

Pecyn Dogfennau



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DYDD LLUN, 18 IONAWR 2021

AT: HOLL AELODAU'R BWRDD GWEITHREDOL

YR WYF DRWY HYN YN EICH GALW I FYNYSBU RHITH-GYFARFOD O'R BWRDD GWEITHREDOL AM 10.00 YB, DYDD LLUN, 25AIN IONAWR, 2021 ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA SYDD YNGHLWM

Wendy Walters

PRIF WEITHREDWR

| | |
|-------------------------------------|-------------------------------|
| Swyddog Democraidd: | Martin S. Davies |
| Ffôn (llinell uniongyrchol): | 01267 224059 |
| E-bost: | MSDavies@sirgar.gov.uk |

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

Y BWRDD GWEITHREDOL AELODAETH - 10 AELOD

| Cynghorydd | Portffolio |
|--|--|
| Cynghorydd Emlyn Dole | Arweinydd Arweinyddiaeth a Strategaeth Gorfforaethol; Cadeirydd y Bwrdd Gweithredol; Cynrychioli'r Cyngor ar CLILC; Datblygu Economaidd; Yn cynrychioli'r Cyngor ar Ranbarth Dinas Bae Abertawe; Cydweithio; Marchnata a'r Cyfryngau; Penodi Aelodau o'r Bwrdd Gweithredol; Penderfynu ar bortffolios ABG; Cyswllt â'r Prif Weithredwr; Bwrdd Gwasanaethau Cyhoeddus |
| Cynghorydd Mair Stephens | Dirprwy Arweinydd Rheolwr Busnes y Cyngor; Adnoddau Dynol; Rheoli Perfformiad; Archwilio Cymru; Hyfforddiant; T.G.Ch; T.I.C. Cynllunio strategol |
| Cynghorydd Glynog Davies | Addysg a Phlant Ysgolion; Gwasanaethau Plant; Anghenion Addysgol Arbennig; Diogelu; Cartrefi Seibiant; Gwasanaeth Gwella Ysgolion Integredig Rhanbarthol; Dysgu Oedolion yn y Gymuned; Gwasanaethau Ieuenctid; Gwasanaethau Arlwyo Ysgolion, Aelod Arweiniol dros Blant a Phobl Ifanc; Llysgennad Ieuenctid |
| Cynghorydd Cefin Campbell | Cymunedau a Materion Gwledig Materion Gwledig ac Ymgysylltu â'r Gymuned; Diogelwch Cymunedol; Yr Heddlu; Deddf Gwrthderfysgaeth a Diogelwch 2015; Trechu Tlodi; Llesiant Cenedlaethau'r Dyfodol; Cyswllt y Trydydd Sector; Cydraddoldeb, Strategaeth Newid yn yr Hinsawdd. |
| Cynghorydd Hazel Evans | Amgylchedd Sbwriel; Clanhau Strydoedd; Gwasanaethau Priffyrdd aThrafnidiaeth; Cynnal a Chadw Tiroedd; Gwasanaethau Adeiladu; Gofalu; Clanhau Adeiladau; Cynlluniau Argyfwng; Llifogydd, Hawliau Tramwy Cyhoeddus. |
| Cynghorydd Linda Evans | Tai Tai - Cyhoeddus; Tai - Preifat; Heneiddio'n dda |
| Cynghorydd Peter Hughes Griffiths | Diwylliant, Chwaraeon a Thwristiaeth Llysgennad Cynghorau Tref a Chymuned; Datblygu'r Iaith Gymraeg; Theatrau; Chwaraeon; Canolfannau Hamdden; Amgueddfeydd; Llyfrgelloedd; Parciau Gwledig; Twristiaeth. |
| Cynghorydd Philip Hughes | Diogelu'r Cyhoedd Safonau Masnach; Iechyd yr Amgylchedd. Gorfodaeth Amgylcheddol; Gorfodaeth Cynllunio; Gwastraff Didrwydded; Gwasanaethau Parcio; Bio amrywiaeth |
| Cynghorydd David Jenkins | Adnoddau Cyllid a'r Gyllideb; Effeithlonrwydd Corfforaethol; Rheoli Eiddo / Asedau; Caffael; Budd-daliadau Tai; Refeniw; Gwasanaethau Statudol (Cwrneriaid, Cofrestryddion, Etholiadol, Arglwydd Rhaglaw); Hyrwyddwr y Lluoedd Arfog; Canolfannau Cyswllt a Chanolfannau Gwasanaethau Cwsmeriaid |
| Cynghorydd Jane Tremlett | Gofal Cymdeithasol ac Iechyd Gwasanaethau Cymdeithasol i Oedolion; Gofal Preswyl; Gofal Cartref; Anableddau Dysgu; Iechyd Meddwl; Cyswllt / Cydweithio / Integreiddio â'r GIG; Gwasanaethau Arlwyo Cartefi Gofal, Pencampwr Gofalwyr; Llysgennad Anabledd; Pencampwr Gofal Dementia |

AGENDA

1. YMDDIHEURIADAU AM ABSENOLDEB.
2. DATGAN BUDDIANNAU PERSONOL.
3. CWESTIYNAU Â RHYBUDD GAN YR AELODAU.
4. CWESTIYNAU A RHYBYDD GAN Y CYHOEDD.
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8. DIWEDDARU RHAGLEN GYFALAF 2020/21. 191 - 200
9. UNRHYW FATER ARALL Y GALL Y CADEIRYDD OHERWYDD AMGYLCHIADAU ARBENNIG BENDERFYNU EI YSTYRIED YN FATER BRYN YN UNOL AG ADRAN 100B(4)(B) O DDEDDF LLYWODRAETH LEOL, 1972.

Mae'r dudalen hon yn wag yn fwriadol

Y BWRDD GWEITHREDOL 25AIN IONAWR 2021

Y Pwnc: Pleidlais adnewyddu Ardal Gwella Busnes (AGB) Llanelli

Y Pwrpas: Cadarnhau cefnogaeth Cyngor Sir Caerfyrddin i Ymlaen Llanelli gynnal pleidlais adnewyddu ar gyfer Ardal Gwella Busnes (AGB) Llanelli am dymor newydd o 5 mlynedd, o 1 Ebrill 2021 tan 31 Mawrth 2026.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

- Cefnogi 'Ymlaen Llanelli' i gynnal pleidlais ffurfiol ynghylch a yw busnesau ardrethol cymwys y dref yn dymuno adnewyddu Ardal Gwella Busnes Llanelli am ail dymor o 5 mlynedd, o 1 Ebrill 2021 tan 31 Mawrth 2026
- cytuno ar ei safbwynt o ran rhoi cefnogaeth i egwyddor ail dymor arfaethedig yr AGB a phleidleisio o ran ei 24 eiddo ardrethol sy'n eiddo i'r Cyngor ac yr effeithir arnynt o fewn y parth AGB (amcangyfrif o gost flynyddol yr ardoll yw £14,841.25 ynghyd â chwyddiant o 2% y flwyddyn);
- cytuno ar yr egwyddor o ymgymryd â chasglu ardoll yr AGB fel y nodwyd yn y Cytundeb Gweithredol ar ran Ymlaen Llanelli am gost o tua £3,494.98 y flwyddyn.
- cymeradwyo'r Datganiad o Wasanaethau Sylfaenol a amgaeir ar gyfer cwmni'r AGB;
- enwebu cynrychiolydd aelodau i fod ar Fwrdd Cwmni'r AGB;
- cytuno i reoli proses bleidleisio'r AGB heb ffi ar ran Ymlaen Llanelli.

Y Rhesymau:

Ers ei dechrau mae'r AGB wedi ceisio gwella Llanelli fel lle i bobl fyw ac ymweld ag ef.

Yn ystod ail gyfnod cyflawni pum mlynedd arfaethedig yr AGB, amcangyfrifir y byddai £456,095 yn cael ei gasglu drwy ardoll o 1.25% ar werth ardrethol eiddo masnachol yn ardal gyflawni'r AGB. Ardoll a gaiff ei hailfuddsoddi mewn prosiectau a gwasanaethau a fydd o fudd i fusnesau yng nghanol y dref.

Yn ystod tymor cyntaf yr AGB mae Ymlaen Llanelli wedi cynnal digwyddiadau rheolaidd yng nghanol y dref gan gynnwys sinema awyr agored, gŵyl 80au Llanelli a Gŵyl Bwyd a Diod Llanelli. Mae'r teclynnau cyfrif nifer yr ymwelwyr yng nghanol y dref sydd wedi'u hariannu gan Gyngor Sir Caerfyrddin yn dangos bod y digwyddiadau'n cynyddu nifer y bobl sy'n ymweld â chanol y dref. Ar gyfartaledd, nifer yr ymwelwyr a gofnodwyd ar ddydd Sadwrn dros gyfnod o 6 wythnos yn Llanelli yw 16,800. Mae'r tabl isod yn dangos nifer yr ymwelwyr yn ystod digwyddiadau a drefnwyd gan yr AGB

| Digwyddiad | Nifer yr Ymwelwyr |
|-------------------------|-------------------|
| Batman Returns | 25,077 |
| Gŵyl yr 80au | 28,015 |
| Gŵyl Gerdd Gâr Gŵyl | 22,640 |
| Digwyddiad Deinosoriaid | 25,132 |
| Great Get Together | 28,605 |

Bydd parhau â'r digwyddiadau yng nghanol y dref, a'r cynnydd yn nifer yr ymwelwyr a ddaw yn eu sgil, yn hanfodol i adferiad economaidd y busnesau y mae pandemig Covid-19 wedi effeithio'n andwyol arnynt.

Mae grŵp llywio'r AGB, yn dilyn ymgynghoriad helaeth â busnesau o fewn terfynau'r AGB, yn cynnig y bydd ail dymor yr AGB yn canolbwyntio ar bedwar maes gweithgarwch:

1. Hybu marchnata
2. Gwella'r profiad
3. Gwella mynediad
4. Datblygu Strategaeth

Angen ymgynghori â'r Pwyllgor Craffu perthnasol Amherthnasol
 Angen i'r Bwrdd Gweithredol wneud penderfyniad OES
 Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N DAL Y PORTFFOLIO: - Y Cyngorydd
 Emlyn Dole Portffolio'r Arweinydd

| | | |
|---|---|---|
| Y Gyfarwyddiaeth Enw Pennaeth y Gwasanaeth: Jason Jones Awdur yr Adroddiad: Steffan Jenkins / Tessa Peregrine | Swydd Pennaeth Adfywio Rheolwr Rhanbarthol – Datblygu Economaidd / Cydgysylltydd Datblygu Economaidd | Cyfeiriad e-bost: jajones@sirgar.gov.uk SHGJenkins@sirgar.gov.uk / TPeregrine@sirgar.gov.uk |
|---|---|---|

EXECUTIVE SUMMARY
EXECUTIVE BOARD
25TH January 2021

SUBJECT

Renewal ballot of Llanelli Business Improvement District (BID)

1. Background information

The report seeks to gain a recommendation from Carmarthenshire County Council to support the renewal ballot request from Ymlaen Llanelli.

After a successful ballot with businesses within the delivery area the Llanelli BID was established in November 2015. The five-year contract to deliver the Llanelli BID was awarded to Ymlaen Llanelli, an independent not for profit company limited by guarantee. Following the expiration of the five-year term, Ymlaen Llanelli seeks to re-ballot businesses within the delivery area, which remains unchanged (BID boundary plan attached), to determine if they would support the extension of the BID for a further term of five years

Please see the accompanying renewal ballot proposal for further details of the proposition put forward by Ymlaen Llanelli.

2. Other options considered

The County Council could choose not to endorse the renewal ballot by Ymlaen Llanelli. However, this would result in a period of uncertainty for businesses in Llanelli town centre, at a time where they are seeking to recover from the economic effects of the Covid-19 pandemic. Ymlaen Llanelli have an established presence in Llanelli town centre along with a calendar of targeted event that benefit local businesses and a proven track record of delivery.

Since its inception the Ymlaen Llanelli have:

- Developed a calendar of events that have grown year on year
- Successfully campaigned for a dedicated police presence in the town centre to tackle anti-social behaviour
- Introduced £1 parking days to incentivise people to shop in the town centre
- Purchased a campaign of local advertising through Sky Media to promote Llanelli town centre
- Established the 'Love Llanelli' brand and developed branded products such as reusable travel mugs and shopping bags.

