

# REVENUE BUDGET 2021 - 2024

## CONSULTATION REPORT

FEBRUARY 2021

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County Council



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## INTRODUCTION

A mixed-methods approach to ascertaining views on the 2021-24 budget took place during the period from 18<sup>th</sup> January 2021 to 3<sup>rd</sup> February 2021.

In making savings, the Council is concerned to minimise the impact upon service delivery. In meeting the challenge of saving a total of £12.9 million, many savings are being made through internal efficiencies and ensuring that the three-year savings which were agreed on in the 2020 budget are delivered. No new saving proposals were put forward this year and therefore local residents, businesses, community and voluntary organisations were asked to have their say on the draft budget so that councillors can consider your feedback before making a final decision in March

We have a legal responsibility to set a balanced budget every year, ensuring that income from sources such as Council Tax, revenue from paid-for services and grants is enough to cover our expenditure. With Covid-19 having had a significant impact on services, this year councillors face the added pressure of funding extra costs incurred and ensuring future contingencies can be met. Pressures are being particularly felt across social care services because of the pandemic, and across the environment department associated with school transport, flood and coastal defences, and enhanced resources to tackle cleansing and fly-tipping in targeted areas.

There are a variety of legal and policy reasons why the Council must undertake full and meaningful consultation, where service changes are under consideration.<sup>1</sup> Ultimately, a flawed approach can be a means whereby decisions can be challenged through the courts, through a process of Judicial Review. A decision against the Council would prevent the saving being delivered, as well as damage the reputation of Council, at a time when it needs to focus on responding to a challenging financial position.

This report:

1. Outlines the **consultation approach** and the different consultation methods deployed;
2. Describes the **demographic characteristics** of those who took part
3. Summarises the **key findings**;
4. Collates **minutes of meeting** in which the budget was discussed

## 1) OUTLINE OF APPROACH AND CONSULTATION METHODS

Whilst the settlement provided by Welsh Government was much more favourable than expected, inflation, rising costs, demographic pressures and increased statutory obligations have challenged the Council to make significant cost reductions. No new savings proposals are being put forward for consultation this year, however the council's Executive Board has reiterated its commitment to delivering the three-year savings agreed in the 2020 budget. We invited local residents, businesses, and

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

community and voluntary organisations - to have a say on our draft budget so that councillors can consider your feedback before making a final decision.

### **Councillor involvement**

A series of departmental seminars for all county councillors took place over a 5-day period: 18<sup>th</sup> January 2021 and 22<sup>nd</sup> January 2021.<sup>2</sup> All efficiencies across each department were considered in detail and feedback sought. Bullet points of the key discussion points are provided in appendix a.

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

### **Survey**

The survey asked respondents on their views on the draft budget. A full draft report was provided alongside saving proposals and pressures in order to inform respondents to ensure that they could express a view on the budget report. Respondents were asked about their overall thoughts of the draft budget, areas to which they disagreed, areas of the report which they supported. Moreover, respondents were asked how much of an increase in Council tax they would be willing to accept.

The survey was administered electronically via the Council's online consultation page on the website. It is important to recognise that last year's consultation produced the highest response over a five-year period which was attributed to a number of changes introduced. Unfortunately, due to restrictions currently in place due to the pandemic, certain aspects of the consultation had to be reconsidered and amended. Whilst it is recognised that we endeavour to maximise engagement with citizens and stakeholders regarding the proposed budget, mechanisms previously utilised would have been difficult to execute under alert level 4 restrictions in Wales.

A total of **75 responses** were received from various sections of the community, including individuals, businesses, town and community councils and groups and organisations. A demographic breakdown is provided in section 2.

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

2 emails were submitted to the Council during the budget consultation period. A summary of the contents of the emails are provided below:

- Initiative to reduce waste from sanitary waste (i.e., nappies) – An email indicated that an initiative for new mums to utilise cloth nappies and wipes as opposed to disposable products would be beneficial to reduce waste in the landfill sights.
- Need to ensure that litter left in the countryside is disposed of properly.

### **Social Media Responses:**

A summary of social media comments received on Facebook and Twitter can be seen below:

- Many noted that they pay taxes to be provided with services, many expressed that they are paying increased council tax for less services.

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

- Some indicated that the rate of Council tax increase exceeds the rate of inflation, which is putting some households into financial difficulty, especially during the Covid-19 pandemic.
- Reduce wages for senior officers and councillors instead of increasing council tax and reduce their large pensions.
- Some indicated that some projects which are 'nice to have' and not essential should be delayed or postponed and channelled into priority areas during the Covi-19 outbreak.

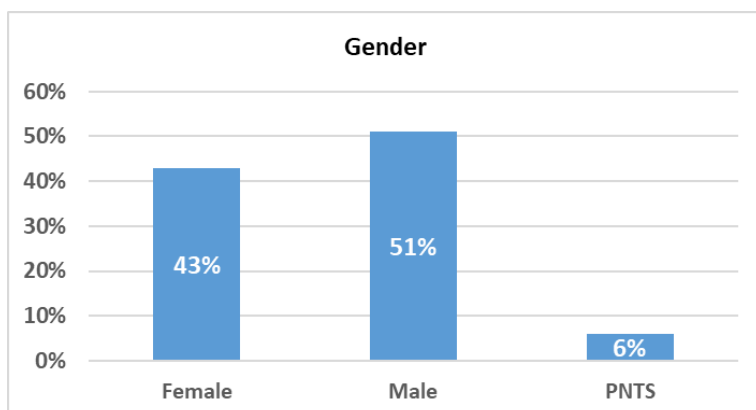
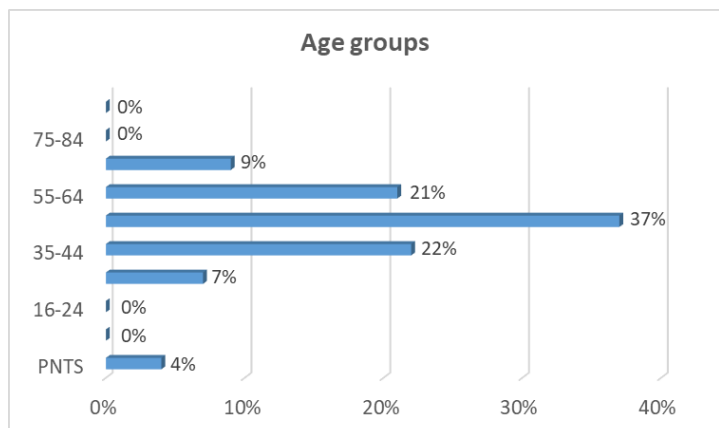
## **Publicity**

Local and regional press and local radio advertisements were used to inform the public how to become involved and obtain further information on the budget consultation. Carmarthenshire County council staff were also encouraged to take part in the Budget consultation via internal newsletter. Information was also highlighted on the council website via a pop-up, and on the newsroom throughout the consultation period which generated 543 and 52 views on the English and Welsh page respectively. Moreover, three brief videos were created to raise awareness of the consultation which included information on how to get involved, information on the differences between revenue and capital budget and information on the Council's wellbeing objectives and how this underpins the budget setting process.

