

CABINET

MONDAY, 13 MAY 2024

PRESENT: Councillor D. Price (Chair)

Councillors (In Person):

G. Davies	H.A.L. Evans	L.D. Evans	P.M. Hughes
A. Lenny	E.G. Thomas	J. Tremlett	A. Vaughan Owen

Councillors (Remotely):

C.A. Davies

Also in attendance as an observer (Remotely):

Councillor D.M. Cundy

Also Present (In Person):

W. Walters, Chief Executive
J. Morgan, Director of Community Services
C. Moore, Director of Corporate Services
G. Morgans, Director of Education & Children's Services
A. Williams, Director of Place and Infrastructure
L.R. Jones, Head of Administration and Law
C. Higginson, Media Manager
L. Jenkins, Cabinet Support Officer
E. Evans, Principal Democratic Services Officer
J. Owens, Democratic Services Officer

Also Present (Virtually):

S. Rees, Simultaneous Translator
D. Hall-Jones, Member Support Officer

Chamber - County Hall, Carmarthen. SA31 1JP and remotely - 10.00 - 10.31 am

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF PERSONAL INTEREST

Councillor / Officer	Minute Number	Nature of Interest
Councillor H.A.L. Evans	8 – Lease of former Newcastle Emlyn Courthouse to Newcastle Emlyn Town Council.	She is a Member of Newcastle Emlyn Town Council.

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

3. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE CABINET HELD ON THE 29TH APRIL 2024

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Cabinet held on the 29 April 2024 be signed as a correct record.

4. QUESTIONS ON NOTICE BY MEMBERS

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

5. PUBLIC QUESTIONS ON NOTICE

The Chair advised that one public question had been received.

5.1. QUESTION BY MR HAVARD HUGHES TO CLLR. DARREN PRICE, LEADER OF THE COUNCIL:

"What steps are you taking to avoid a potential conflict of interest between Carmarthenshire's pension fund investment in Bute Energy and the fact that aspects of Bute Energy's pylons projects including the sub-station at Llandyfaelog which will be determined locally by County Councillors and officers with pensions dependent on the success of Bute Energy's projects?"

Response by Councillor. Darren Price, Leader of the Council:-

Thank you Mr. Hughes for the question. Members, as you would expect, are well versed in the requirements of the Code of Conduct for declaring interests, where they have interests to declare that is, so I'm sure that any members who are members of the Local Government Pension Scheme – and not all members necessarily are – will seek advice from the Monitoring Officer as and when decisions associated with the GreenGEN Cymru proposal arise. Certainly as Council Leader, I will be urging members to seek that advice.

You will also be aware that officers are similarly subject to a Code of Conduct. However, it is important to make a number of points here, which arise directly from your question. The first point surrounds your use of the term 'Carmarthenshire Pension Fund investment'. Let us be clear – there is no such thing as a Carmarthenshire Pension Fund. I'm not sure whether use of the term 'Carmarthenshire' on your part is a misunderstanding or not, but whichever is the case, I will try and provide some context for the avoidance of doubt. Officers and some councillors are in fact members of the Dyfed Pension Fund, which is a separate and autonomous body with responsibility for handling pension funds relevant to workers from around 50 organisations across Pembrokeshire, Ceredigion and here in Carmarthenshire. These bodies include, among others, Ceredigion County Council, Coleg Ceredigion, Aberystwyth University, Coleg Sir Gar, Dyfed-Powys Police, Mid & West Wales Fire & Rescue Service, Pembrokeshire College, Pembrokeshire Coast National Park, Pembrokeshire County Council, University of Wales Trinity St. David, as well as Carmarthenshire

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County Council and a whole host of Town and Community Councils and other organisations.

The Dyfed Pension Fund is then a member of the ‘Welsh Pension Partnership’ (WPP) which is a partnership between the eight Local Authority pension funds in Wales, and it is the WPP that has coordinated the investment in one or more of the Bute Group of Companies.

We now know that the Pension Fund commitment is to invest in Bute Energy windfarms, and it’s important to emphasise ‘windfarms’ here as the Dyfed Pension Fund has not invested directly in the proposed infrastructure in the Towy and Teifi Valleys. We also know that the decision to invest in the windfarms predated the letters issued by Green Generation (GGENC)/Bute Energy in January 2023, which then provided of course widespread awareness of its infrastructure plans for the scheme known as the ‘Tywi-Usk’; so the Dyfed Pension Fund at the time when the commitment to invest was made were not aware at that time that GGENC/Bute infrastructure proposals would impact on Carmarthenshire, or that the infrastructure proposals would be insensitive or inappropriate.