3. KEY RECOMMENDATIONS

It is recommended that the Executive Board supports the undertaking of a renewal ballot by Ymlaen Llanelli and endorses the following:

- Support the 'Ymlaen Llanelli' to hold a formal ballot on whether or not the town's eligible rateable businesses wish to renew the Llanelli Business Improvement District for a second 5 year term to run from 1st April 2021 to 31st March 2026
- agree its position in respect of support for the principle of the proposed BIDs second term and voting in respect of its 24 affected Council owned rateable properties within the BID zone (estimated annual levy charge of £14,841.25 plus inflation at 2% pa);
- agree the principle of undertaking the BID levy collection as detailed in the Operational Agreement on behalf of the Ymlaen Llanelli at a cost of circa £3,494.98 per annum.
- approves the attached Statement of Baseline services to the BID company;
- nominates a member representative to sit on the BID Company Board;
- agrees to manage the BID ballot process at no fee on behalf of Ymlaen Llanelli.

| | |
|---|-----|
| DETAILED REPORT ATTACHED? Ymlaen Llanelli Reballot Proposal | YES |
|---|-----|

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **Jason Jones** Head of Regeneration

| Policy, Crime & Disorder and Equalities | Legal | Finance | ICT | Risk Management Issues | Staffing Implications | Physical Assets |
|---|------------|------------|------------|------------------------|-----------------------|-----------------|
| YES | YES | YES | YES | NONE | YES | NONE |

1. Police, Crime, & Disorder and Equalities

The project supports Carmarthenshire County Council's Transformations Strategy which identifies six key transformational projects, including the transformation of Llanelli town. The Llanelli BID will play a key role in the transformation of Llanelli town.

The proposed project is aligned to the principles of the Well-being of Future Generations Act (Wales) 2015 in terms of taking action to safeguard the local economy of Llanelli for future generations. The five ways of working and the sustainable development principle has been considered when developing the proposal (Long Term, Prevention, Integration, Collaboration, & Involvement). Ymlaen Llanelli will aim to continue to improve the vibrancy and viability of Llanelli town and where possible will engage with Dyfed Powys Police as a stakeholder in the town.

2. Legal

As part of a BID it is standard practice for the BID group to put in place operational and baseline services agreements with the Council. The operational agreements set out the terms of the agreement in relation to the operation of the BID including collection responsibilities. The baseline services agreement sets out the Council's current service provision as the BID group cannot use BID levy to replace existing council services. All affected departments have been consulted and agreed on the baseline services agreement and both the draft Baseline Services and Operational agreements have been reviewed by Legal.

3. Finance

The Council is currently liable for 24 rateable properties within the BID boundaries with a combined potential annual BID levy charge of £14,841.25 pa (2% inflation pa). CMT will need to consider whether this revenue implication is to be funded by the relevant department upon renewal of the BID agreement. Whilst the BID collections software was purchased as part of the initial Llanelli BID, there will be cost implications on the Council in respect of the levy collection via business rates. These costs will, however, be minimised by synchronising collections with the annual business rates. There is a clause in the operational agreement to enable the charge to be passed onto the BID group.

There will be a further cost implication on the authority in respect of undertaking the re-ballot with regard to printing, postage & staff costs (notionally £3,300.00). As stated in regulation 10 of The Business Improvement District (Wales) Regulations 2015 - Where the number of persons voting in the ballot who have voted in favour is less than 20 per cent of the number of persons entitled to vote in the ballot and —

(a) the proposals were not approved in the ballot; or

(b) the National Assembly issues a notice under regulation 9(11) in relation to the ballot.

The relevant billing authority may require the BID proposer or the BID body, as the case may be, to pay the costs of arranging and holding the ballot and the relevant billing authority may recover this amount as a civil debt due to it.

(3) The costs referred to in paragraph (2) include any expenses properly incurred by the ballot holder and charged to the relevant billing authority under regulation 20.

Agreement is sought to run the ballot for this 5 year term at no cost to the Llanelli BID.

4. ICT

Collection software and licences in place and are currently used by the Llanelli BID team. There is an annual cost of circa £3494.98 for the administering the collection of the BID levy on behalf of the BID.

5. Risk Management

If the proposal to approve the renewal of the ballot is rejected then the Council's ability to fully deliver on one of its key regeneration aims - the transformation of Llanelli town centre - is affected.

6. Staffing

Whilst there are no additional staffing requests to support the delivery of the BID the Council will need to commit existing staffing resources to:

- Collect the levy on behalf of the BID group;
- Assist with the ballot;
- Representative of the Council will be required to sit on the BID Company Board

CONSULTATIONS

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

Signed: Jason Jones, Head of Regeneration

1. Scrutiny Committee N/A

2. Local Member(s) Local Members of Elli, Lleidi and Tyisha Wards – consulted on 09/12/2020

3. Community / Town Council N/A

4. Relevant Partners N/A

5. Staff Side Representatives and other Organisations N/A

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

YES

Include any observations here

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

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

THESE ARE DETAILED BELOW

| Title of Document | File Ref No. | Locations that the papers are available for public inspection |
|--|--------------|---|
| Transformation Strategy | | https://www.carmarthenshire.gov.wales/home/council-democracy/strategies-and-plans/ |
| BID Boundary Plan | | |
| Ymlaen Llanelli Reballot Proposal | | |
| Draft Statement of Baseline Services Agreement | | |
| Ymlaen Llanelli Draft Operational Agreement | | |

Mae'r dudalen hon yn wag yn fwriadol

DRAFT BASELINE AGREEMENT FOR THE PROVISION OF STANDARD SERVICES

Dated

[to be inserted]

Carmarthenshire County Council (the “Council”)

And

**Ymlaen Llanelli Ltd.
(the “BID Company”)**

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Baseline Agreement for the Provision of Standard Services

Dated [to be inserted]

Between

- 1) NAME OF THE COUNCIL Carmarthenshire County Council and
- (2) NAME OF THE BID COMPANY Ymlaen Llanelli [registered as a company limited by guarantee in England and Wales]

Recitals

- A The Council is the local authority for the purposes of the Local Government Act 2003 and is responsible for providing the Standard Services within the BID Area
- B The BID Company is responsible for the management and operation of the BID and for achieving the objectives and aspirations set out in the BID Business Plan
- C The purpose of this Deed of Agreement is to set out for the avoidance of doubt
 - i) the Standard Services provided by the Council within the BID area
 - ii) the benchmark levels against which the provision of the Standard Services will be measured so as to ensure that whenever the BID Company wishes to provide any additional/complementary services these services are not services which the Council should be providing pursuant to their existing statutory duties and
 - iii) the mechanism for the continued monitoring and review of the Standard Services

It is agreed:

1 Definitions

Ballot Result Date means the date upon which a successful ballot result has been declared in favour of putting in place the BID Arrangements.

Baseline Agreement sets out for the avoidance of doubt

- i) the Standard Services provided by the Council within the BID area
- ii) the benchmark levels against which the provision of the Standard Services will be measured so as to ensure that whenever the BID Company wishes to provide any additional/complementary services these services are not services which the Council should be providing pursuant to their existing statutory duties and
- iii) the mechanism for the continued monitoring and review of the Standard Services.

BID means the Business Improvement District which is managed and operated by the BID Company and has the meaning given in the Regulations

BID Area means that area within which the BID operates as shown in Schedule 1

BID Arrangements has the meaning given by section 41 of the Local Government Act 2003

BID Business Plan means the plan voted for by the BID Levy Payers which sets out the objectives of the BID and is known as the BID Proposal

BID Levy means the charge levied and collected within the BID pursuant to the Regulations

BID Levy Payers means the non-domestic rate payers liable for paying the BID Levy

BID Proposal means the plan voted for by the BID Levy Payers in a ballot which sets out the objectives of the BID and identifies the various projects which will be undertaken using funds raised by the BID Levy and/or Voluntary Contributions to achieve those

objectives and 'Renewal Proposals' has the same meaning save that 'ballot' shall be replaced with 'renewal ballot' and 'Alteration Proposals' has the same meaning save that 'ballot' shall be replaced with 'alteration ballot'

BID Term means 1st April 2021 to 31st March 2026

Complementary Service(s) means those services secured or procured by the BID Company from the Council or other third party provider in addition to the Standard Services

Complementary Services Agreement(s) means an agreement entered into between the Council and the BID Company or such further agreements as may be entered into by the BID Company for the provision of the Complementary Services

Complementary Service Provider means the provider of a Complementary Service

Designated Officer means the officer appointed by the Council to liaise directly with the BID on issues relating to the performance of the Standard Services and any Complementary Services provided by the Council

Financial Year means the financial year for the BID Company which runs from 1st April to 31st March

Operating Agreement means the agreement to be entered into between the Council and the BID Company which sets out various procedures for the collection, monitoring and enforcement of the BID Levy

Performance Notice means a notice served by the BID Company which:

- (a) identifies the Standard Service to which the notice relates;
- (b) states how the Standard Service is not being provided in accordance with this Agreement; and
- (c) requests that the Council liaise directly with the provider or contractor responsible for carrying out the Standard Service as soon as practicable for the purposes of securing compliance with this Agreement.

Protocols means the informal procedures to be agreed by the Council and the BID Company the purpose of which is to assist in the provision of the Standard Services

Regulations means the Business Improvement Districts (Wales) Regulations 2005 and such amendments to those regulations which may be made by the National Assembly for Wales pursuant to Section 48 of the Local Government Act 2003 (from time to time)

Services Review Panel means the panel comprising officer representatives from the Council and the BID Company

Standard Services means the services provided by the Council within the BID Area as set out in Schedule 2

Voluntary Contribution(s) means any contributions or funds paid or made available to the BID Company which do not form part of the BID Levy.

2 Statutory Authorities

2.1 This Agreement is made pursuant to Section 2 of the Local Government Act 2000, Part IV of the Local Government Act 2003, the Business Improvement Districts (Wales) Regulations 2005, Section 111 of the Local Government Act 1972 and all other enabling powers.

3 Commencement

3.1 This Agreement shall commence on 1st April 2021 and continue until 31st March 2026 subject to earlier termination or extension by mutual consent as hereinafter provided

3.2 This Agreement shall determine and cease to be of any further effect in the event that:

- (a) the BID Company fails to secure approval of the Proposals, Renewal Proposals or Alteration Proposals in a ballot, renewal ballot, alteration ballot or rebalot;
- (b) the Welsh Ministers declare void a BID ballot, renewal ballot, alteration ballot or rebalot;
- (c) the Council exercises its veto pursuant to Section 51(2) of the Local Government Act 2003 and paragraph 12 of the Business Improvement District (Wales) Regulations 2005 and there is no successful appeal against the veto;
- (d) the BID Term expires save where the BID Company secures approval of Renewal Proposals in a renewal ballot or Alteration Proposals in an alteration

ballot or Proposals in a rebalot in which event this Agreement shall continue until the expiry of the BID Term set out in the Renewal Proposals, Alteration Proposals or the Proposals set out in the rebalot provided, in relation to Renewal Proposals and Alteration Proposals, the Council and the BID Company both consent to such continuation;

- (e) the Council exercises its discretion to terminate the BID Arrangements in exercise of its powers under Regulation 18 of the Regulations; and
- (f) the Council terminates this Agreement pursuant to clause 9 of this Agreement.

4 The BID Company's Obligations

- 4.1 The BID Company agrees that it will provide the Council with any information the Council may reasonably require in relation to the carrying out of the Complementary Services.
- 4.2 In the event that the BID Company intends to change the Complementary Services the BID Company shall serve notice on the Council for the purposes of arranging a meeting of the Services Review Panel and at such a meeting the BID Company shall consult with the Council in respect of the intended change to the Complementary Services.
- 4.3 The BID Company agrees that it will apply for and obtain all necessary, consents, Permissions and licences necessary for the activities it undertakes and shall at all times comply with the requirements of such consents, permissions and licences as are in force from time to time.

5 The Council's Obligations

- 5.1 The Council agrees to the following:
 - (a) to provide the Carmarthenshire County Council Standard Services within the BID Area at its own cost for the duration of the BID term (see schedule 2); and
 - (b) will not to use the BID Levy at any time to either fund or procure the Standard Services.
- 5.2 In the event that the Council is unable to continue to provide all or any part of the Standard Services within the BID Area on account of it being statutorily barred from doing so in respect of any of those Standard Services set out in Schedule 2 or it does

not have sufficient funds to secure the provision of any of those Standard Services set out in Schedule 2 it shall confirm the following to the BID Company:

- (a) identify which part or parts of the Standard Services it is unable to provide;
- (b) provide a detailed explanation of why such identified Standard Service is to be withdrawn; and
- (c) confirm the date upon which the Council will cease to operate the identified Standard Service.

5.3 The Council may provide different Standard Services, delayed Standard Services or no Standard Services in the event that it is not reasonably practicable to provide the Standard Services by reason of the following:

- (a) adverse weather conditions in the BID Area;
- (b) an excessive number of pedestrians in the BID Area which would impede or inhibit the carrying out of the Standard Services;
- (c) restrictions by the Police as to the persons and/or number of persons permitted access in the BID Area;
- (d) a traffic accident or major spillage in the BID Area;
- (e) marches, parades, film and theatre premieres, festivals and visits by VIPs in or affecting the BID Area where such activities directly impede or inhibit the Standard Services from being provided;
- (f) any other reason in the BID Area or affecting the BID Area beyond the control of the Council
- (g) neither Party shall have any liability under or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous

period of more than six months, either Party may terminate this Agreement immediately by written notice to the other Party.

provided always that the Council shall first and, if possible, provide the BID Company with reasonable notice in the event that the Council intends to provide different Standard Services, delayed Standard Services or no Standard Services as a result of any of the reasons mentioned in this clause and the Council shall, if possible, endeavour to recommence the Standard Service as soon as reasonably practicable to the same standard as it was immediately before the change.