In addition, the consultation was publicised through relevant equality groups, including Equality Carmarthenshire, 50+ Forum and the Carmarthenshire Disability Coalition for Action. The Carmarthenshire Community and Town Council Liaison Forum held a specific meeting to discuss the budget (minutes seen in appendix \*\*) on the 21<sup>st</sup> January 2021 with the consultation information also circulated to all clerks in the Community and Town Council newsletter. All Town and Community Councils were asked to take part using the online consultation. The public consultation phase ran from 18<sup>th</sup> January 2021 to 3<sup>rd</sup> February 2021. In total, 75 responses were received.

## 2) RESPONDENT PROFILE

Of the 68 respondents who gave completed answers to demographic questions: 96% were from individuals and 4% from Town and Community Councils, organisations or businesses.<sup>3</sup>



Demographic Characteristic	Overall %
Transgender	0.0%
PNTS	7.4%
<b>Relationship status</b>	
Single	11.9%
Married	70.1%
Separated	3.0%
Divorced	0.0%
Widowed	0.0%
Civil partnership	0.0%
Co-habiting	6.0%
Other	0.0%
PNTS	9.0%
<b>Sexual orientation</b>	
Straight	78.8%
LGB	3.0%
PNTS	11%
<b>Religion</b>	
Yes	35.4%
PNTS	20.0%
<b>Caring responsibilities</b>	
Yes	26.9%
PNTS	11.9%

Demographic Characteristic	Overall %
<b>Ethnicity</b>	
White	92.5%
BME	0.0%
Other	0.0%
PNTS	7.5%
<b>Disability</b>	
Yes	7.5%
No	82.1%
PNTS	10.4%
<b>Preferred language</b>	
Welsh	24.2%
English	75.8%
Other	0%
<b>Income</b>	
<£10,000	0.0%
£10,000 – £19,999	10.4%
£20,000 – £29,999	11.9%
£30,000 – £39,999	13.4%
£40,000 – £49,999	7.5%
£50,000 – £59,999	20.9%
> £60,000	11.9%
PNTS	23.9%

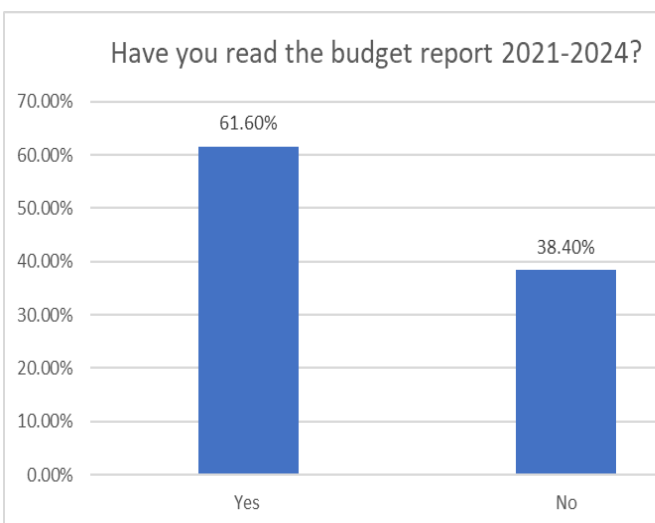
<sup>3</sup> Llangadog Community Centre, Cyngor Cymuned Cynwyl Elfed, Carmarthenshire Local Access Forum

A total of 60 respondents included their post codes. These are presented in the table below.

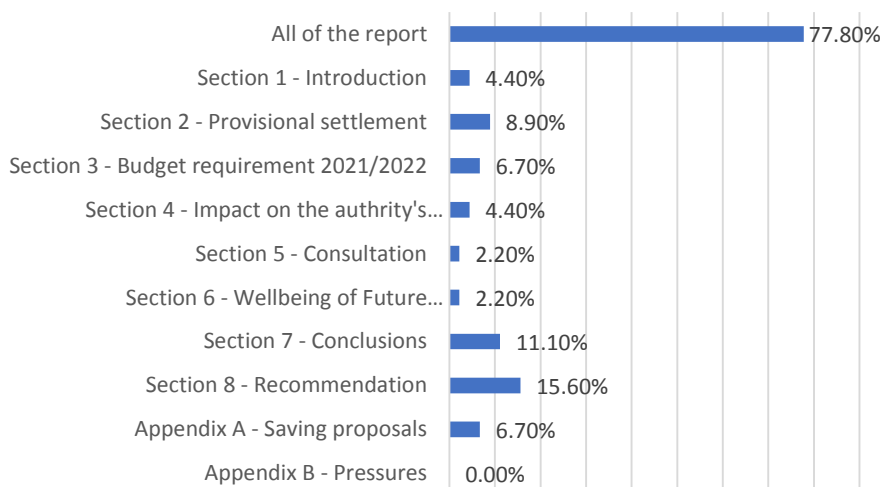
Area	SA4	SA14	SA15	SA16	SA17	SA18	SA19	SA20	SA31	SA32	SA33	SA34	SA39	SA40	SA44
Number of Responses	0	7	13	3	1	9	6	1	8	4	6	0	1	0	1
% Responses	0%	11.6%	21.6%	5.0%	1.6%	15.0%	10.0%	1.6%	13.3%	6.6%	10.0%	0%	1.6%	0%	1.6%

### 3) CONSULTATION FINDINGS

Each question of the consultation is examined in turn and is presented below. Respondents were asked to provide their overall opinions of the draft budget report, their feedback on what they disagree with and their opinion of what they supported in the draft budget. An inductive thematic analysis was adopted to analyse the free-text responses. This method involves a six-step process of familiarisation, coding, generating themes, reviewing themes, defining and naming themes followed by the writing up stage. Thematic analysis is an effective approach when ascertaining people's views, knowledge, opinions, and experiences. Moreover, an inductive approach has been adopted to determining themes which have emerged from the data.



What section of the report have you read? (n=45)



#### Q1. What are your thoughts on the proposed budget for 2021-2024?

A total of 32 respondents took the opportunity to provide their overall thoughts on the draft budget. These comments have been categorised into 4 key themes which can be seen below, and examples of comments can be seen for each theme.

- 1) Saving proposals and draft budget sensible – A common theme which emerged from the data relates to respondents appreciation that the efficiency savings proposed seem reasonable and sensible considering the difficult time local authorities are currently facing due to the Covid-19 pandemic.

- *In general the proposed budgets / savings make sense.*
- *Overall the budget seems to be fair, considering the lack of government funding, which can be delivered.*
- *Reasonable assessment of what might be needed, with awareness of the sheer uncertainty of Covid-19 still prevalent.*

2) Negative overall view of the budget – Whilst some respondents perceived the draft budget to be sensible, another common theme which emerged was a negative overall view. The negative views centre around the lack of detail provided and the complexity of the information given. Moreover, some indicated that they disagree with the budget but did not provide further detail on what they disagreed with.

- *A complete joke*
- *Could be room for improvement*
- *Way too complicated to understand! Maybe that's what you want!*

3) Minimise Council tax increase in light of pandemic – A common theme which has derived from the data was that respondents indicated that Council Tax should be kept to a minimum as many households are currently under pressure due to the economic impact of the pandemic.