It is important to note that as the Welsh Pension Partnership is a partnership between eight autonomous regional pension funds, Carmarthenshire County Council did not vote on the investment and was not called on to approve the investment.

Now clearly, the planning application relating to the sub-station at Llandyfaelog is one which will fall on the Local Planning Authority to determine, and I would expect the Planning Committee to make a decision. As you are aware, the Planning Committee has a Quasi-judicial status, and members must make decisions based on planning policy and material planning considerations. Again, the Code of Conduct is absolutely clear in terms of the requirements on planning committee members, given its quasi-judicial nature. Whilst I, and other members, may express views on any planning application, it is for the Planning Committee to determine the application independently, and this will apply in the case of any application relating to the sub-station at Llandyfaelog.

Now as you are aware, my personal views on the Green GEN Cymru proposal are well known. I believe that the cables should be undergrounded, in line with Welsh Government guidelines, in order to protect our local landscapes for future generations. Indeed that view is shared by the Cabinet that sit here this morning. Finally, I’m sure we’d all like to thank Ann Davies, our Cabinet Member for Rural Affairs, and the other campaigners who have led on this, for the huge amount of work that they have carried out on this agenda over the past year, and who I know will carry on the fight. Thank you”.

Supplementary question by Mr Havard Hughes:

“Bute Energy argue that they can’t afford undergrounding due to the £100per meter compensation costs and they need to maximise profits to investors such as Carmarthenshire County Council and the Dyfed Pension Fund which is

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administered by Carmarthenshire County Council. Surely this equates to a profound conflict of interest between residents, who want undergrounding, and the Local Authority Pension Fund members. In light of this, will you give a commitment not to invest any more Pension Fund monies in Bute Energy, and to evaluate Carmarthenshire's ability to follow Powys County Council's lead and withdraw at the earliest opportunity from the Scheme?"

Response by Councillor. Darren Price, Leader of the Council to the supplementary question:-

Thank you for that. I think you asked me to give a commitment in terms of any future investments in Bute Energy. As I explained in my initial question, I'm sure you heard that, I haven't got the power to give any commitment on anything relating to pension matters, they are totally separate to Carmarthenshire County Council; in fact no County Council in the whole of the UK manages its pension investments – they are set by autonomous bodies – in Wales we have 8 autonomous regional Pension Funds which are totally separate to us here as a County Council. So, regardless of what resolutions or statements we make as County Councillors it is not binding on the Pension Fund itself. Now in terms of our position as a Council, as I've set out previously, we are absolutely clear in our position, there is no need for these cables to be transmitted on pylons – we absolutely believe that the undergrounding and the cable ploughing technique in particular are viable. How do we know that? We know it because we have a company in Carmarthenshire which carries this work out 7 days a week – not just in the UK but across Europe. So, the technology is proven, the technology is cost effective and there are clearly other projects across the world that are undertaking this work; so from my perspective there is absolutely no conflict between ensuring returns for the Pension Fund and delivering a scheme which respects our landscape. This decision sits in the arms of the company of course, that is something for them to decide upon, but as we have consistently done, we would urge them to make the right decision, to follow Welsh Government guidance on this and to underground the whole route.

Now in addition to that, with regards to the Pension Fund and the Dyfed Pension Board – the Dyfed Pension Board has representation from right across Dyfed, and we have a Carmarthenshire representative, who is Cllr. Alun Lenny, and they are there to challenge and to scrutinise the work of the Pension Fund. You may be aware that there is a meeting of the Board tomorrow, and at that meeting Councillor Lenny has asked the Board to consider a way ahead for investors, and there are a number of suggestions that have been put forward by Councillor Lenny which we hope the Dyfed Pension Fund will take into account. But certainly, as far as I'm concerned, there is a way forward here which ensures that the Pension Fund and the investors get a return on their investment, but which also protects the landscape for future generations.