- 5.4 To use reasonable endeavours to liaise with and (where practicable) put in place such partnering arrangements (of a formal or informal nature) with the Complementary Service Provider where the Complementary Services are complementary to or are of a similar nature to the Standard Services and to liaise with the Complementary Service Provider (where appropriate)
- 5.5 To implement such reasonable recommendations in the carrying out or provision of the Standard Services as may be made by the Services Review Panel , insofar as is reasonably practicable and affordable ;
- 5.6 2 months prior to conducting a review/reletting of a contract relating to the Standard Services to notify the BID Company informing it of the timescales for carrying out the review/reletting and update Schedule 2 with new details within 4 weeks of these being agreed
- 5.7 Pursuant to clause 5.6 above to review the provision of the Standard Services as part of the Services Review Panel process and where appropriate and agreed with the BID Company to update Schedule 2 in accordance with the conclusions reached by the Services Review Panel insofar as is reasonably practicable and affordable ;
- 5.8 In the event that the Council intends to change the Standard Services significantly and permanently the Council shall give the BID Company no less than 2 months prior to that change, if possible, and such notice shall include:
 - (a) a description of the part or parts of the Standard Services the Council intends to change;
 - (b) a detailed explanation of why the Council intends to change such Standard Services;

(c) the date on which the Council intends to change the Standard Services.

6 Performance Notice

6.1 The Council shall not remove or change any contractor(s) responsible for providing the Standard Services without first serving no less than 2 months' written notice on the BID Company confirming:

(a) the removal or alteration of such contractor;

(b) the Standard Services which such contractor is responsible for providing; and

(c) the details of the new contractor appointed to provide the Standard Services

PROVIDED THAT this requirement to give prior notice to the BID Company shall not apply in the event of a contract for the provision of any of the Standard Services terminating immediately on the grounds of fundamental breach of contract or insolvency on the part of the contractor

6.2 Upon receipt of a Performance Notice from the BID Company the Designated Officer shall inform the contractor or provider of the Standard Services of the lapse, carry out a review of the performance and the carrying out of the Standard Services by the contractor or provider of the Standard Services and to use their reasonable endeavours to secure the improvement of the Standard Services. The Designated Officer in each case shall consult with the BID Company on the action plan arising from such review to secure such improvements, if possible, and keep the BID Company informed of the Council's actions and progress in carrying out the action plan.

7 Licence

7.1 The BID Company, its agents or Complementary Service Provider shall not enter onto or upon any land within the Council's ownership or the highway for the purposes of the BID Company its agents or Complementary Service Provider carrying out any function or service required or secured (or any ancillary function) for the operation of the BID proposal without first obtaining the Council's licence and consent under Clause 7.2 and complying with all relevant statutory requirements

7.2 The BID Company shall give the Council reasonable notice in writing of its intention to carry out any function or service under Clause 7.1, stating when each such access will be required and the location and nature of the proposed works or services. The Council reserves the right to refuse or reschedule such entry in the event that it considers (acting reasonably) it necessary to do so provided that such refusal shall be given promptly with an explanation and in writing to the BID company. Any such licence or

consent may be given subject to such conditions as the Council may consider reasonably necessary.

8 Monitoring and Review

8.1 The Council and the BID Company shall set up the Services Review Panel within 28 (twenty-eight) days from the date of this Agreement the purpose of which shall be to:

- (a) review and monitor the carrying out of the Standard Services
- (b) make any recommendations required pursuant to clause 5 to the Council and the BID Company
- (c) where appropriate, review and monitor the provision of the Complementary Services and make such recommendations to the BID Company as are appropriate;
- (d) review any Performance Notices served by the BID Company and steps which should be taken to secure the proper carrying out of the Standard Services and to make recommendations to the Council including recommendations for an improvement in performance in the carrying out of the Standard Services and recommendations for the carrying out of the Standard Services in a manner that facilitates the carrying out of Complementary Services.

8.2 Within 28 (twenty-eight) days from the date of this Agreement the parties shall agree the dates when there will be meetings of the Services Review Panel and there shall be at least two such meetings in each Financial Year (throughout the duration of the BID Term) and on all other occasions further meetings of the Services Review Panel shall be arranged by the service of written notice by either party on the other, such notice to be provided no less than 28 (twenty-eight) days prior to the date of the proposed meeting (or less if otherwise agreed or in cases of emergency) and provided further that such meetings can be dispensed with altogether upon the written agreement of the parties.

8.3 The Services Review Panel will identify the need for any improvement or alteration to the Standard Services. The Council will in any case formally respond to recommendations from the Service Review Panel within the standard response times, giving reasons for any decision not to implement recommendations in part or in full.

9 Joint Obligations

9.1 Both the Council and the BID Company agree:

- (a) for the purposes only of monitoring the Standard Services and the Complementary Services to review and take account of any representations or recommendations made to them by the Services Review Panel and take such action as may be appropriate;
- (b) to agree appropriate Protocols as may be required in order to assist the carrying out or provision of the Standard Services (and thereafter to review them annually);
- (c) to operate the Standard Services in accordance with such agreed Protocols.

10 Termination

10.1 The Council may terminate this Agreement:

- (a) in the same circumstances in which it may terminate the BID Arrangements under Regulation 18 of the Regulations;
- (b) in the event that the BID Company commits a serious and irremediable breach of this Agreement; or
- (c) in the event that the Council terminates the Operating Agreement.

11 Confidentiality

11.1 Both the Council and the BID Company agree to keep confidential and not to divulge to any person without the prior written consent of the other party all information (written or oral) concerning the business affairs of the other nor any information which has been exchanged about the BID Levy Payers or about other third parties which it shall have obtained or received as a result of operating the BID. This obligation shall survive the termination or lapse of the provision of the BID.

11.2 **Freedom of Information**

11.2.1 The BID Company acknowledges that the Council is subject to the requirements of FOI legislation and therefore recognises that information relating to this agreement may be the subject of an information request.

11.2.2 Where the Council receives a request for information under either the FOI Legislation in relation to information which it is holding in relation to this agreement, it shall inform the BID company of the request and its response.

11.2.3 The BID Company shall be required to assist the Council in responding to a request for information to the extent that it relates to this agreement.

11.2.4 The Council shall be responsible for determining in their absolute discretion whether any information requested under FOI Legislation:

- (a) Is exempt from disclosure under FOI legislation; and
- (b) Is to be disclosed in response to an information request

11.2.5 The BID Company acknowledges that the Council may be obliged under FOI Legislation to disclose information:

- (a) Without consulting the BID Company where it has not been practicable to achieve such consultation; or
- (b) Following consultation with the BID Company and having taken their views into account.

12 **Notices**

12.1 Any notice or other written communication to be served or given to or upon any party to this Deed to the other shall be in writing and shall be sent to the address

provided for above or such substitute address in the UK as may from time to time have been notified by that party upon 7 (seven) days' notice in writing.

- 12.2 A Notice may be served by registered or recorded delivery post and:
- (a) delivered to the Head of Administration and Law of the Council at the above address;
 - (b) delivered to the BID Director of Operations at the BID Company's office address.
 - (c) or by electronic communication (provided that it is in legible form and is capable of being used for subsequent reference) to such addresses

12.3 Any notice served shall be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

13 Miscellaneous

13.1 For the avoidance of doubt where any part of this Agreement is incompatible with the Regulations or any other regulations issued pursuant to Part IV of the Local Government Act 2003 then such part shall be struck out and the balance of this Agreement shall remain

13.2 The headings appearing in this Deed are for ease of reference only and shall not affect the construction of this Deed

13.3 For the avoidance of doubt the provisions of this Deed (other than those contained in this Clause) shall not have any effect until this document has been dated

13.4 Where reference is made to a Clause, Part, or Recital such reference (unless the context requires otherwise) is a reference to a clause, part, plan, or recital attached to this Deed

13.5 References to the Council include any successors to its functions as local authority

13.6

References to statutes, bye laws, regulations, orders, delegated legislation shall include any such instrument re-enacting or made pursuant to the same power

- 13.7 The parties may vary or extend the terms of provisions hereof by agreement in writing and signed by a duly authorised officer or representative of each of the parties

14 Exercise of the Council's Powers

- 14.1 Nothing contained in this Agreement or implied in it shall prejudice or affect the rights discretions powers duties and obligations of the Council under all statute byelaws statutory instruments orders and regulations in the exercise of its functions as a local authority

15 Contracts (Rights of Third Parties)

- 15.1 The parties do not intend that the provisions of this Agreement may be enforced or varied by any other party pursuant to the Contracts (Rights of Third Parties) Act 1999

16 Relationship between the Parties

- 16.1 Nothing in this Agreement shall constitute, or be deemed to constitute, any partnership agency or joint venture arrangement as between the Council and the BID Company
- 16.2 The BID Company is not and will not at any time hold itself out as the agent of the Council for any purposes and under no circumstances will the BID Company have the authority to bind the Council or hold itself out as having such authority.
- 16.3 All contracts and agreements entered into or made by the BID Company pursuant to this Agreement will be contracts or agreements as between the BID Company as principal and the respective third parties and the Council will have no obligation or liability under them
- 16.4 Both parties shall indemnify and keep indemnified the other party against all costs claims demands proceedings and liabilities which may be incurred as a result of any act, neglect or default by the indemnifying party, its employees contractors or agents in carrying out their obligations under this Agreement.

17 Dispute Resolution

- 17.1 If any dispute or difference arises between the Council and the BID Company relating to or arising out of the terms of this Agreement then dispute shall be referred to the Managing Directors or Chief Executive Officers of the Council and the BID Company

or their designated representatives, who will meet in good faith to try and resolve the dispute or difference.

- 17.2 If after 28 days (or such longer period as the parties may agree) the dispute or difference has not been resolved then either of the Parties may give notice that it wishes to attempt to settle the dispute by mediation in accordance with the Centre for Effective Dispute Resolution (“CEDR”) Model Mediation Procedure 2001 (“the Model Procedure”) or such later edition as may be in force from time to time.
- 17.3 If the Parties do not agree on the identity of the Mediator then either party may request that CEDR appoint one.
- 17.4 The Model Procedure shall be amended to take account of any relevant provisions of this Agreement or any other agreement that the parties may enter into in relation to the conduct of the mediation.
- 17.5 Both Parties shall use their best endeavours to ensure that the Mediation starts within twenty working days of the service of the notice of mediation and to pay the mediator’s fees in equal shares.
- 17.6 Any agreement reached by the parties as a result of mediation shall be binding on the parties, as set out in the Model Procedure, but if the dispute has not been settled by mediation within 10 working days of the mediation starting then either party may commence litigation proceedings (but not before then).
- 17.7 Neither party shall be precluded by this Clause 17 from taking such steps in relation to court proceedings as they may deem necessary or desirable to protect its position, including but not limited to, issuing or otherwise pursuing proceedings to prevent limitation periods from expiring and applying for interim relief.

IN WITNESS whereof the Council has caused its Seal to be affixed and the BID Company has executed this Agreement as a Deed the day and year first before written

The Seal of [THE COUNCIL] was hereunto affixed in the presence of:

Head of Administration & Law

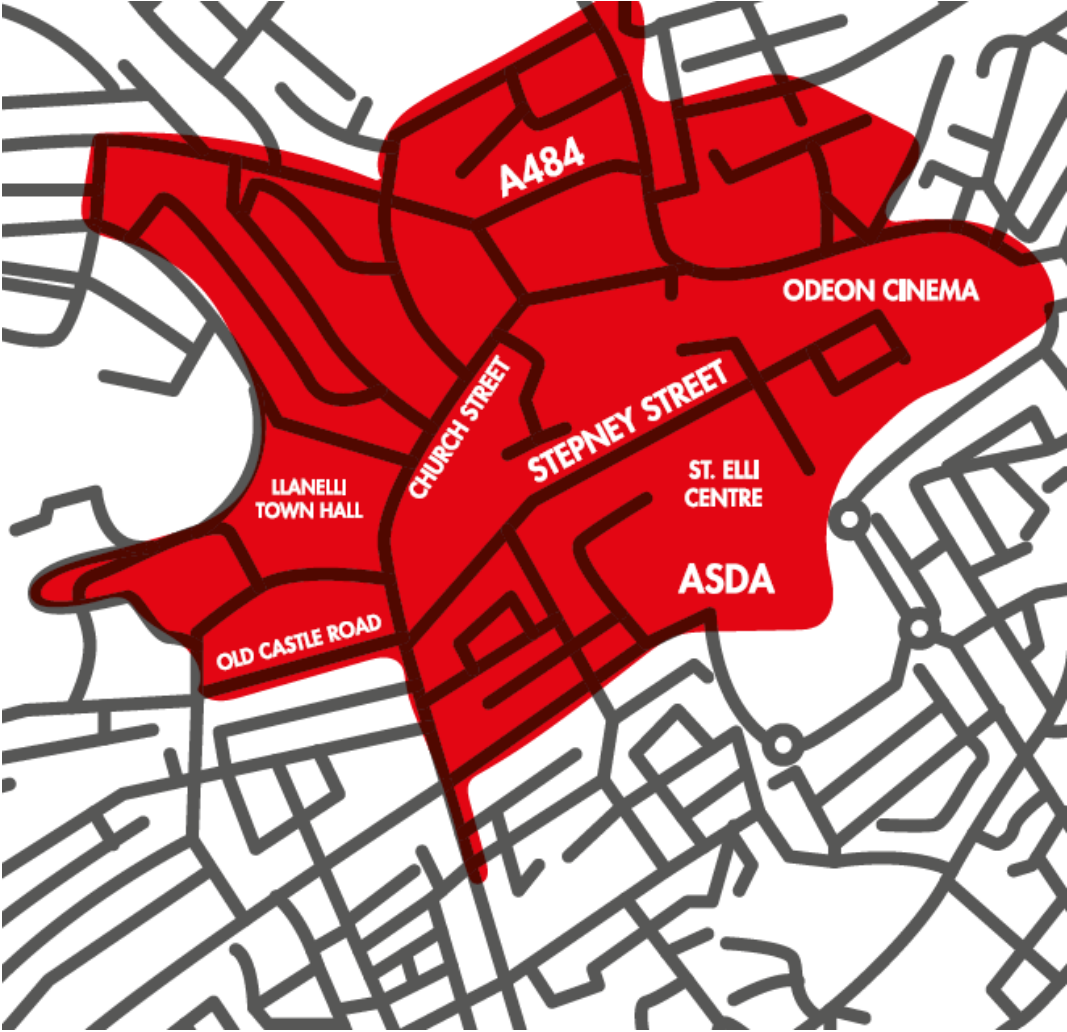
Signed on behalf of [THE BID COMPANY] by:

Authorised Signatory

Authorised

Signatory

Schedule 1- BID area Map



Schedule 2 Carmarthenshire County Council Standard Baseline Services
2.1 Street Cleansing

| STREET NAME | FREQUENCY OF CLEANSING |
|---------------------------|---|
| Stepney Street | Daily |
| St Elli Centre | Private |
| East Gate Leisure Quarter | Daily (<i>Bus Station & CCC car park</i>) |
| Vaughan Street | Daily |
| Cowell Street | Daily |
| Murray Street | Daily |
| Station Road | Daily |
| Bridge Street | Daily |
| John Street | Daily |
| Stepney Precinct | Private |
| Market Precinct | Hourly |
| The Market | Hourly |
| Market Street | Daily |
| Park Street | Daily |
| Station Road numbers 1-20 | Daily |
| Park Crescent | Twice weekly |
| Coleshill Terrace | Twice weekly |
| Coldstream Street | Twice weekly |
| Town Hall Square | Daily |
| Vauxhall | Twice weekly |
| Frederick Street | Daily |
| Waunlanyrafon | Once a week |
| Hall Street | 5 days a week |
| Goring Road | Twice weekly |
| Thomas Street | Twice weekly |
| Mill Lane | Fortnightly |
| Swanfield Place | Fortnightly |
| Crown Parade | Private |

2.1.2 Street Cleansing Periods

Monday to Thursday ~ 06:00 to 16:00

Friday ~ 06:00 to 15:30

Saturday ~ 05:30 to 10:30

Sunday ~ 06:00 to 11:00

*specific times are under review and subject to change from April 2021

2.2.1 Highway Inspection and Maintenance

| STREET NAME | FREQUENCY OF PROGRAMMED HIGHWAY SAFETY INSPECTIONS |
|---------------------------|--|
| Stepney Street | Monthly |
| St Elli Centre | Private |
| East Gate Leisure Quarter | Monthly (<i>Bus Station only</i>) |
| Vaughan Street | Monthly |
| Cowell Street | Monthly |
| Murray Street | Monthly |
| Station Road | 3-Monthly |
| Bridge Street | Monthly |
| John Street | Monthly |
| Stepney Precinct | Private |
| Market Precinct | n/a |
| The Market | n/a |
| Market Street | Monthly |
| Park Street | Monthly |
| Station Road numbers 1-20 | Monthly |
| Park Crescent | Twice Yearly |
| Coleshill Terrace | 3-Monthly |
| Coldstream Street | Twice Yearly |
| Town Hall Square | Daily |
| Vauxhall | Twice Yearly |
| Frederick Street | 3-Monthly |
| Waunlanyrafon | Twice Yearly |
| Hall Street | Monthly |
| Goring Road | Twice Yearly |
| Thomas Street | Monthly |
| Mill Lane | Twice Yearly |
| Swanfield Place | Twice Yearly |
| Crown Parade | Private |

2.2.2 Reactive Highway Safety Inspections

The authority has a duty to maintain highways maintainable at public expense (as set out in schedule 2.2 above) under Section 41 of the Highways Act 1980.

In addition to programmed safety inspections we will respond to and investigate all reported or identified defects in accordance with the authorities current Code of Practice for Highway

Safety Inspections. The authorities Code of Practice follows the recommendations contained in the National Code of Practice “Well Maintained Highways”.

Response times for reactive inspections will be in accordance with this policy and appropriate to the nature of the defect and location.

2.2.3 The defect responses adopted by CCC Waste and Environmental Services will be as follows:

Identified or reported defects are typically risk assessed taking into account factors such as the type and nature of the defect, location and also the day and time of day. All defects are assigned a defect category in accordance with the authorities current Code of Practice for Highway Safety Inspections.

The response time will be determined by the defect category and appropriate to the nature of the defect.

Intervention levels for defects will be in accordance with the levels set out in the authorities current Code of Practice for Highway Safety Inspections.

2.3 Graffiti Removal

Graffiti affecting the public highway including signs and bus shelters is removed by the Highways Service DLO gangs. Depending on the severity and type of graffiti material used the operatives will utilise specialist chemical products. A towable high pressure ‘Gum Buster’ machine located in the Llanelli highway’s depot can be used by CCC operatives to remove graffiti as necessary.

2.3.1 Graffiti on Council Owned or controlled Property

The authority will remove graffiti on all Council owned property in line with its current standards.

2.3.2 Graffiti Private Property

CCC Waste and Environmental Services do not remove graffiti on private property. However, if the BID wishes to have graffiti removed from private property, then CCC Waste and Environmental Service are happy to be contacted for this provision. There is no fixed rate as each job will need to be considered on a case by case basis. A price will be considered following an initial meeting or survey of the problem. The contact is Gary Baxter, Assistant Engineer 01554 742532.

2.4 Chewing Gum removal from adopted highway Paving

A towable high pressure ‘Gum Buster’ machine located in the Llanelli highway’s and depot is deployed on a needs basis to remove areas of gum deposits in the town centre pedestrianised areas.

2.5 Street Lighting Maintenance and Inspection

2.5.1 Inspections and Testing

Night time lighting patrols are carried out on a 3 week frequency.

Specialist Structural and Electrical column testing is carried out in accordance with the authorities rolling programme.

2.5.2 Lighting Defect Responses

The response time for defects will be determined by the defect type and will be appropriate to the nature of the defect.

Lighting outages identified during patrols or reported to the authority are responded to within a minimum of 10 working days.

Section Faults are treated as urgent and are responded to the next working day.

2.6 Christmas Lighting and Trees

The Street lighting section will liaise with key stakeholders involved in the erection of Christmas Lighting and Trees in order to identify suitable electricity supply.

The Street lighting section will also assess and agree suitable locations for the placing of Christmas Motifs on street lighting apparatus as appropriate.

2.7 Surface Water Drainage

Routine cleansing of highway surface water drainage systems is undertaken once per year. Combined sewer systems maintained by Welsh Water.

2.8 Seasonal Leaf Removal

Removal of leaf fall is undertaken during the autumn period as necessary.

2.9 Maintenance of Planters and Hanging Baskets

Planters are maintained by the Grounds maintenance section

Hanging Baskets are maintained by Llanelli Town Council

2.10. Removal of Fly Tipping

Removal of fly tipping within the public highway is undertaken upon receipt of request or complaint.

2.11 Removal of Fly Posting

2.11.1 Fly Posting on Council Owned/ Controlled Property

Removal of fly posting within the public highway is undertaken upon receipt of request or complaint.

2.11.2 Fly Posting on Private Property:

CCC Waste and Environmental Services do not remove flyposting on private property

2.12 Canopy Cleaning:

Routine cleansing of the canopies is undertaken twice per year.

2.13 Footfall cameras:

Footfall cameras enable accurate data to be collected in terms of visitor numbers in to the town centre. There are three footfall cameras in operation; two of these are located in Stepney Street and the other in Vaughan Street

Carmarthenshire County Council has a contract direct with the supplier, with regard to the operation and maintenance of the footfall cameras.

Carmarthenshire County Council is committed to supplying footfall data for this contract period.

Carmarthenshire County Council currently has a two year contract direct with the supplier, with regard to the supply of information, operation and maintenance of the footfall cameras. This will be shared via reports received from the supplier in pdf format. This will be e-mailed to the BID Manager on a weekly basis, who will be responsible for distributing amongst the BID board at the BID's discretion.

2.14 Town Centre events

CCC Marketing and Media Events

| Town Centre Events | Location | Frequency | Organisers |
|-----------------------------|---|--------------------------------------|--|
| Llanelli Christmas Carnival | Llanelli town centre | Mid November every year | Carmarthenshire County Council, Llanelli Rural Council, Llanelli Round Table and Llanelli Town Council but there is valued input from Llanelli Chamber of Commerce, Dyfed Powys Police, and Showman's Guild of South Wales |
| Llanelli Christmas lights | Llanelli town centre There are currently lighting fixtures in Town Hall Gardens, Spring Gardens, Stepney Street, Vaughan Street, Cowell Street, Gelli Onn, and Eastgate Car Park. CCC assess each year the potential for what can be "hung" or "wrapped" in these areas based on the annual assessment CCC pay for | Annually Mid November to mid-January | Carmarthenshire County Council, Llanelli Town Council & Llanelli Rural Council |

Alongside organising the above events the Council will continue to:

- Promote the events on social media
- Press Releases on new businesses/any other markets information which is suitable to release as a Press Release
- Look at other advertising opportunities for events

2.15 Llanelli Taskforce

The Llanelli Task Force was established by Carmarthenshire County Council in October 2015, to coordinate and deliver Town Centre regeneration, through a public-private partnership.

The purpose of the Llanelli Task Force is:

- A partnership led response to explore the business potential of Llanelli Town Centre.
- To attain an agreed vision for the town centre.
- To set out the opportunities to continue the regeneration of the town centre and further stimulate growth and inward investment.
- To establish the said town centre task force that will provide a governance structure to promote and deliver regeneration.
- To develop a phase 2 masterplan for the town centre providing a vision up to 2030.

These meetings are held bi-monthly unless otherwise agreed by the Task Force Group and regular attendance is expected from the following key partners:

- CCC Leader
- CCC Regeneration/Economic Development
- Llanelli Rural Council
- Llanelli Town Council
- Ymlaen Llanelli
- CCC Housing
- CCC Planning
- CCC Transportation and Highways
- CCC Marketing & Media
- CCC Leisure
- CCC Environment
- Eastgate
- St Elli Centre
- Llanelli Chamber of Trade
- Dyfed Powys Police
- DDAS

Through the Taskforce, CCC agrees to coordinate activity with the Llanelli Business Improvement District (BID) ensuring activity is cross referenced at all times.

CCC agrees to consult with Ymlaen Llanelli on future work and delivery of projects. They will ensure effective communication by involving a representation of Ymlaen Llanelli by the chair and BID manager in all Llanelli Taskforce meetings. The Llanelli Taskforce will also be represented on the Ymlaen Llanelli BID board by Cllr Dole. If this position is to change during the BID term, then CCC will be expected to nominate a new representative in writing for the consideration of the BID board.