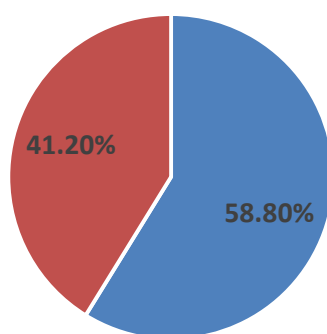
- *Council tax increase must be kept to a minimum*
- *hard times ahead and the increase in council tax is a little higher than expected*
- *Fair however impacts of COVID on ability of residents to pay council tax without hardship is not taken into account. If rises push households further into hardship it will cost the council more in the long run*

4) Some specific views on services – Some respondents took the opportunity to raise concerns over specific aspects of the budget. Specifically, some residents indicated that some services need to be protected. A list of comments is presented below:

- i. *In general the proposed budgets / savings make sense. It would be good to see an increase in spending on Public Rights of Way as these are very important at the moment. I also have some concerns regarding the reductions in highway spending mainly relating to reducing preventative maintenance and only undertaking reactive maintenance.*
- ii. *The forecast fall in reserves is worrying but in the absence of new income streams the balancing act seems efficiently done, with the exception of the approximately £200k reduction in domiciliary care costs over 3 years, and the £600k fall in surface dressing on roads -- the hoped-for capital sum may not be available, and intense rains do significant damage to road surfaces. The forecast fall in flood defence maintenance is small, but in this time of climate change with heavy sudden rainfall, it seems we should be spending more on flood defence, not less.*
- iii. *Most of it I agree with but the proposed pay increase that schools have is ridiculous considering that most of the school staff have been the backbone with the NHS during the pandemic.*



## Q2. Is there any part of the report you disagree with?



■ Yes ■ No

A total 51 responses were received for the question displayed above. As pictured in the pie chart 41.2% (n=21) did not disagree with the draft budget. Whilst the data indicates that 58.8% (n=30) disagreed with an aspect of the draft budget report. Respondents who disagreed were given an opportunity to provide a brief description of which aspect they disagree with and provide an explanation why.

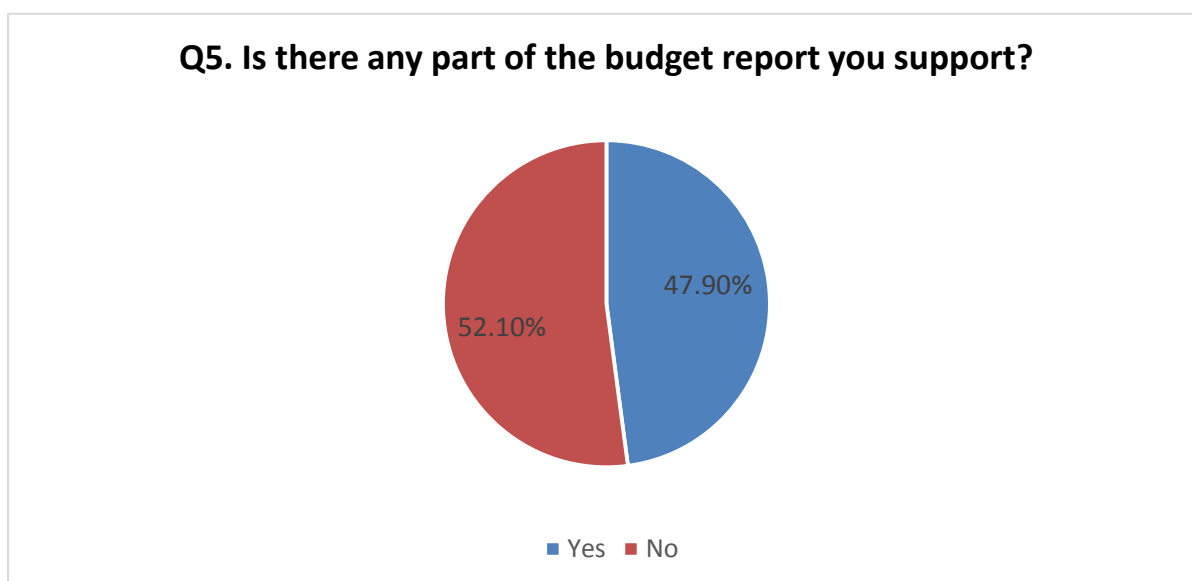
## Q3. Please provide a brief description below of what you disagree with and why.

A total of 26 respondents took the opportunity to express disagreement with the draft budget. These comments have been categorised into 4 key themes which are presented below.

- 1) Increasing Council tax when services have been reduced – The majority of the comments related to Council tax increases. Many expressed that there should be no increase in Council tax due to household financial pressures as a consequence of the pandemic. Moreover, some indicated that many council services have been on hold due to restrictions and therefore a minimal increase or no increase in council tax should be considered.
  - *So yet again we are paying more and getting less of a service from the county council*
  - *The council has closed most of the public buildings so how do you need more money if we cant use these facilities then how about a rebate.*
  - *Services are being compromised and cut yet our council tax goes up*
- 2) Education and children services funding – Some respondents indicated that more funding is needed for education and children services. Specifically, respondents indicated that investment should be made in ALN provision, primary and secondary schools.
  - *Cutting child services for the children that fall through the cracks. Not enough staff to pick up on children that need extra tuition, e.g. dyslexia etc. Totally being missed in school.*

- *Yet again not enough funding for schools and ALN*

- 3) Domiciliary care and social care funding – Another key theme to emerge from the data concerned domiciliary and social care funding. Specifically, respondents indicated that they do not want to see other services prioritised over essential care of vulnerable residents of the County.
- 4) Mechanical sweeping and road maintenance – The final theme to emerge from the data concerned the unwillingness to see a reduction in mechanical road sweeping budget, maintenance on highways and gritting. Some respondents suggested that a reduction in this budget would have a negative impact on the environment and increase the risk of drain blockages leading to localised flooding and damage to highway surfaces.



In total, 48 respondents gave a response to the question above. As pictures in the pie chart, over half (52.1%; n= 25) of the respondents did not support any aspects of the draft budget. In contrast, 47.90% (n=23) supported some aspect of the proposed budget. Respondents who agreed were given an opportunity to provide a brief description of which aspect of the budget they support and provide an explanation why.

