoing projects in the current year which may slip at the end of the financial year into the 2024/25 programme.

The Capital Programme aims to deliver a number of key projects that will create jobs and improve the quality of life for the people of Carmarthenshire. Decarbonisation is a priority for the Authority and design briefs for new projects will include an emphasis on carbon efficiency.

The Committee praised officers for a clear, ambitious Capital Investment Programme.

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

Note: These minutes are subject to confirmation at the next meeting.

- In response to a query on how steady the funding from the Welsh Government was, officers were confident that the figures provided would remain constant, as they're based on population figures.
- It was noted that flood mitigation would need to be considered in years 3 and 4 budget.

**RESOLVED that the Five-Year Capital Programme 2024/25 – 2028/29 be endorsed.**

## **7. TREASURY MANAGEMENT POLICY AND STRATEGY 2024-25**

The Cabinet Member for Resources presented the proposed Treasury Management Policy and Strategy 2024/25. As part of the requirements of the revised CIPFA Code of Practice on Treasury Management the Council was required to maintain a Treasury Management Policy detailing the policies and objectives of its treasury management activities, and to approve a Treasury Management Strategy annually prior to the commencement of the financial year to which it related. Additionally, under the provisions of the Local Government Act 2003, the Council was required to approve its Treasury Management Prudential Indicators for the coming year.

**UNANIMOUSLY RESOLVED that the Treasury Management Policy and Strategy for 2024/25 and associated appendices be endorsed.**

## **8. EXPLANATION FOR NON-SUBMISSION OF SCRUTINY REPORT**

The Committee received the Non-Submission report in regards to the PSB minutes for the November meeting and noted the explanation.

**RESOLVED that the explanation for the non-submission be noted.**

## **9. FORTHCOMING ITEMS**

The Committee was advised that the date of the next scheduled meeting, 1<sup>st</sup> March, 2024, might have to be brought forward.

**UNANIMOUSLY RESOLVED that the list of forthcoming items to be considered at the next scheduled meeting be received.**

## **10. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COMMITTEE HELD ON THE 12 DECEMBER 2023**

**UNANIMOUSLY RESOLVED that the minutes of the meeting held on the 12<sup>th</sup> December, 2023 be signed as a correct record.**

Note: These minutes are subject to confirmation at the next meeting.

CHAIR

DATE

Note: These minutes are subject to confirmation at the next meeting.