Mae'r dudalen hon yn wag yn fwriadol



YMLAEN LLANELLI

PROPOSED OPERATING AGREEMENT

DRAFT OPERATING AGREEMENT

Dated

Carmarthenshire County Council

(the Council)

Ymlaen Llanelli BID

(the BID Company)

Contents

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- 3 Commencement
- 4 Setting the BID Levy
- 5 The BID Revenue Account
- 6 Debits from the BID Revenue Account
- 7 Collecting the BID Levy
- 8 Procedures available to the Council for enforcing payment of the BID Levy
- 9 Enforcement Mechanisms for non-collection of the BID Levy by the Council
- 10 Accounting Procedures and Monitoring
- 11 Termination
- 12 Confidentiality
- 13 Notices
- 14 Miscellaneous
- 15 Exercise of the Council's powers
- 16 Contracts (Rights Of Third Parties)
- 17 Arbitration

Operating Agreement

Dated

- (1) **Carmarthenshire County Council** (the Council) County Hall, Castle Hill, Carmarthen, SA31 1JP
- (2) **Ymlaen Llanelli BID** (the BID Company) a company limited by guarantee with registered office address 10 John Street, Llanelli, SA15 1UH

Recitals

- A The Council is the billing authority for the purposes of the Local Government Act 2003 and is responsible for collecting the BID Levy and administering the BID Revenue Account which shall be used towards the operation of the BID within the area of the Council and the funding of the BID Arrangements
- B The BID Company is responsible for the operation of the BID and for using the BID Levy for the purposes of achieving the objectives and aspirations set out in the BID Arrangements
- C Both parties wish to confirm the arrangements by which the BID Levy shall be collected together with general arrangements as to the relationship to be established between the Council and the BID Company for the duration of the BID
- D The purpose of this Agreement is to:
- establish the procedure for setting the BID Levy
 - confirm the basis upon which the Council will be responsible for collecting the BID Levy
 - set out the enforcement mechanisms available for collection of the BID Levy
 - set out the procedures for accounting and transference of the BID Levy
 - provide for the monitoring and review of the collection of the BID Levy
 - confirm the manner in which the Council's expenses incurred in collecting the BID Levy shall be paid

IT IS AGREED:

1 Definitions

the Administrative Expenses means all costs incurred by the Council in the administration, collection and recovery of the BID Levy including but not limited to any staffing costs and any expenditure incurred by the Council in relation to software or other systems used in relation to the BID Levy and any costs associated with this Agreement or any proposed termination thereof

the Annual Report means a report to be prepared by the Council which details the following:-

- (i) the total amount of BID Levy collected during the relevant Financial Year;
- (ii) details of the success rate for the collection of the BID Levy;
- (iii) the Council's proposals (if any) to help improve its efficiency in the collection and enforcement of the BID Levy; and
- (iv) details of those BID Levy Payers who have paid the BID Levy and those who have not paid the BID Levy.
- (v) the Council's proposals for bad or doubtful debts

the Appeal Notice means a notice to be served by the BID Company in accordance with clause 9.2

Bad or Doubtful Debts shall have the same meaning as described in Part 2 of Schedule 3 of the Regulations.

the BID means the Business Improvement District which is managed and operated by the BID Company and which operates within and is covered by those streets set out below and shown on the map attached hereto.

The following streets are included in the BID area in whole or in part:

Stepney Street
St Elli Centre
East Gate Leisure Quarter
Vaughan Street
Cowell Street
Murray Street
Old Castle Road- to junction with Waunlanyrafon & Erw Rd.
Bridge Street
John Street
Stepney Precinct
Market Precinct
The Market
Market Street
Park Street
Station Road- to junction with Inkerman Street & Waterloo Street
Park Crescent
Coleshill Terrace
Coldstream Street
Town Hall Square
Vauxhall

Frederick Street
Waunlanyrafon
Hall Street
Goring Road
Thomas Street
Mill Lane
Swanfield Place
Crown Parade

the BID Arrangements means those arrangements to be put in place pursuant to the

Regulations by the BID company for the purpose of enabling the projects specified to be carried out for the benefit of the BID or those who live, work or carry on any activity in the district

the BID Company's Report means a report for each Financial Year to be prepared by the BID

Company which details the following:-

- (a) the total income and expenditure of the BID Levy;
- (b) other income and expenditure of the BID Company not being the BID Levy;
- (c) a statement of actual and pending deficits; and
- (d) the various initiatives and schemes upon which the BID Levy has been expended by the BID Company

the BID Levy means the charge to be levied and collected within the BID area pursuant to the Regulations and this Agreement

the BID Company's Termination Notice means a notice to be served by the BID Company on the Council pursuant to clause 11.8 and Regulation 18 of the Regulations

the BID Levy Payer(s) means the non-domestic rate payers who are liable for paying the BID Levy as described in the Schedule

the BID Levy Rules means the rules set out in the Schedule which sets out how the BID Levy will be calculated, details of Exempt or Discounted Properties and other requirements related to the BID Levy (as may be amended by a successful alteration ballot)

the BID Revenue Account means the account to be set up in accordance with Regulation 14 and operated in accordance with Schedule 3 of the Regulations

the BID Term means the period from 1st April 2021 to 31st March 2026

the Council's Termination Notice means the notice to be served by the Council on the BID Company pursuant to Clause 11.1 and Regulation 18 of the Regulations

the Contributors means the BID Levy Payers or other Contributors making voluntary contributions to the BID company.

Demand Notice shall have the same meaning ascribed to it as set out in paragraphs 2 and 3 of Schedule 4 of the Regulations

Heredity shall have the same meaning as defined in the Regulations

Electronic Communication means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):

(a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984); or

(b) by other means but while in electronic form

Enforcement Notice means a notice to be served on the Council as specified in Clause 9

Enforcement Regulations means the Non –Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989

the Exceptions means the circumstances in which the Council shall not be required to seek to enforce payment of the BID Levy where a BID Levy payer has failed to make payment pursuant to a Demand Notice. The exceptions shall be as agreed by the parties from time to time.

the Exempt or Discounted Properties means those class or classes of properties as identified in the BID Levy Rules which shall be exempt either from any requirement to pay the BID Levy or are permitted a discount on the BID Levy

the Financial Year means the financial year for the BID Company which runs from 1st April to 31st March in the following year

the First Priority Expenses means the administrative expenses incurred by the Council in respect of all reasonable costs arising out of compliance with its obligations under this Agreement and the Regulations during each year of the duration of this agreement

Liability Order means an order obtained from the Magistrates Court pursuant to Regulation 12 of the Enforcement Regulations

the Monitoring Group means the group to be set up to monitor the collection and enforcement of the BID Levy (as referred to in Clause 10) such group to consist of one Council officer from Carmarthenshire County Council and one representative from the BID Company

the Operational Date means the date upon which the BID Arrangements come into force

the Public Meeting means the meeting to be held of all BID Levy Payers pursuant to the Public Meeting Notice and Regulation 18 of the Regulations

the Public Meeting Notice means a notice to be served pursuant to Clause 11.1 or 11.8 by either the Council or the BID Company which provides the following:-

- (a) confirmation that either party is considering terminating the BID;
- (b) details of the venue where the public meeting will be held;
- (c) confirmation that all BID Levy Payers who attend will be permitted to make representations

the Regulations means the Business Improvement Districts (Wales) Regulations 2005 and such amendments made by the National Assembly for Wales pursuant to Section 48 and Section 58 of the Local Government Act 2003 (from time to time)

the Reminder Notice means the notice to be served pursuant to Clause 8.1

the Summons Notice means the notice to be served following a Reminder Notice and pursuant to Clause 8.2

a Working Day means any day of the week other than a Saturday, a Sunday or a bank holiday

2 Statutory Authorities

2.1 This Agreement is made pursuant to Part IV of the Local Government Act 2003, Section 111 of the Local Government Act 1972 the Regulations and all other enabling powers

3 Commencement

3.1 This Agreement shall be effective from 1st April 2021

3.2 If, at the end of the BID Term a renewal ballot is held and is successful then the terms of this Agreement shall be reviewed prior to the start of the new BID term.

4 Setting the BID Levy

4.1 By 11th April the Council shall calculate the BID Levy due from each BID Levy Payer in accordance with the BID Levy Rules

4.2 As soon as practicable after the 12th April 2021, the Council will confirm in writing to the BID Company the BID Levy payable annually by each BID Levy Payer

5 The BID Revenue Account

5.1 Interest payments on money in the BID Revenue Account will be subject to the Council's banking arrangements at the time of operating the account. Such interest, if any, will be paid to the BID Company as part of the BID Levy.

6 Debits from the BID Revenue Account

6.1 The Council may debit directly from the BID Revenue Account:-

- (i) the First Priority Expenses at the mid-point of each Financial Year provided that they have been detailed in a valid VAT invoice delivered to the BID Company giving a detailed breakdown of the costs incurred

6.2 Notwithstanding the above provision the BID Company shall be responsible for ensuring that all VAT invoices delivered to the BID Company shall, if not debited from the BID Revenue Account, be paid within 28 days of delivery.

7 Collecting the BID Levy

7.1 The Council shall at the beginning of each Financial Year confirm in writing to the BID Company:-

- (i) the means by which the BID Levy Payer shall be billed for the BID Levy; and
- (ii) the date when the BID Levy shall first be collected.

7.2 Pursuant to clause 7.1(ii) the Council shall serve the Demand Notices on each BID Levy payer and thereafter shall continue to calculate the BID Levy and serve the Demand Notices throughout the BID Term

7.3 The Council shall maintain a list which identifies payment and/or non-payment of the BID Levy and shall make available to the BID Company at intervals of not less than once a month

7.4 The Council shall liaise with the BID Company in carrying out monthly reviews of each Hereditament within the BID Area and in the event of any change in the occupier of each Hereditament or the merger or division of a Hereditament (or provision of an additional Hereditament) shall:

- (a) serve an updated list of BID Levy payers upon the BID Company;
- (b) serve a Demand Notice (or alter any existing Demand Notice if appropriate) on the relevant BID Levy Payer

7.5 The Council shall use all reasonable endeavours to collect the BID Levy on the date specified (pursuant to clause 7.1(ii) above) and thereafter on an annual basis and in accordance with the procedure set out in Schedule 4 of the Regulations.

7.6 The Council shall use all reasonable endeavours to take all reasonable steps for collecting the BID Levy which are consistent with its usual procedures for the collection of non-domestic rates.

- 7.7 On the 10th of every month hereafter the Council shall notify the BID company of the amounts credited to the BID revenue account and of the amount of the authorised debits in accordance with clause 6 and upon receipt of an appropriate invoice from the BID company shall transfer to the BID company's own bank account the amount due and provide written confirmation of the sum transferred.
- 7.8 In the event of an overpayment by the Council to the BID in excess of £5,000 for a period of more than three consecutive months, the BID will return the overpayment to Carmarthenshire County Council within 14 days upon receipt of a valid invoice.

8 Procedures available to the Council for enforcing payment of the BID Levy

8.1 In the event that the BID Levy is not paid in whole within fourteen days from the payment due date then (subject to the Exceptions or as may otherwise be agreed between the parties) the Council shall serve a Reminder Notice on such defaulting BID Levy Payer which shall:-

- (i) identify the sum payable;
- (ii) provide a further 14 (fourteen) days for payment to be made;
- (iii) confirm that the Council will make an application to the Magistrates Court for a Liability Order to recover the unpaid sum (together with costs). The For the avoidance of any doubt it is agreed that the costs awarded and obtained by the Council arising from the making of any Liability Order shall be due to and retained by the Council and shall not be payable to the BID Company.

8.2 In the event that the BID levy is not paid in whole within 14(fourteen) days of the service of the Reminder Notice in accordance with clause 8.1 then the council shall immediately inform the BID Company of such further failure to pay (subject to the Exceptions). The Council will consider any comments made by the BID Company before deciding whether to make an application to the Magistrates Court for a Liability Order. The Council will normally then make an application to the Magistrates Court for a Liability Order to recover the outstanding sum of the BID Levy as is permitted by the Regulations and the Enforcement Regulations (as amended).

8.3 In the event that the Council's application to the Magistrates Court for a Liability Order is awarded it shall immediately inform the BID Company. The Council will consider any comments made by the BID Company prior to entering in to an enforcement payment arrangement or issuing recovery instructions to the Bailiff. The Council will endeavour to use external Bailiffs which it has arrangements with at the relevant time.

9 Enforcement Mechanisms for non-collection of the BID Levy by the Council

9.1 In the event that the Council is not taking appropriate steps to enforce payment of the BID Levy pursuant to Clause 8 above the BID Company shall serve the Enforcement Notice on the Council requesting that:-

- (i) it serves a Reminder Notice; or
- (ii) a Further Reminder Notice; or
- (iii) it applies to Court to obtain a Liability Order pursuant to Clause 8.3 above; or

- (iv) Enter in to an enforcement payment arrangement or issuing the account to the Bailiff

and the Council shall thereafter provide written confirmation of the action taken to recover the unpaid BID Levy.