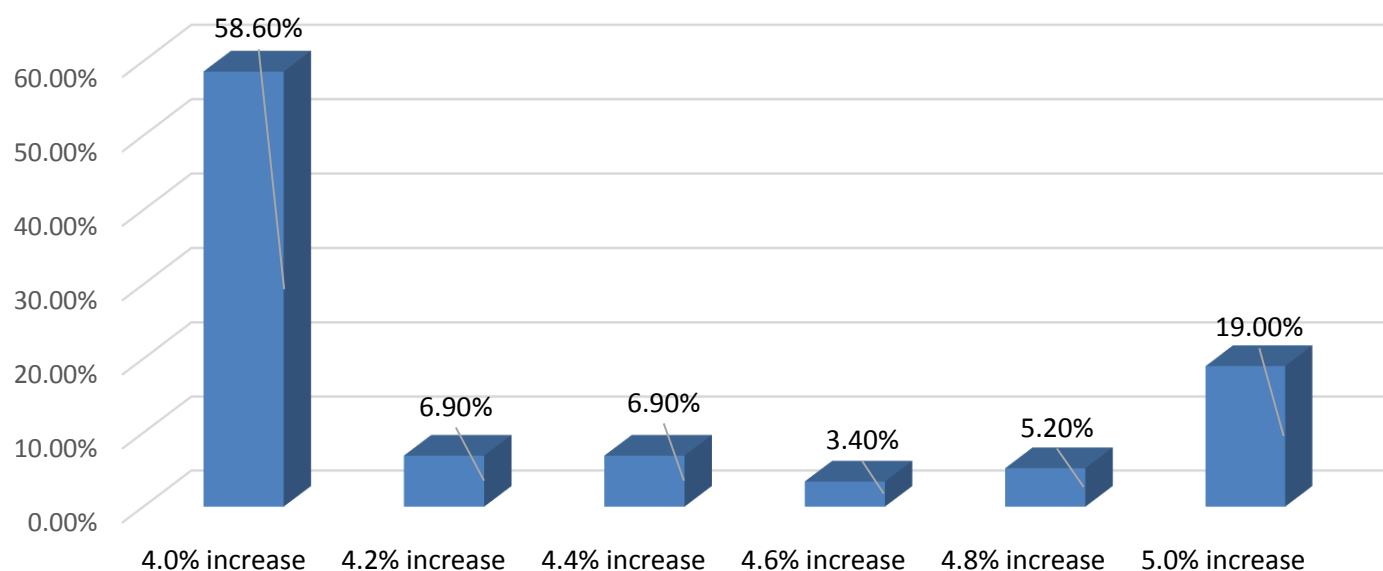
**Q6. Please provide a brief description below of the section(s) of the report you support and tell us why.**

16 respondents took the opportunity to express their support for the proposed budget which have been categorised into 2 key themes which are presented below.

- 1) Acknowledgement and funding for well-being support for younger and older residents – The majority of respondents support the investment and support of residents’ well-being.
  - *All of the report, particularly the sections on safeguarding and improving the lives and prospects of the young, poor and elderly.*

- *Support for mental health and ageing well*
- 2) Fairness of draft budget considering the ambiguity caused by Brexit and the pandemic – Whilst not directly supporting the proposed budget report, many expressed that the Council tax increases are ‘fair’ or ‘makes sense’ when taking into account the uncertainty caused by Brexit and Covid-19. Many realise that difficult decisions will have to be made in light of the current climate.
- *Not agree exactly but accept that difficult decisions have to be made. Given the continuing problems caused by the pandemic, many households will struggle to afford any increase in council tax. 4.48% is high, but difficult to see how it could be less.*
  - *Council tax increases are fair. Education and well-being support is catered for.*

**Q7. Please indicate how much of an increase in Council tax you would be willing to accept? (n=59)**



Respondents were informed that Council Tax raises around £86 million a year which represents around a quarter of Carmarthenshire County Council’s total budget. Respondents were also notified that the current budget projections were based on a proposed council tax increase between 4% and 5%. Participants were asked to indicate how much of an increase in Council tax they would be willing to accept between 4% and 5%. As pictured in the bar chart above, over half (58.60%; n=34) of respondents opted for the lowest increase of 4.0% to their Council tax. This supports comments made regarding the impact that the pandemic has had on some households and the economic impact this has had. Interestingly, the second highest percentage increase accepted by respondents was 5% which equated to 19% (n=11) of all responses. Through closer inspection, it can be seen that overall respondents would accept a Council tax increase of 4.29% based on the weighted average.

## 6) NOTES FROM BUDGET CONSULTATION MEETINGS

### Schools Strategy Budget Forum – 27<sup>th</sup> January 2021

RH addressed the Forum and shared a power point presentation with colleagues “Forward Financial Plan – 2021”.

The power point is an extract of which was shared with Members at the recently held Departmental budget seminars

#### Background

- Since 2008, resources available to public services under pressure.
- Over the last decade CCC has met a funding shortfall of £120m (£90m savings / £30m C Tax)
- Although the settlement is better than expected, the scale of financial risk is unprecedented.

#### COVID19 Response

- Our current forecast for 2020/21 is of additional expenditure of c.£20m and income loss of c.£10m
- New WG monthly claim, with overwhelming majority of hardship claims funded
- Deferred Income and Council Tax Collection
- Uncertainty next year

#### Provisional Settlement

- The provisional settlement is better than anticipated, however there is still a budget gap against known pressures.
- All Wales average increase 3.8% (Ceredigion 2% - Newport 5.6%)
- No funding floor
- CCC: published 3.8% increase on the 2020-21 settlement, with part year transfers
- Again this year, 1 year settlement figures only for Local Authorities with no indicative figure for the following year.

#### Specific Grants

- Majority being maintained at a ‘cash standstill’ position
- £7m Additional Learning Needs grant maintained (throughout Wales)
- Awaiting extra info over coming weeks - final settlement

#### Current Evaluation Assumptions

- General Inflation: 2.0% per annum
- Pay Awards: 2.75% per annum
- NLW (National Living Wage) 2.2% (lower than OBR estimate)
- No LGPS Employers increase
- Unavoidable Pressures
  - 2021/22 £4.689m
  - 2022/23 £5.5m
  - 2023/24 £5.5m
- Fuel & Energy: 5% per annum
- Fire Levy: +2.4% in 2021/22

#### NJC and Teachers Pay

- Chancellors Autumn Statement:
- Pay freeze for all except NHS “at least £250 for < £24k”  
Vs
- Unions response “a kick in the teeth for key workers”  
=
- Uncertainty - maintain current assumption 2.75%
- Ministers Letter Re: Pay Budget

### **COVID Impact – Savings Deferred (a table was shared with colleagues)**

- COVID-19 Impact on:
- Business as Usual
- Transformation
- £3.543m savings impacted – deferred to 2022/23 and 2023/24

### **Current Validation Assumptions**

- 2020/21 savings £0.8m deferred
- 5year Capital Programme Assumptions - £0.4m revenue implications (same as last year)
- School budgets validated for known pressures (no 2021/22 savings target)
- Council Tax modelled @ 4.89% annual increase – 4.48%

### **Departmental Proposals**

Tables outlining these proposals were shared with colleagues

AT guided colleagues through the contents and gave an explanation of our efficiency savings.

### **Budget Setting**

- Feedback of Consultation findings
- Recommendation as to 2021-22 budget
- Recommendation on Council Tax level 2021-22
- Executive Board 22nd February 2020
- County Council 3rd March 2020

### **Action:**

- RH to share his presentation with colleagues
- SN will communicate with schools regarding Formula Funding

AT thanked RH for his valued contribution.

## **Corporate Employee Relations Forum (CERF) Meeting 26<sup>th</sup> JANUARY 2021**

As AGREED in CERF’s last meeting, RY welcomed RH’s return to update the forum regarding the Budget and to have an opportunity to respond to questions from the TUs.

RH confirmed that all the Member Seminars had been carried out and Scrutiny Committees would be commenced accordingly. RH shared his screen and updated the Forum with a power point presentation on the Forward Financial Plan 2021 in terms of key features of the draft Budget for 2021, in line with the WG settlement.