The really important point to make here is that Carmarthenshire County Council cannot instruct the Dyfed Pension Fund on its investments. It is a totally separate organisation and it is incumbent on all people who discuss this matter in public to ensure that that position is understood. It has been brought to my attention that there is a petition circulating at the moment, which again references

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‘Carmarthenshire Pension Fund investment; now clearly, I understand that you are closely aligned with that residents association group which seek to represent the views of residents – it might be an opportune moment for you to maybe reflect on some of the wording on that petition to make it absolutely clear that this is an autonomous body and is quite separate to the County Council. There are a few other comments that have been made in the public domain on this that cause me some concern if I’m being perfectly honest. I’m not sure whether you’re here as a resident, or as a member of the conservative party this morning, or whether you’re here in your capacity as a spokesperson in terms of CRAiG Sir Gâr but I have a few questions that I would like to maybe ask you and the organisation in particular – particularly around the founding principles, you know the election of Officers and how spokespeople are allocated. But I’m sure I could do that outside the meeting and I could write to you formally to try and get some clarification on that because I’m sure that a number of us in the county would be more than happy to contribute to the discussions of this residents group and I’m sure that a number of us from right across this county would be able to identify individuals who can contribute in a positive way to those discussions, but as I say I can take that up with you via letter outside of the meeting. Thank you very much”.

6. COUNCIL’S REVENUE BUDGET MONITORING REPORT

The Cabinet considered the revenue budget monitoring report which provided the latest budgetary position as at 29 February 2024, in respect of 2023/24.

Overall, the monitoring report forecast an overspend for the year at departmental level of £8,472k, with a forecast overspend on the Authority’s net revenue budget of £4,394k.

The Housing Revenue account set out at Appendix B to the report forecast an overspend of £46k for 2023/24. Cabinet noted that the situation would be reviewed as the significant issues identified become clearer from a financial perspective.

UNANIMOUSLY RESOLVED:

- 6.1 that the budget monitoring report be received and the budgetary position and appropriate corrective action taken be noted;**
- 6.2 that, in respect of significant overspends on specific budget areas, Chief Officers and Heads of Service critically review options available to them to address the ongoing impact.**

7. CAPITAL PROGRAMME 2023/24 UPDATE

Cabinet received a report providing an update on the latest budgetary position for the 2023/24 capital programme, as at the 29 February 2024 and detailed new projects and virements for noting and Cabinet approval. Appendix A to the report indicated a forecast net spend of £80,059k compared with a working net budget of £140,625k, giving a -£60,482k variance.

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The net budget included the original H.R.A. and General Fund capital programmes approved by Council on 1st March and slippage from 2022/23. Some of the budgets had also been amended to account for differences in actual grant allocations compared with the anticipated allocations at the time the programme was approved, and new grant awards received during the year to date. The project outturn for the year totalled £134m gross which is £32m more than the final outturn from 2022-23. This expenditure was attributable to significant spend on the HRA programme, and Pentre Awel.

Appendix B to the report detailed the main variances within each department.

UNANIMOUSLY RESOLVED:

- 7.1 that the capital programme update report 2023/24 be received;
- 7.2 that the new projects, as detailed within the report, be noted and agreed, to be funded from current year capital charges underspends.

8. LEASE OF FORMER NEWCASTLE EMLYN COURTHOUSE TO NEWCASTLE EMLYN TOWN COUNCIL

[NOTE: Councillor H.A.L Evans, having earlier declared an interest in this item, left the meeting prior to the consideration and determination thereof.]

Cabinet considered a report which set out proposals for the Council to lease the former Newcastle Emlyn Courthouse to Newcastle Emlyn Town Council to enable the premises to be used for community regeneration purposes.

Cabinet was informed that the condition of the premises had deteriorated since the library service had vacated, and there was no viable alternative County Council use for the premises. Furthermore, a public consultation exercise had identified a desire for its retention and refurbishment to a multi-use centre / community hub in line with the Town Council's aim of safeguarding the future of the building for the benefit of the residents of the Town.

Cabinet was advised that the Town Council would seek to secure funding in the region of £25,000 from the Shared Prosperity Fund (SPF) to undertake the necessary refurbishment of the premises, with funding being conditional upon the Town Council having a lease of sufficient term in the premises. Accordingly, it was proposed that the Council grant a lease for a term of 21 years at a peppercorn rent on the condition that the Town Council would be responsible for full repairs, maintenance, insurance and premises related outgoings under the lease.

UNANIMOUSLY RESOLVED to agree to the County Council entering into a lease for 21 years at a peppercorn rent with Newcastle Emlyn Town Council.

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

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

CHAIR

DATE

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