9.2 If after being served an Enforcement Notice the Council fails to take the requested action within 28 days then the BID Company shall serve an Appeal Notice to the Chief Executive of the Council. Such notice shall:-

- (i) detail the sum which remains unpaid;
- (ii) confirm that the Council has failed to use the enforcement mechanisms available to it as referred to in this Agreement to recover the sum; and
- (iii) request a meeting take place between the Chief Executive, relevant officers of the Council and BID Company to achieve a solution and/or agree a strategy to recover the outstanding sum such meeting to take place in any event no later than 28 (twenty eight) days from service of the Appeal Notice

10 Accounting Procedures and Monitoring

10.1 Within 1 (one) month from the Operational Date the Council and BID Company shall form the Monitoring Group

10.2 In addition to the information outlined in 7.4, every month during the BID term the Council shall provide the BID Company with a breakdown of:-

- (i) the amount of BID Levy for each individual BID Levy Payer;
- (ii) the BID Levy collected in relation to each BID Levy Payer;
- (iii) details (together with the outstanding unpaid sum) of those BID Levy Payers who have not paid the BID Levy during those 6 months;
- (iv) details of the Reminder Notices issued throughout that period; and
- (v) details of any Liability Orders obtained or applied for by the Council;

- 10.3 The Monitoring Group shall meet no less than once in any one Financial Year and on all other occasions further meetings of the Monitoring Group shall be arranged by the service of written notice by either party on the other, such notice to be provided no less than 28 (twenty eight) days prior to the date of the proposed meeting (or lesser if otherwise agreed or in cases of emergency) and provided further that such meetings can be dispensed with altogether upon the written agreement of both the Council and the BID Company
- 10.4 At each meeting the Monitoring Group shall
- (i) review the effectiveness of the collection and enforcement of the BID Levy; and
 - (ii) if required, review and assess the information provided by the Council pursuant to **Clauses 10.2** above and make any recommendations for implementation as may be agreed (and which are permitted by the Regulations and the terms of this Agreement)
- 10.5 Within 1 (one) month after the date of the end of the Financial Year the Council shall provide the Annual Report to the BID Company
- 10.6 The BID Company shall provide the BID Company Report to the Council two weeks prior to their Annual General Meeting.

11 Termination

- 11.1 The Council shall not be permitted to terminate the BID Arrangements because:
- (i) in its opinion there are insufficient finances available to the BID Company to meet its liabilities for the chargeable period for the purposes of the BID Arrangements; or
 - (ii) the Council is unable, due to any cause beyond its control to provide the works or services which are secured as part of the BID Arrangements

unless and until it first serves the Public Meeting Notice on the BID Levy Payers and the Council's Termination Notice on the BID Company and within 14 (fourteen) days from the date of service of such notice both parties shall arrange to meet where the purpose of such meeting shall be to discuss and/or agree all or any of the following set out in Clause 11.2 or 11.3 (whichever is applicable)

- 11.2 Where the BID Termination Notice relates to Clause 11.1(i) both parties shall agree and/or discuss or review the following:

- (a) the Council is concerned that the BID Company has insufficient finances to meet its liabilities for that period and details of such concerns should be made available to the BID Company;
 - (b) insufficient funds;
 - (c) alternative means by which the insufficiency of the funds can be remedied; and
 - (d) an appropriate time frame to resolve this issue;
- 11.3 Where the BID Termination Notice relates to clause 11.1(ii) both parties shall agree and/or discuss or review the following:
- (a) the services or works which it is no longer able to provide together with confirmation and details as to why such works or services cannot be provided;
 - (b) a review by both parties as to whether such works or services are of material importance to the BID so that termination of the BID Arrangements is the only option;
 - (c) alternative means of procuring the said services or works by third parties or increased financial funding from the BID Company;
 - (d) alternative replacement services or works which will be acceptable to the BID Company ;
 - (e) an appropriate time frame to resolve this issue
- 11.4 In the event that the parties cannot reach agreement in relation to the above the Council shall cause a Public Meeting to be held and subject to consideration of representations made by any BID Levy Payer at the Public Meeting the Council shall be permitted to terminate the BID Arrangements provided that notice by the Council to terminate the BID shall be provided to the BID Company no less than 28 days prior to termination taking place
- 11.5 Upon termination of the BID Arrangements the Council shall review whether there is a credit in the BID Revenue Account and in the event that there are sufficient funds in the BID Revenue Account amounting to a refund of at least £5 for each BID Levy Payer (having already deducted a reasonable sum for the administration of such refund) to:
- (a) calculate the amount to be refunded to each BID Levy payer;
 - (b) ensure that the amount to be refunded is calculated by reference to the amount payable by each BID Levy Payer for the last chargeable period; and

- (c) make arrangements for the amount calculated to be credited against any outstanding liabilities of each BID Levy Payer or, where there are no such liabilities refunded to the BID Levy Payer.
- 11.6 Upon termination of the BID the Council shall notify the BID Levy Payers of such termination in accordance with regulation 18(6) of the Regulations together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy payers in accordance with clause 11.6
- 11.7 The BID Company shall not be permitted to terminate the BID Arrangements where:
 - (a) the works or services under the BID Arrangements are no longer required; or
 - (b) the BID Company is unable, due to any cause beyond its control to provide works and services which are necessary for the BID to continueunless and until it has served the BID Company's Termination Notice on the Council and thereafter carried out a proper consultation with all relevant representatives of the BID Area as considered appropriate by the Council.
- 11.8 Upon termination of the BID Arrangements the BID Company shall notify the Council of such termination in accordance with Regulation 18(5) and the Council shall notify the BID Levy payers pursuant to Regulation 18(6) together with confirmation as to whether any part of the BID Levy is to be repaid to BID Levy payers in accordance with clause 11.5

12 Confidentiality

- 12.1 Both the Council and the BID Company agree to keep confidential and not to divulge to any person without the prior written consent of the other party all information (written or oral) concerning the business affairs of the other nor any information which has been exchanged about the BID Levy Payers or Contributors or about other third parties which it shall have obtained or received as a result of operating the BID. This obligation shall survive the termination or lapse of the BID Arrangements. For the avoidance of doubt nothing in this clause shall prevent the Council from using or divulging such information as is necessary for the purpose of complying with its obligations under this Agreement.

13 Notices

- 13.1 Any notice or other written communication to be served or given to or upon any party to this Agreement to the other shall be in writing and shall be sent to the address provided for above or such substitute address in England and Wales as may from time to time have been notified by that party

- 13.2 A Notice may be served by
 - 13.2.1 delivery to the Income Collection Manager, Carmarthenshire County Council
 - 13.2.2 delivery to the Company Secretary at the BID Company's address specified above
 - 13.2.3 registered or recorded delivery post
 - 13.2.4 Electronic Communication (provided that it is in legible form and is capable of being used for subsequent reference)
- 13.3 Any notice served shall be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

14 Miscellaneous

- 14.1 For the avoidance of doubt where any part of this Agreement is incompatible with the Local Government Act 2003 or Regulations or any other regulations which the Secretary of State or National Assembly for Wales may issue pursuant to Part IV of the Local Government Act 2003 in so far as they relate to Wales then such part shall be struck out and the balance of this Agreement shall remain
- 14.2 The headings appearing in this Agreement are for ease of reference only and shall not affect the construction of this Agreement
- 14.3 For the avoidance of doubt the provisions of this Agreement (other than those contained in this Clause) shall not have any effect until this document has been executed and dated
- 14.4 Where reference is made to a Clause, Part, or Recital such reference (unless the context requires otherwise) is a reference to a clause, part, plan, or recital attached to this Agreement
- 14.5 References to the Council include any successors to its functions as relevant billing authority
- 14.6 References to statutes, bye laws, regulations, orders, delegated legislation shall include any such instrument re-enacting or made pursuant to the same power

15 Exercise of the Council's powers

Nothing contained in this Agreement or implied in it shall prejudice or affect the rights discretions powers duties and obligations of the Council under all statutes bye-laws statutory instruments orders and regulations in the exercise of its functions as a local authority

16 Contracts (Rights Of Third Parties)

The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement

17 Arbitration

The following provisions shall apply in the event of a dispute:

- 17.1 Any dispute or difference of any kind whatsoever arising between the parties hereto out of or in connection with this Deed shall be referred to arbitration before a single arbitrator
- 17.2 The parties shall jointly appoint the arbitrator not later than 28 (twenty eight) days after service of a request in writing by either party to do so and each party shall bear its own costs
- 17.3 If the parties are unable to agree within 28 (twenty eight) days as to the appointment of such arbitrator then such arbitrator (hereinafter referred to as “the Tribunal”) shall be appointed on the application of either party to the President for the time being of the Law Society
- 17.4 In the event of a reference to arbitration the parties agree to:
- prosecute any such reference expeditiously and
 - do all things or take all steps reasonably necessary in order to enable the Tribunal to deliver any award (interim, final or otherwise) as soon as reasonably practicable
- 17.5 The award shall be in writing signed by the Tribunal and shall be finalised within 21 (twenty one) days from the date of such award
- 17.6 The award shall be final and binding both on the parties and on any persons claiming through or under them

18 Freedom of Information

- 18.1 The BID company accepts that the Council is obliged to comply with the Freedom of Information Act 2000 and the Code of Practice on the Act and will assist the Council to comply with these obligations. This includes helping the Council comply with its obligation to respond to a request for information within 20 days of receipt; and providing information to the Council where the Council requests.

18.2 The Council is entitled to disclose information unless it believes that the information is exempt under the Act. Exemption may apply where, for example, information is provided in confidence; where the information is a trade secret; or where release is likely to prejudice commercial interests. The Council will decide, acting reasonably, whether information requested under the Act is to be disclosed or not. The Council will where reasonably practicable consult the BID Company and will consider any representations made by it.

The Council shall not be liable for any loss or other detriment caused by the disclosure of any information in response to a request for information under the Act


Signed by the parties or their duly authorised representatives

Signed by)
duly authorised for and)
on behalf of)
Carmarthenshire County Council) _____

Signed by)
duly authorised for and)
on behalf of)
Carmarthenshire County Council) _____

Signed by)
duly authorised for and)
on behalf of)
Carmarthenshire County Council) _____

Mae'r dudalen hon yn wag yn fwriadol

| | |
|----------|---|
| Page no. | |
| 1 | Front cover |
| | Images |
| |  |
| Text | |
| | <p>Ymlaen Llanelli Business Improvement District 2021-2026 Renewal Ballot Proposal Nobody does it better!</p> |

| Page no. | Working title |
|----------|---------------|
| 2 | Intro |
| | Images |
| | |
| Text | |

What a difference five years can make! In 2015, Ymlaen Llanelli was created by Llanelli businesses for Llanelli businesses. Back then we couldn't have imagined how far we would come, and even last year we couldn't have foreseen where we would be now.

We have worked hard for our town centre, and our track record speaks for itself: our ever-growing and hugely popular events have become the envy of other towns and cities; we have strived to support our members through the current crisis; we have become a strong lobbying voice for the Llanelli business community, fighting in your corner as a force to be reckoned with, and our continued work with the local Police has been key to tackling anti-social behaviour in town. Llanelli town centre is changing for the better, so much so that we were even shortlisted for a Great British High Street Award, but there's much more that we can and need to achieve.

From now until 2026, we plan to continue to expand our existing initiatives and introduce many more, developing our town centre to its full potential while helping businesses recover and adapt to the short- and long-term impacts of Covid-19. Our role will be crucial going forward.

Please vote YES to allow us to deliver even more results over the next five years and keep the momentum going.

Ymlaen Llanelli BID Board

| Page no. | Working title |
|---|--|
| 3 | 10 pledges/what we've done |
| | Images |
| | Events, hanging baskets, Covid packs, Police |
| Text | |
| <p>In 2015, we had big ambitions for the town centre. We set out a list of pledges that we wanted to achieve and we think you will agree that we have delivered against them all.</p> | |
| <ol style="list-style-type: none"> 1. Set out a long-term strategy to improve our town centre's appearance 2. Create a more accessible town centre with on- and off-street parking 3. Design and deliver a marketing strategy that attracts more people into town 4. Promote a directory advertising our retail and professional services 5. Incentivise people to shop locally with a town centre loyalty scheme 6. Tackle anti-social behaviour and increase town centre safety 7. Reduce business costs with collective purchasing 8. Sustain existing businesses through training, networks and access to grants 9. Encourage and support new businesses to open successfully 10. Form a strong voice that lobbies and represents Llanelli's businesses <p>Voluntary Contributors</p> <p>Eleven businesses in the town centre pay the BID levy voluntarily so they can access our initiatives and services. This is what some of them said:</p> <p>"Ymlaen Llanelli has been instrumental in bringing the town's business folk together; its given us a platform and a voice to be pro-active in contributing to develop and improve our town centre – we now work together with a joint goal. If I hadn't contributed voluntarily I wouldn't have had a voice or even met my business colleagues. It is heavily involved in encouraging and making our town more accessible and attractive for locals and visitors by developing infrastructure projects - this has led to an increase in visitors and locals coming into the town to use our services and buy our products. It has been the catalyst and subsequent driving force in the organisation of the many community events that are now being held annually in the town, which brings in thousands of visitors and locals - these annual events bring in large amounts of revenue and every business that wants to be involved benefits. Ymlaen has raised our town's profile making it a better, safer and more profitable environment for all."</p> <p>-- Julie Warner, The New Drovers</p> <p>"We decided to become voluntary contributors to Ymlaen Llanelli as the events bring the town to life and increase footfall. The help received to deal with the COVID restrictions was</p> | |

very welcome as was the advertising and support provided for small businesses. The bags and mugs were great for customers too!"

-- All, Craftastic

"We were very excited to see a team representing Llanelli in such a positive way. From the very first event Ymlaen Llanelli had organised we had seen an improvement to our turnover. Suddenly we had noticed different people who we hadn't seen before walking around the town centre including many more families. We really hope it continues now more than ever to promote the businesses in the town and the lovely people that trade in them. We can't thank Ymlaen Llanelli enough for the helping our business grow in Llanelli town centre."