RH provided a comprehensive explanation on the following topics:-

- Background information
- COVID-19 Response
- Settlement Compared to Pressures
- Provisional Settlement
- Current Validation Assumptions
  - i. RH encouraged TUs to peruse the Appendix in terms of supporting their members ie. core funding for staffing budget, NEP and funding for new posts. (refer to the link which RY had previously circulated to the TUs)
- Unavoidable Pressures
- NJC & Teachers Pay
- COVID-19 Impact – Savings Deferred
- Current Validation Assumptions
  - i. Schools Budget – Proposals in rationalising the number of schools
  - ii. Reduction in Council Tax 4.89% to 4.48% – Decision actioned at the Executive Board meeting dated 18/01/21
- Departmental Proposals
- Medium Term Financial Plan
- Budget Setting

RH highlighted that the Local Authority would be legally obliged to publish the papers before the Authority would know what the final settlement is to be .

Timetable for the process being :-

- 2<sup>nd</sup> March - Final settlement to be received from WG
- 3<sup>rd</sup> March - County Council to agree the final Budget
- 10<sup>th</sup> March - Council Tax setting based on the agreed Budget (last day to legally set the Council Tax) and the Local Authority's intention and breakdown of the process being:-
  - i. Public Consultation
  - ii. To receive feedback
  - iii. Submit Report and to publish the final budget proposals
  - iv. Provide a verbal update during Council on 03/03/21, if required.

RH and the TUs had a question and answer session as follows:-

**ME – Details aren't being provided nor explained on how cuts were being made and supported a no cuts budget?**

RH clarified, in terms of making "cuts" the Director of Corporate Services and himself had a legal duty to not allow Councillors to set an unbalanced budget as this would be unlawful.

**PH – In terms of the total revenue budget, how much of a % does go into staffing costs?**

RH responded with a ballpark figure of around 2/3rds.

**PH – With reference to the 2.5 million savings for this year, is the 2/3rds going to be staffing costs or alternatively would it be varied?**

RH apologised that he did not have the specific details to provide an answer.

**PH** – Has the staffing % costs of the total budget increased or decreased?

RH stated that his instinct was that it had increased. Reasons being as follows :-

- Some services being brought in-house eg. Allied Healthcare
- 4.5 million had gone into Teachers' Pension
- Recognition that even with external spend, much was on people-centric services eg. commissioning care

**PH** – In moving forward has there been any budgeting on redundancy costs been incorporated eg. VR / or departmental Restructures?

RH confirmed that this had not been incorporated into budget figures.

**AC** – Due to a decrease in business rates / council tax as income and the increase in extra payments eg. housing benefits had the excess expenditure been taken into account and what impact will it have on staff ie. redundancies?

RH explained the Business Rates pooling system, Housing Benefits and impact on staffing accordingly.

**JJ** – Has there been any consideration been implemented in to the figures that have been provided regarding Recruitment Agencies or alternatively would it be cheaper to continue utilising in-house members of staff?

RH explained that use of agency did not form part of any specific budget proposals, but would welcome any information if Union officials believe agencies were being used where inhouse staff might be more appropriate

**HMCDyer** – Can you please clarify if there will be potential school rationalisation in terms of closures and then cuts to support staff and in which year would this be?

RH explained that school rationalisation programme was about recognising that the larger the estate, the greater proportion we are spending running buildings, reducing this meant a greater proportion going towards teaching and learning. This was also true in terms of the multi different areas of support provided centrally. Savings Proposals are included in 2022/23 and 2023/24

As part of the consultation feedback, It was **AGREED** RH would relay to Councillors the TUs feedback/comments and where they considered potential savings could be made:-

- Budget - Time for a needs led no cuts budget.
- Honesty from the Local Authority to be provided to the tax payers and residents of Carmarthenshire regarding the Local Authority's intentions and to allow the public to decide.
- Council Tax - the implementation of a slight decrease – not acceptable, it should be more.
- Inflation / Council Tax – Oppose above inflation Council Tax for employers and residents of Carmarthenshire.
- Managerial (Cuts) – Does not state, how the savings / cuts were being made.
- Efficiencies – Does not illustrate the detail on how the cuts/savings were being achieved and impacted on the service(s).

- Recruitment Agency Staff
  - i. Domiciliary Care
  - ii. Theatres
  - iii. Waste / Refuse

**ACTION:** Information to be provided on the length of placements of current Agency Workers. (RY)

TUs notified that they would also liaise directly with their feedback to the Councillors and would continue to campaign.

RH to circulate the powerpoint presentation to the Forum.

RH recommended that the TUs to view the latest Education and Children Scrutiny Report for additional data on Schools.

## 7) MINUTES OF SCRUTINY COMMITTEE MEETINGS

### ENVIRONMENTAL & PUBLIC PROTECTION SCRUTINY COMMITTEE

The following questions/observations were raised on the report:-

- Reference was made to the increase in telephone scams targeting the elderly and vulnerable during lockdown and officers were asked if there was any possibility of additional funding being provided to assist with the purchase of devices for the TrueCall service;
- Reference was made to the total of £60k efficiency savings identified in the Road Safety Unit which it was hoped to recoup via sponsorship and officers were asked if they are reasonably confident that money can be derived from sponsorship. The Head of Transportation & Highways explained that that proposal is in year 2 of the savings programme which allowed officers some time to work on the potential for sponsorship.
- Reference was made to the efficiency savings identified in Fleet Maintenance and the proposal to offset this by expanding the amount of chargeable work through MOTs and officers were asked how sensitive we are to small businesses who offer MOTs as we would not want to compete against them and put them out of business. The Head of Transportation & Highways explained that this is a service which receives many requests from the public and this proposal was purely in response to a demand from the public;
- Reference was made to the reduction in the flood defence budget, whilst acknowledging that £5k was a relatively small amount, concern was expressed at this proposal given the fact that we are facing more severe weather and a changing climate. The Head of Waste and Environmental Services explained that £5k is a relatively small sum and would mean less small scale works, however, more funding is being received from Welsh Government on a scheme basis so there would be no detriment;
- Reference was made to the fact that the Waste Services budget had reduced by £55k due to the fact that grants have stopped and concern was expressed that that could happen to the flood defence grants referred to earlier;
- Reference was made to the proposed savings in Public Rights of Way and officers were asked how they intended to achieve the reduction in expenditure and how the current outstanding issues will be tackled. The Head of Transportation & Highways informed the Committee that the maintenance and



legal teams have just merged and will be looking at the programme of interventions;

- Officers were asked how confident they are that any anticipated Welsh Government grants will be forthcoming. The Head of Financial Services explained that grants figures have been received from Welsh Government on an all Wales level. He added that the uncertainty is how public sector funding will change over the next couple of years;
- Reference was made to the big reduction in funding for winter gritting and whilst acknowledging that we have had very mild winters for the last 5-6 years, officers were asked if there is money available should we have a bad spell of icy/frosty weather. The Head of Transportation & Highways explained that in order to achieve the required efficiencies, the department has to prioritise accordingly. He added that we have had a lot of bad weather recently and the department has responded to that appropriately;
- Reference was made to the reduction in the road sweeping budget and the fact that last year there were 2-3 inches of dead leaves on rural roads which were washed into the gulleys after a period of heavy rain. Road sweepers are only able to do 2 loads in a day and officers were asked if more front end loaders could be used with 2 operatives which would result in far more clearing being achieved in a day. Officers were also asked if it would be possible to take the dead leaves to recycling centres for composting. The Head of Transportation & Highways explained that it is difficult to predict leaf fall every year and consequently officers have to be reactive unfortunately. With regard to the suggestion with regard to loading/picking up, he explained that it was a matter of availability of resources. He added that he would explore the idea of composting, however, he feared that there may be a contamination issue.