-- Oliver and Celia Bird, The Welsh Diner

"It was a no-brainer for me to contribute the BID as a volunteer. The COVID recovery pack that Ymlaen Llanelli provided for businesses was a real help with re-opening and the advertising initiative has given me access to something I wouldn't have been able to afford on my own."

-- Andrew Jones, D&A Heel Bar

"We decided this year that we wanted to be more involved so decided to become a voluntary contributor to the BID. The benefits are amazing! The Covid recovery package was a great help as well as the free advertising billboard and the outdoor seating equipment. We are more than grateful! The events organised by Ymlaen are always a great success and we always see a significant increase in custom on those particular days. The community spirit they also bring is lovely to see. Thank you Ymlaen!"

--All, Avó Café

"What can I say? Amazing! Ymlaen Llanelli have made such a difference bringing people into town on the event days . People who had stopped coming. We are very gratefull in Pandora's Box for all that you do. Please keep it coming!!

--Suzanne Thorpe, Pandora's Box

| Page no. | Working title |
|--|----------------------------------|
| 4 | Our record on boosting marketing |
| | Images |
| | Event photos, mugs |
| Text | |
| <ul style="list-style-type: none"> • Events programme – Our highly-anticipated annual calendar of events now brings thousands of people into the town centre to enjoy all it has to offer. Our events showcase the wonderful vibrant community of Llanelli town centre and have been crucial in our work to put Llanelli on the map. Our partnership work with Llanelli Rural Council also means we have access to volunteers on the day through the Street Buddies scheme. Everyone has their favourite, but we are sure you will agree that the Llanelli Food and Drink Festival is the jewel in our crown. We were also delighted to be able to donate the proceeds from the 2019 Festival to the Llanelli Food Bank and the Carmarthenshire Toy Appeal. • Social media – You’d struggle to find anyone in South Wales who hasn’t seen one of Ymlaen Llanelli’s viral videos, which rack up tens of thousands of views and get our town centre’s name out there. Across all of Ymlaen Llanelli’s social media platforms, we now have over 8000 followers who see our posts. Our videos are legendary! • Cross-platform advertising – We have invested in advertising across local radio stations, including The Wave, Radio Carmarthenshire and the former Swansea Sound, keeping Llanelli at the forefront as a shopping destination even for those further afield. For the Christmas 2020 period, we bought localised TV advertising with Sky Media to promote our town centre to shoppers. If you saw it we bet it brought a tear to your eye! • Branded products – We have developed products including the Love Llanelli reusable travel mugs and bags which have been hugely popular with the public and businesses, and have kept loyal customers coming back to town. | |
| <p><i>Events list on side of page:</i></p> <p>Growing the events calendar</p> <p>2016:</p> <ul style="list-style-type: none"> • Wild West Wednesday 2016 • Llanelli Reindeer Parade 2016 <p>2017:</p> <ul style="list-style-type: none"> • Free Parking Pirate Friday 2017 • Pancake Race 2017 • Megasaurus Monday 2017 • Gar Gwyl Music Festival 2017 • Superhero Day 2017 • Knights and Princesses Day 2017 | |

- Llanelli Reindeer Parade 2017

2018:

- Circus Skills Spectacular 2018
- Pancake Race 2018
- Batman Returns 2018
- Animal Magic 2018
- Llanelli 80s Festival 2018
- Gar Gwyl Music Festival 2018
- Pirates and Princesses 2018
- Llanelli Food and Drink Festival 2018
- Harry's Halloween 2018
- Llanelli Reindeer Parade 2018

2019/20:

- Batman Returns Again 2019
- Pancake Race 2019
- Dinosaur Day 2019
- Grease Open-Air Cinema 2019
- The Great Llanelli Get Together 2019
- Llanelli 80s Festival and Armed Forces Day 2019
- Gar Gwyl Music Festival 2019
- Cartoon Capers 2019
- Llanelli Vintage Festival 2019
- Llanelli Food and Drink Festival 2019
- Harry's Halloween Returns! 2019
- Llanelli Reindeer Parade 2019
- Superhero Day 2020

We had a whole calendar of events planned for 2020, but unfortunately these couldn't take place due to Covid-19 restrictions. We hope it's not too long before we can start holding events in the town centre again, we have all missed them. Nobody does fun better than Llanelli.

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|---|--|
| Page no. | Working title |
| 5 | Our record on improving access |
| | Images |
| | Car park covers, £1 parking posters, Cowell Street |
| Text | |
| <ul style="list-style-type: none"> • £1 parking Saturdays – Always one of the hottest issues in town, we have provided £1 parking on Saturdays in the multi-storey car park during the Christmas period. The initiative has been popular with shoppers and businesses alike. • Free parking days –Ymlaen Llanelli have worked with the county council to make these days better planned and better advertised. We have invested heavily in advertising, including purchasing and installing bright yellow parking meter covers so there is no confusion on the free days. • We were involved in the development of the free parking scheme on Mondays and Tuesday between 10am and 4pm in council car parks, and installed signage to advertise the free parking at Coleshill car park on weekends. • Slower Shopping Tuesdays – Ymlaen Llanelli worked with the St Elli Shopping Centre, Llanelli Town Council, Llanelli Market, and other community groups to provide and promote a quieter shopping experience in the town centre for those customers who prefer a slower pace of life. • Cowell Street pedestrianisation – Ymlaen Llanelli helped inform and support the discussion around the partial pedestrianisation of Cowell Street to allow hospitality businesses to increase their outdoor seating capacities. The pedestrianisation was brought in from August 2020 to help those businesses reopen and operate safely while adhering to Covid-19 social distancing guidelines. <p>At the beginning of 2020, we planned to extend the £1 parking scheme to every Saturday year-round, however, with the temporary closure of many town centre businesses during the coronavirus pandemic, we decided to pause the scheme to reinvest money where it was needed most.</p> | |

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| Page no. | Working title |
| 6 | Our record on enhancing experience |
| | Images |
| | Yarn bombing, digital sign, vinyls, Easter eggs, hanging baskets |
| Text | |
| <ul style="list-style-type: none"> • Window vinyls – We collaborated with PeopleSpeakUp and local schools to create eye-catching window vinyls to turn empty units into positives. The designs made by school children, showcasing their ideas and aspirations for the town centre. • Hanging baskets – We have invested in winter baskets to brighten up our town. • Yarn bombing - Ymlaen Llanelli worked with the Crafty Seniors, a local knitting group, to brighten up the town centre and create a treasure hunt around businesses. It certainly was a talking point! • Digital signage – We were instrumental in helping Emerge Advertising install the town’s first digital signage unit, allowing businesses to access cheaper advertising as well as providing a business directory and wayfinder for visitors. • Love Llanelli - Ymlaen Llanelli and Llanelli Town Council jointly set up this online business directory for the town centre, which also enabled businesses to post offers and changes to their opening hours. • Easter trail – We worked with Llanelli library on an annual Easter Egg Hunt around businesses in town. Children love it, and with prizes on offer from local businesses, it’s become a favourite activity for the Easter holidays. | |

| Page no. | Working title |
|---|---|
| 7 | Our record on developing strategy |
| | Images |
| | Community police team, Covid packs, advertising space, Transforming Towns furniture |
| Text | |
| <ul style="list-style-type: none"> • Community Police Team – We campaigned heavily for the establishment of a dedicated town centre officer and teams of Police Community Support Officers to help tackle some of the issues faced by businesses. Aled and his team of PCSOs are now a regular feature of daily life in the town centre. • Tackling anti-social behaviour – We have been continually logging and pushing for solutions to tackle anti-social behaviour in our town centre; we pushed for the reinstatement of CCTV and were successful in persuading the Police to install three extra, unplanned cameras to cover trouble spots. We have been heavily involved in the eradication of discarded needles on town centre streets. Our Chair represents business interests on the Contest Counter Terrorism Board, The Anti Social Behaviour Board, the Serious Violence and Organised Crime Board, and the Advancing Communities Together Board. She has also done a lot of work on the begging issues in town. • Town Centre Task Force – For the last five years we have represented businesses in this forum which brings together all town centre stakeholders. • Reform of business rates – Ymlaen Llanelli has worked with other BIDs in Wales to form a strong voice in lobbying for business rates reform, including the extension of the threshold for small business rates relief. • Accessing grant funding – We have successfully accessed grant funding from various sources for initiatives, including for our amazing Llanelli Food and Drink Festival, and to help us provide additional outside furniture for hospitality businesses. We've also been able to access funding and on-the-ground help from Llanelli Town Council for some of our biggest events. • Training opportunities – We were able to offer businesses free training in the use of marketing and social media through a series of workshops open to all members. • Attracting new businesses – We sit on the Regeneration Board that strives to attract new businesses into town. | |
| <p>Covid-19 Recovery</p> <p>When Covid-19 arrived we had to rethink our strategy, and we're proud to have been able to deliver the following initiatives to help businesses through the crisis.</p> <ul style="list-style-type: none"> • Collective purchasing – We bought and distributed PPE for businesses to aid them with reopening. Our Reopening Package included perspex screens, hand sanitizer, masks and social distancing stickers, and was made available free of charge to levy payers. | |

- Transforming Towns Fund – We, along with Llanelli Town Council and Carmarthenshire County Council, were able to access this Welsh Government Fund to supply outdoor furniture to hospitality businesses to help them adapt to new Covid-19 guidelines.
- Llanelli Town Centre Exposure Fund – We collaborated with Emerge Advertising to offer businesses free advertising on Emerge’s digital billboard at Halfway lights, the biggest advertising space in Llanelli. The scheme initially ran for a few weeks, before a second round of slots was acquired for six months from October 2020 to March 2021.
- Community support – We were so happy to be able to support our hospitality businesses as well as the emergency services and local care homes during the crisis by ordering food parcels to be delivered from us.
- Information - The Ymlaen Llanelli e-newsletter was adapted and sent out on a regular basis, featuring breakdowns of information on the grants and funding available to businesses amidst the crisis.

| | |
|---|---|
| Page no. | Working title |
| 8 | Moving forward |
| | Images |
| | Events, big screen, Grease cinema night, planters |
| Text | |
| <p>There is still so much more we can do, so let's build on what we've already done and keep the momentum going. Before Covid-19 hit, we were on a roll of positivity, and it's time to get that back. Llanelli needs us to keep challenging any negative perceptions of our town and to bring even more people into the town centre.</p> <p>Boosting marketing</p> <p>In the next five years we will:</p> <ul style="list-style-type: none"> • Continue to build on our highly successful and coveted calendar of events. We'll follow our trajectory and keep the town moving forward with bigger and better days out; our 2019 Vintage Festival increased the footfall in town by 200% compared to the same Saturday in 2018. Our second 80's Festival brought in 25% more footfall than our highly successful first festival in 2018 and our amazing Food and Drink Festival brought in 70% more footfall in its second year. • Add to the Christmas experience in Llanelli by bringing attractions such as an ice rink into the town centre and establishing a weekly Llanelli Christmas market in December. • Develop a new beer festival for town. This would be an event specifically aimed at our pubs, bars and nighttime economy. • Work towards increasing Llanelli's profile as a centre for heritage and culture. • Continue our aggressive marketing campaign for the town centre across all media. We know it works! | |
| <p>Enhancing experience</p> <p>We want people to enjoy spending time in the town centre, so we will:</p> <ul style="list-style-type: none"> • Investigate the possibility of installing a digital big screen in Spring Gardens. This will allow us to develop the area for more of our popular outdoor cinema nights, plus create a Fanzone for sporting occasions. It would also be a prime advertising spot for future initiatives. Other areas have them, why shouldn't we be as ambitious? • Collaborate with local designers to design and install more window vinyls for empty units to brighten up the town centre. • Make the town centre more attractive by additional cleaning and introducing more greenery. • Work to bring businesses who may be on the outskirts of the town into the centre. • Continue to work with the Police to tackle the anti-social behavior issues and create a more welcoming environment for shoppers. | |

- Strive to make the town centre an attractive place to live and work, and ensure that those people who are choosing to live in town have all amenities that they need.

Improving access

Parking continues to be a critical issue, therefore we will:

- Extend the Saturday £1 parking scheme to be year-round as planned before the Covid-19 pandemic, while continuing to advertise this and other parking schemes widely.
- Work with local residential homes and sheltered accommodations to organise days out to the town centre for their residents, giving them a whole-day experience of shopping and dining out.
- Continue to work with the council on initiatives that enable more people to access the town centre, making a better experience for pedestrians and cyclists.
- Work with the local authority and other stakeholders to link up the sea front and the proposed new Delta Lakes development with the town centre to bring new visitors in.

Developing strategy

We have done so much to establish Ymlaen Lanelli as a force to be reckoned with in the last five years. We will continue to fight on behalf of town centre businesses by:

- Being a strong voice for businesses and working with the local authority, Police and other agencies.
- Accessing further grant support that may be available to supplement the levy income and use it to enhance the town centre in whichever way possible.
- Continuing to work with other BIDs in Wales to lobby the Welsh Government on issues affecting town centres.
- Improving the reputation of Llanelli town centre to make it somewhere people want to invest and open new businesses.
- Integrating more initiatives into our strategy that aim to help businesses adapt to the new-look high street following the pandemic.