## **RESOLVED TO RECOMMEND TO THE EXECUTIVE BOARD**

- 4.1 that the 2021/22–2023/24 Revenue Budget Strategy be received;**
- 4.2 that the Charging Digest for the Environment and Public Protection Services, as detailed in Appendix C to the report, be endorsed;**
- 4.3 that the possibility of allocating additional funding for the TrueCall Service be explored.**

## **COMMUNITY & REGENERATION SCRUTINY COMMITTEE**

The Committee considered the report presented by the Executive Board Member for Resources on the Council's Revenue Budget Strategy 2021/22 to 2023/24, as endorsed by the Executive Board for consultation purposes at its meeting held on the 18<sup>th</sup> January 2020. The report provided Members with the current view of the Revenue Budget for 2021/2022 together with indicative figures for the 2022/2023 and 2023/2024 financial years based on officers' projections of spending requirements and takes account of the provisional settlement issued by Welsh Government on the 22nd December 2020. It also reflected current departmental submissions for savings proposals after taking account of the impact of the Covid-19 pandemic on the delivery of those savings.

The Executive Board Member advised that whilst the announced provisional settlement represented an average increase of 4.0% across Wales on the 2020/21 settlement, Carmarthenshire's increase had been 3.8% (£10.466m) thereby taking the Aggregate External Finance to £284.820m for 2021/22 which included £244k for teachers pay.

Whilst the budget proposals assumed the full delivery of all savings proposals, together with the identification and delivery of the shortfall in savings proposals for the 2022/23, and 2023/24 financial years, further cost reductions would need to be identified for those latter years to be able to maintain the current Budget Strategy and level of Council tax.

Although the Strategy proposed a 4.89% Council Tax increase for each of the three financial years, the Executive Board had recommended the increase for 2021/22 be reduced to 4.48%, which would be considered by the Council in setting the Council Tax level for 2021/22 at its meeting on the 3<sup>rd</sup> March 2021. Additionally, the Welsh Government final settlement figure was to be announced on the 2<sup>nd</sup> March 2021 and any amendments required to be considered to the budget strategy from that announcement would also be considered by Council on the 3<sup>rd</sup> March

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

- **Appendix A(i)** – Efficiency summary for the Regeneration, Leisure, Planning and Non HRA Housing Services;
- **Appendix A(ii)** – Growth Pressures summary for the Regeneration and Planning Services (none for the Leisure and Non HRA Services);
- **Appendix B** – Budget monitoring report for the Regeneration, Leisure, Planning and Non HRA Housing Services;
- **Appendix C** – Charging Digest for the Regeneration, Leisure, Planning and Non HRA Housing Services;

The following questions/issues were raised on the report:-

- The Executive Board Member in response to a question on the impact of the Covid 19 pandemic on the collection of Council tax, advised that the Council had taken measures in that regard by extending the payment period over 12 months to the end of the 2020/21 financial year, instead of the usual 10 month payment period. The Welsh Government had also announced a 75% grant would be made available to local government in Wales to assist with any shortfall in council tax collection rates arising from the pandemic
- In response to a question on the sufficiency of the £300k pa budget provision for addressing the implications of Ash Die Back disease on council owned land, the Head of Planning confirmed the level to be sufficient to meet the council's requirements but that would be reviewed as time progressed. With regard to infected trees on private owned land, the Council was working with landowners to inform them of their responsibilities and to provide guidance where needed. The Council also had a contingency fund to undertake works in default where necessary, on a rechargeable basis.
- With regard to a question on the impact of the covid pandemic on the economy of Carmarthenshire and the level of job losses, the Head of Regeneration

advised that whilst some job losses had occurred, the Government's furlough scheme had helped support employment and abate that level to date. However, it was anticipated further job losses would occur over the next few months. The Council anticipated up to 3,000 jobs could be lost within Carmarthenshire and it had adopted an action plan to help regenerate the economy by various means that included its capital programme and procurement policy which could help create approximately 2,000 jobs. It was anticipated an additional 1,000 jobs could also be created in conjunction with the Council's partners in the public and private sectors.

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

- 4.1 The 2021/22 – 2023/24 Revenue Budget Strategy Consultation be received.**
- 4.2 The Charging Digests for the Regeneration, Leisure, Planning and Non HRA Services, as detailed in Appendix C to the report, be endorsed.**

## **SOCIAL CARE & HEALTH SCRUTINY COMMITTEE**

The Committee considered the Revenue Budget Strategy 2021/22 to 2023/24 which had been considered by the Executive Board at its meeting on the 18<sup>th</sup> January, 2021. It was also noted that members of the Committee had recently attended consultation events on the budget which had provided them with an opportunity to ask questions and seek clarification on various aspects of the budget.

The report provided Members with the current view of the Revenue Budget for 2021/22 together with indicative figures for the 2023/24 financial years.

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

- Appendix A – Corporate Budget Strategy 2021/22 to 2023/24
- Appendix A(i) – Efficiency summary for the Social Care & Health Service
- Appendix A(ii) – Growth Pressures summary for the Social Care & Health Service
- Appendix B – Budget monitoring report for the Social Care & Health Service
- Appendix C – Charging Digest for the Social Care & Health Service

The Head of Financial Services provided an overview of the report. He stated that the increase in the provisional settlement was 3.8% and that the Aggregate External Finance (AEF) increased to £284.820 million in 2021/22. This included £244k in respect of Teachers pay.

The social care workforce grant had been increased from £40m to £50 million across Wales. The increase was estimated at £600k for Carmarthenshire.

The Committee was advised that the minister's letter which accompanied the provisional settlement stated that Local Authorities should meet any future pay awards from their budgets. It was also stated that while £500K had been set aside in the budget specifically for Mental Health services, it would be difficult to predict the demand.

Due to delays with settlement figures publication of the final settlement would not be until the 2<sup>nd</sup> March.

The following questions/issues were raised on the report:

- Due to concerns regarding Mental Health, it was asked if any planning had taken place for post Covid and had discussions been had with other statutory services and the third sector. The Head of Integrated Services advised that the community mental health teams were fully integrated and that throughout the pandemic a clear working infrastructure had been established. Specific working groups were in place looking at the way forward and would inform changes to commissioning services ensuring that the level of needs could be met. It was stated that the transformation in mental health programmes had not stopped but there was recognition that requirements were different due to the pandemic.
- It was asked what impact Brexit would have on the Council. The Head of Financial Services advised that it was too early to quantify but that there would be an impact on free movement of goods and potential further increase in inflationary levels.

**UNANIMOUSLY RESOLVED that:**

- 4.1 The 2021/22 – 2023/24 Revenue Budget Strategy Consultation be received;**
- 4.2 The Charging Digest for the Social Care & Health Service, as detailed in Appendix C to the report, be endorsed.**

## **EDUCATION & CHILDREN SCRUTINY COMMITTEE**

The following questions/observations were raised on the report:-

- Reference was made to the fact that the departmental overspend was due mainly to the forecast increase in school deficit balances and officers were asked whether the Authority should question the pattern of distributing money to all Local Authorities in Wales. The Chair referred to the fact that the Committee has already requested an analysis of the formula used by the Welsh Government for allocating money throughout Wales;
- It was pointed out that financial accountability rests with governors. All schools can experience falling rolls for a variety of reasons and officers were asked how decisive Governing Bodies are when quick financial decisions are needed to eradicate growing imbalances. The Head of Education & Inclusion Services informed the Committee that officers are totally aware of the financial challenges in our schools. Officers meeting with Headteachers and Governing Bodies to discuss their financial situation. He added that there are also local reasons to take in account and some schools need more support than others to tackle the problems;
- Reference was made to the fact that if the formula for funding was fair it would help counties like Carmarthenshire with a high number of small rural schools and officers were asked what is being done by the WG in relation to the presumption against closure and what discussions have been held with WG

and WLGA in relation to changing the formula and if this was done, would this take the pressure off our smaller schools. The Executive Board Member for Education and Children explained that the funding is allocated to the pupil so as pupils numbers fall then so does the funding allocated to the school. Officers from the Finance and Education Department work hard with schools to address the problems they are experiencing;

- Asked how many schools have a deficit balance, the Head of Financial Services confirmed that 44 out of 112 schools have a deficit balance;
- Reference was made to the fact that we need to put pressure on WG to allocate more money to our schools especially with the new curriculum. The Head of Education and Inclusion Services referred to the fact that there is a presumption against closure, however, WG funds per pupil and not per school which creates problems for the Authority. Representations are made to WG by the Director via the Association of Directors of Education. Any school with less than 92 pupils is considered to be a small school so any small school funding has to be spread among so many schools which fall into this category that it ends up being a very small amount of funding;
- Officers were asked if the outcome of the discussions between the unions and Welsh Government regarding the 2.75% pay increase is known and what the effect will be. The Executive Board Member referred to the fact that this has caused a lot of uncertainty because WG sanctioned the pay increase, however, the cost of this will have to be met by the Local Authority. The Head of Financial Services confirmed that there was sufficient funding in the draft budget to validate this cost for the September 2020 pay award;
- Reference was made to the fact that pupils have missed out on a year of schooling and officers were asked if there was a recognition at government level that in order bring pupils back up to the required level there needs to be some sort of financial boost to address that. The Executive Board Member for Education & Children stated that this was a huge concern and he agreed that additional money should be forthcoming to enable this issue to be addressed, however, he was unaware of any such provision. The Head of Financial Services explained that an announcement had been made the day before regarding an approximate additional £65m to support schools, however, it was not yet known how WG will deploy that funding. The Head of Education and Inclusion Services added that additional Accelerated Learning Programme grants have been made available for secondary school pupils in examination years. However, there was a challenge regarding how late this funding is received by our schools with some grants being received last week which have to be spent completely by the end of the financial year which does not allow any time for forward planning by headteachers. Officers have gone back to WG to implore them to consider this and allow headteachers sufficient time to make prudent use of this additional funding;
- Concern was expressed with regard to grant funding coming in very late and often being withdrawn altogether which makes it difficult for schools to budget. The Head of Education and Inclusion Services agreed that it was highly frustrating for headteachers and some of the terms and conditions also make it increasingly difficult. The Group Accountant added that this was something that officers constantly raise with WG. The Executive Board Member for Resources agreed that the basis for the funding formula is faulted as it does not acknowledge rurality issues and queried whether big urban authorities have the same issues with delegated budgets. If they do not then there are obviously issues with the formula funding which would need to be taken up with WG. The

Chair reminded the Committee that Finance Officers agreed to look into this issue at the last meeting;

- Officers were asked if funding has been made available to WG to provide IT equipment for vulnerable families as there is a real need to ensure that their IT requirements are addressed to ensure that every child in every family has the same opportunities. The Head of Education and Inclusion Services explained that to date over 2000 laptops and dongles have been distributed to families throughout the county;
- With regard to the Education & Child Psychology Services, officers were asked if this service was being delivered remotely and whether that had increased the number of people who can benefit. The Head of Education and Inclusion Services informed the Committee that the service has continued during the pandemic with all services delivered remotely and accessibility to external providers such as therapists has also remained. He added that in many instances in services across the department we are actually responding quicker and more effectively because we are working remotely and are able to get in touch with parents more quickly because they are now more au fait with using the technology available to them. Working remotely was not detrimental in all circumstances.

## **RESOLVED TO RECOMMEND TO THE EXECUTIVE BOARD**

- 4.1 that the 2021/22–2023/24 Revenue Budget Strategy be received;**
- 4.2 that the Charging Digest for the Education & Children’s Services Department, as detailed in Appendix C to the report, be endorsed.**

## **POLICY & RESOURCES SCRUTINY COMMITTEE**

The Executive Board Member for Resources presented the Revenue Budget Strategy 2021/22 to 2023/24 which had been endorsed by the Executive Board for consultation purposes at its meeting on 18<sup>th</sup> January 2021. The report, which provided Members with the current view of the Revenue Budget for 2021/2022 together with indicative figures for the 2022/2023 and 2023/2024 financial years, was based on officers’ projections of spending requirements and took account of the provisional settlement issued by Welsh Government on 22<sup>nd</sup> December 2020. It also reflected the current departmental submissions for savings proposals. The impact on departmental spending would be dependent upon the final settlement from Welsh Government and the resultant final Budget adopted by County Council.

The budget proposals, as presented in the report, assumed the full delivery of all of the savings proposals submitted, together with the identification and delivery of the shortfall in savings proposals 2022-23 and 2023-24. Further cost reductions would need to be identified for years 2022/23 and 2023/24 to be able to maintain the current Budget Strategy and level of council tax.

- 1.1.** It was highlighted that the critical importance of minimising the Council Tax increase for residents whilst maintaining a balanced budget in these unprecedented and challenging times was recognised.

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

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

- In response to a question as to how, when considering the budget proposals, the compromising of the ability of future generations to meet their own needs could be avoided when settlements were received so late the Director of Corporate Services acknowledged that it was a challenge which was why the Council itself formulated a 3-year budget so that the likely situation could be reasonably predicted within available parameters as to how Welsh and national government allocated funds;
- Concern was expressed the effect of the pandemic on school reserves. The Committee was advised that the Authority continued to work with the 30% of schools which were currently in deficit but it was clarified that most of the additional expenditure by schools associated with the pandemic had been funded by the hardship claims made to Welsh Government and it was anticipated that this would continue to be the case for the foreseeable future;
- In terms of general reserves, which provided a 'safety net' for unexpected variations in expenditure in any year [e.g. floods, covid] and enabled the Council to respond, the Committee was advised that it had always been deemed that 3% of net expenditure was a prudent level and it was recommended that this be retained;
- In response to a suggestion that the proposed Council Tax be reduced further than what was being recommended utilising reserves to help ratepayers at this difficult time the Director of Corporate Services advised that this would be an imprudent use of reserves for the reasons outlined earlier - the need to retain them for *unexpected* variations – and also the likely impact on residents the following year in terms of having to recover the lost tax. The Committee was advised that, in line with the budget consultation process, if it did wish to recommend a reduction of the Council Tax which did not impact on reserves it should consider the proposed budget and those areas where it would recommend spending could be reduced. Alternatively, substantial efficiency savings, presented in the report, had already been deferred to the following year and the Committee could express the view that some of these be brought forward.

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

### Questions and Feedback

#### Corporate Overview – Monday 18<sup>th</sup> January

- Concern over the need to make savings year on year and the impact on council staff being asked to continually do more with less. Recognition of the impact on staff of Covid-19 response and the need for their own recovery
- Appreciation from members of the local government response to the pandemic. Consideration to be given to whether reserves could be used to fund new capital expenditure for economic recovery
- Suggestion that the council should look to save money through a reduction in its number of buildings
- Concern over description of savings proposals – and clarity which are indeed efficiencies

#### Communities Department

- Clarity sought over likely opening date for new Llanelli Leisure Centre
- Appreciation from members of adult social care Covid-19 response and all the great work by staff
- Question over proportion of inhouse vs commission domiciliary care staff
- Expression of support / recognition of importance of meals on wheels service and 3<sup>rd</sup> party providers possibly not known to department
- Assurances sought over additional payments made to commissioned care homes during pandemic
- Question over voids/new lettings for sheltered accommodation
- Update requested on current status of vaccination programme for both care home residents and staff. Concern over pace of rollout locally
- Request to look at potential use of vacant site in Llandovery for care closer to the community
- Assurance sought over sickness absence and vacancy rates for inhouse staff
- Greater understanding sought by members over collaborative funding for joint health packages of care in mental health
- Recognition expressed over huge uncertainty in future growth in demand of mental health services

#### Education & Children's Department

- Update sought on status of new school developments at Kidwelly (Welsh Medium), Ammanford and Dewi Sant
- Feedback given that parents feel this is a difficult time for consultation. Could consideration be given to longer timescales to mitigate this. Question over how much input into proposals parents have
- Discussion over what WG determine to be a “small school” and minimum size considered under 21<sup>st</sup> Century schools programme
- Concern expressed over level of ICT equipment provided for remote learning, in particular over 1 device needing to be shared by siblings



- Extended discussion over member concerns over proposals to rationalise primary schools estate and savings proposals linked to this including delegated budgets and departmental centrally provided support services.
- Concern that pupils in small schools may not be receiving the education they deserve
- Examination of the financial structure of schools budgets into fixed and variable costs, including recognition that staffing is always the largest cost, and how a change in pupil numbers can affect funding levels
- Clarity sought over Additional Learning Needs funding
- Query whether outcomes for learners were different if they had moved to larger schools. Also whether is educational evidence to justify closing smaller schools
- Discussion over the pressures faced by small schools and the review of formula funding
- Thanks expressed to the department for the hard work during difficult times
- Concern that rationalisation of schools could mean rural areas may be left with little in terms of community assets
- Challenge whether schools rationalisation could go against council's zero carbon goals
- Recognition of the importance of communication and community involvement in future plans
- Feedback to the department that wraparound care is considered key for school success
- Concern for wellbeing / support for teachers as well as families during pandemic, especially those hard to reach
- Update sought over timescale to review catchment areas and how this links to MEP review

#### **Chief Executives Department**

- Clarity sought over the evidence base used to inform the development of the Council's ten towns strategy. Further detail requested on specific funding allocation amongst the ten towns.
- Question in relation to the impact of home working and the impact of any possible future office rationalisation
- Discussion about the positive impact which local procurement could have in supporting the local economy

#### **Corporate Services Department**

- Question about support for council tenants in arrears following bereavement
- Discussion around impact of universal credit and questions to understand scale of increase in the county

#### **Environment Department**

- Concern that funding for Ash die back may not be sufficient for the scale of the problem
- Clarity sought over the contractual position with the clinical waste collection
- Request to explore possibility to borrow to support services in this department
- Thanks given to department for swift and effective flood responses, and recognition that mitigations put in place over recent years worked during recent adverse weather

- Views expressed that short term gains (savings) in this area could result in long term pain
- Clarity sought over current status of car park gritting savings proposals
- Concern over the financial impact which ash die back was having on Town & Community Councils which had taken over responsibility for playgrounds
- Concern that successive year on year cuts to the department meant services were down to the bone
- Following cuts over 10 years, pleasing to see only small savings in the planning service. Question whether there was a need to consider increase in enforcement officers
- Recognition that many of the services provided by the department are the most visible
- Concern over some areas of maintenance being reactive only
- Concern over the state of rural roads
- Suggestion that investment in improved ditch maintenance could save money in the long run. Question over split of responsibility between council and neighbouring landowner
- Suggestion that efforts be made to promote positive behaviour change, for example around dog fouling
- Recognition that on cleansing and fly tipping, the council was taking a localised approach according to community need
- Concern that possible proposals around schools rationalisation could lead to budget pressures in schools transport in this departments budget
- Clarity sought over who bears the cost if planning appeals lead to overturned decisions
- Question over the difference finances between single use refuse bags vs bins
- Concern over some residents misusing waste collection service
- Concern over difficulties engaging with statutory consultees during planning process
- Suggestion that fast food retailers should take increased responsibility for refuse / cleansing cost which the businesses create
- Suggestion that a re-use shop be considered to reduce landfill waste/improve recycling and offer a benefit to residents
- Clarity sought over the timing of future decisions relating to possible kerbside glass collection
- Concern over covid-19 infection risk from Car park payment machines
- Suggestion that Town & Community Councils could be asked to take over more public conveniences
- Question over the relative incentive for the public of parking season tickets given the small price differential
- Clarity sought over the current position with Lime Grove House

## 8) APPENDIX B – TOWN AND COMMUNITY COUNCIL MEETING

The Carmarthenshire Community & Town Councils were invited to attend a meeting of the Liaison Forum on 26 January, to discuss the budget consultation. All councils

had received an e-mail detailing the consultation with a link to the video clip prepared by Cllr. David Jenkins, beforehand.

Whilst 35 registered to attend beforehand, 19 people joined the meeting, held via Zoom.

Cllr. Peter Hughes-Griffiths chaired the meeting, whilst the Leader, Cllr. Emlyn Dole gave a brief introduction noting his thanks to the Community & Town Councils for their work in supporting local communities, during the pandemic.

Cllr. David Jenkins encouraged the local councils to disseminate the information on the consultation extensively and for individuals to support the process of setting the Council's budget.

Chris Moore gave a detailed presentation on the budget strategy and noted that no new savings proposals are being put forward for consultation this year, however the council's Executive Board has reiterated its commitment to delivering the three-year savings agreed in the 2020 budget.

CM noted that the provisional settlement was announced on Tuesday 22nd December 2020. Indicative figures for individual Local Authorities were provided for one financial year only, 2021/22, with no further information about future years' settlements. The settlement given to Carmarthenshire is better than expected; however, efficiencies are required to meet constant budgetary pressures. CM also gave information on the impact of Covid-19 on the Council's income and expenditure.

CM outlined the next steps in terms of preparing the budget and the Democratic approval timescales. Once again, the importance of comments from the local councils to support the Executive Board in their decisions.

Following discussion, the following points were raised:

- A specific question regarding the Road Improvement Grant. CM explained that this grant is administered by Welsh Government and is not European funded.
- Several councils noted their sincere thanks to the County Council for their response during the pandemic and the support for local communities.
- A specific question regarding the Education budget and if there is any scope to increase the budget to support schools during these difficult times. CM noted that Welsh Government have not formally declared their hand on Covid-19 related budgetary support for schools. CCC are aware of the challenge that schools face and are constantly monitoring this.
- Members thanked CM for his detailed presentation.