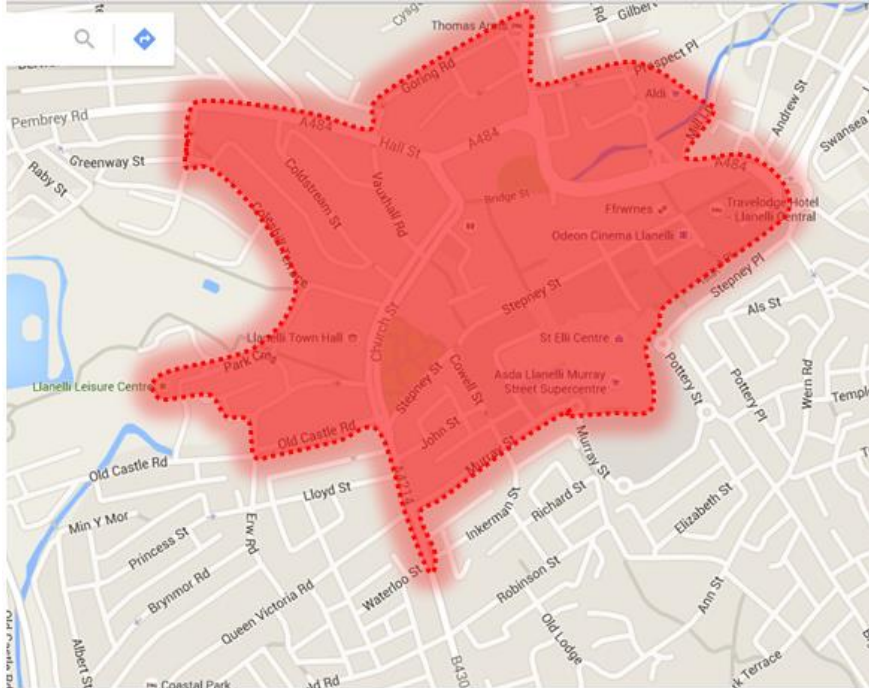
| | |
|----------|------------------------|
| Page no. | Working title |
| 9 | Financial Breakdown |
| | Images |
| | Estimated budget graph |
| Text | |

Annual expenditure

- Boosting marketing – 43%
- Improving access – 20%
- Enhancing experience – 15%
- Developing strategy – 3%
- Core costs – 16%
- Contingency – 3%



This is how Ymlaen Llanelli will continue to invest in the town centre.

| Page no. | Working title |
|----------|---|
| 10 | Map |
| | Images |
| |  |
| Text | |
| | <p>The BID area will remain the same as the BID's first term, covering key areas in the town centre.</p> <p>The BID area includes the following streets, either in whole or in part:</p> <ul style="list-style-type: none"> Bridge Street Coldstream Street Coleshill Terrace Cowell Street Crown Parade East Gate Leisure Quarter Frederick Street Goring Road Hall Street John Street Market Precinct Market Street Mill Lane Murray Street Old Castle Road Park Crescent Park Street Prospect Place St Elli Centre Station Road (to junction with Inkerman Street & Waterloo St) Stepney Precinct |

Stepney Street
Swanfield Place
The Market
Thomas Street
Town Hall Square
Vaughan Street
Vauxhall
Waunlanyrafon
West End
West End Yard

| | |
|----------|---------------|
| Page no. | Working title |
| 11 | Q&A |
| | Images |
| | |
| Text | |

What is a BID?

A Business Improvement District is formed following a ballot in which businesses vote on a BID proposal or business plan for the area.

If a ballot is successful, it is then managed and operated by a BID Company – a non-profit business run by and for its members – and is funded through the BID levy, which is a small percentage of a business’ rateable value. Ymlaen Llanelli was created in 2015 following a first successful ballot of eligible businesses.

How is Ymlaen Llanelli funded – and where is it spent?

We understand that 2020 has been a tough year for businesses so we have decided to keep the levy rate at 1.25% even though it will mean a slight drop in income for Ymlaen Llanelli.

£5,000 threshold - Levy at 1.25%

| Total rateable value | Total yearly income | Total five year income | No. businesses in area |
|----------------------|---------------------|------------------------|------------------------|
| £7,297,550 | £91,219 | £456,095 | 303 |

Ymlaen Llanelli is funded by a 1.25% levy on the rateable value of hereditaments (business units) within the defined BID boundary that have a rateable value of £5,000 or more, as of the notice of ballot date (21st January 2021).

Businesses with a rateable value below the threshold are exempt from paying the levy, although they can contribute voluntarily as some have already done in Llanelli.

Ratepayers that receive mandatory relief from business rates and are office-based have their BID levy discounted at the same rate. This discount does not apply to business units that receive mandatory relief which are retail.

This levy raises a collective pot of £456,000 that is invested in the town centre over the BID’s five-year term.

The BID’s services are above and beyond what the Local Authority and Town Council currently provide for the town centre. To ensure that the services the BID provides are additional to what’s already delivered, the BID has a baseline agreement with the local authorities which details the services they currently deliver. BID funds are only for projects in addition to those delivered by the local councils and can only be spent to improve the area in which they are raised – Ymlaen Llanelli only spends here in Llanelli town centre.

How is the BID levy collected?

The BID levy is collected on an annual basis. Ymlaen Llanelli commission the local authority to collect the levy on our behalf as a separate bill. The levy is amended on an annual basis in line with inflation.

Ymlaen Llanelli is a limited company. The BID levy is mandatory for all eligible hereditaments (those with over £5,000 rateable value) within the BID area. This includes those owned by the local authorities and other public bodies.

How is the BID governed?

Ymlaen Llanelli was established in 2016 after a successful BID ballot. It is an independent, not-for-profit company. It is a transparent body open to scrutiny from its levy payers and the community in which it operates, with regularly updated information about income and expenditure available to all members of the BID.

Ymlaen Llanelli is led by the private sector – a board of directors who represent a cross-section of businesses in Llanelli town centre, and theme groups also drawn from local businesses, who meet to oversee specific projects in the programme's four main strands. A part-time BID manager and a part-time marketing assistant deliver the programme, overseen by the board.

How long does the BID last?

The BID runs for a term of five years, ensuring guaranteed investment in Llanelli town centre until 2026 if the renewal ballot is successful.

How does the BID ballot work?

The BID can only be re-established after a successful ballot vote of eligible businesses in Llanelli.

In February 2020, all eligible businesses within the BID boundary will receive a ballot paper in the post at the ratepayer's address. Ballot papers must be returned within a month.

To be re-established, the ballot must pass on two counts: a simple majority of those voting must be in favour **and** their votes must represent more than 50% of the total rateable value of the properties that vote.

The BID was established in November 2015 following a successful ballot that adhered to the same rules.

| Page no. | Working title |
|--|---------------|
| 12 | Key dates |
| | Images |
| | |
| Text | |
| <p>Ymlaen Llanelli can only be re-established after a successful ballot vote of eligible businesses in Llanelli. On 4th February 2021, all eligible businesses within the BID boundary will receive a ballot paper in the post at the ratepayer's address. You will have 28 days to cast your vote.</p> <p>The BID was established in November 2015 following a successful ballot that adhered to the same rules.</p> <p>Key dates</p> <p>Notification of ballot: 21st January 2021</p> <p>Ballot opens: 4th February 2021</p> <p>Ballot closes: 5pm 4th March 2021</p> <p>Result announced: 5th March 2021</p> | |

| Page no. | Working title |
|--|---------------|
| 13 | Contact us |
| | Images |
| | |
| Text | |
| <p>For more info on the BID, our proposals, or the renewal ballot, you can get in touch with us via the following:</p> <p>Ymlaen Llanelli 10 John Street Llanelli SA15 1UH</p> <p>Email: mandy.jenkins@themeans.co.uk Phone: 07803 503972</p> <p>www.ymlaenllanelli.com</p> <p>Facebook @YmlaenLlanelli Twitter @Ymlaen_Llanelli Instagram @YmlaenLlanelli</p> | |

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|---|---------------|
| Page no. | Working title |
| To be throughout | Quotes |
| | Images |
| | |
| Text | |
| <p>Some of the wonderful comments we've had on our Facebook page following our events:</p> <ul style="list-style-type: none"> • "Amazing community events arranged for the town centre, free, which helps struggling families enjoy as well. Keep up the good work guys!" • "I loved every second of Veterans and 80's Day on 29th June 2019. It was so well organised. These days are crucial to breathing renewed life into our town." • "Ymlaen Llanelli organises wonderful events for all age ranges. We are fortunate to have this in our town. Diolch yn fawr iawb."" • "I've got to say.. in the last year fabulous things have happened in our Llanelli town .. from the 80s to the food festival . I'm exited to see what's next.. what a uplifting experience.. who is the person in charge??. I would love to shake their hand because they are doing a great job. I have faith in Llanelli again." • "Recent events in town have brought so many into the town again. Its been amazing to see the town so full and full of people enjoying life in Llanelli again. keep up the fantastic work." • "Just wanted to say what a fantastic event today following the recent equally as good food festival! Really heart warming to see so many people in our town centre! Well done and thank you from my two who had a great time." | |
| <p><i>Business quotes to be spread throughout the document:</i></p> <p>"I voted against the BID last time and saw it as a cost to business, but having seen the results of what Mandy and the team have and are doing, I have been converted. Even though my business does not benefit from most of the activities, the town itself has been lifted and I believe that without what the BID have done, then nothing would have been done. We have tough times ahead and we need all the help we can get. I'm voting for the BID."</p> <p>-- Paul Brookfield, The Met Bar</p> <p>"I was very cynical about the BID but it has proved to be a great success and has achieved many good things. Ymlaen Llanelli has put on events that other towns could only dream of. On a personal note it has allowed me the privilege to promote local musicians through the Gar Gwyl Festival. Lets keep the BID going! Ymalen Llanelli you and the team are great for this town."</p> <p>-- Alun Rees, Cadno Music</p> <p>"We have seen and felt the whole benefit to our local business, it has definitely helped to build our sales and increase traffic. We could not imagine now not being involved in the scheme. We are expecially busy during the 80s Festival with over 500 guests throughout the day joining us for</p> | |

food and drinks and buying tickets for our evening event which has increased in footfall every year. It's also particularly great to see visitors from further afield staying with us for the celebrations at the hotel. We can happily recommend everyone to take full advantage in joining us and making the most of the opportunities that would not be available normally to business. We were overjoyed to be involved in the free advertising which was a massive boost in gaining new guests for the hotel."

-- Christine and David Evans, The Thomas Arms

"I support Ymlaen Llanelli as they do so much for the town. The events that they organise bring a lot of people into the town and the support they have given us business during the last year has been outstanding."

-- Emma James, Andrew Price

"I don't mind admitting that I was not a supporter of the BID at the outset. However, in the last five years I have slowly been converted. My businesses might not benefit from all of the events but they have been brilliant for the town. The Covid recovery packs we have received have been excellent and saved us the job of finding and buying our own. It was also great to have the pancake race trophy for two years running! I'm voting yes this time around as the town needs Ymlaen Llanelli to continue the good work."

-- Peter Beale, The Welsh Shop and Beale's Linens

"I was unaware of Ymlaen Llanelli when I moved into Vaughan Street but I feel that my business has definitely benefitted from the things Ymlaen has organised in the town. It's been so lovely to see the town full of people enjoying. I have chatted to many who think it is a wonderful thing and does bring new people into the town to shop. Even through this very difficult year Ymlaen Llanelli has supported businesses by providing items to help trade safely. I for one will definitely support the BID, long may it continue."

-- Angie Bowen, Angie's Baby Cwtch

"Ymlaen Llanelli has been extremely helpful in testing times for business, the extra support has been beneficial to us as a local long standing business in Llanelli and the surrounding area, the floor stickers and hand sanitizers in the early lockdown saved us extra pressure to arrange and the advertising boost has been a positive aspect to drive business to us and subsequently the town centre businesses."

-- Gayle Hunt, Mallard Estates

"St Elli Shopping Centre have enjoyed collaborating with Ymlaen Llanelli on big town events including Superhero Day, Llanelli's Great Get Together, Llanelli town 80's Fest, The Reindeer Parade and much more! In 2019 we even picked up a 'Purple Apple Award' for our partnership work on the Llanelli Food and Drink festival. During this weekend event, we saw retailer sales rise

by 33.1% YOY and footfall up 21.7% YOY. Events, promotions or town initiatives, St Elli will look forward to working with Ymlaen for many years to come!"

-- Aimee Lewis, St Elli Shopping Centre

"Gomer Williams and Co are proud to support the BID as we know that the money goes towards events within the local community, bringing everyone together. We love getting involved with the activities and events and it helps us to get our firm name out there. The BID is a great addition to Llanelli and we are proud to be supporting this."

-- All, Gomer Williams

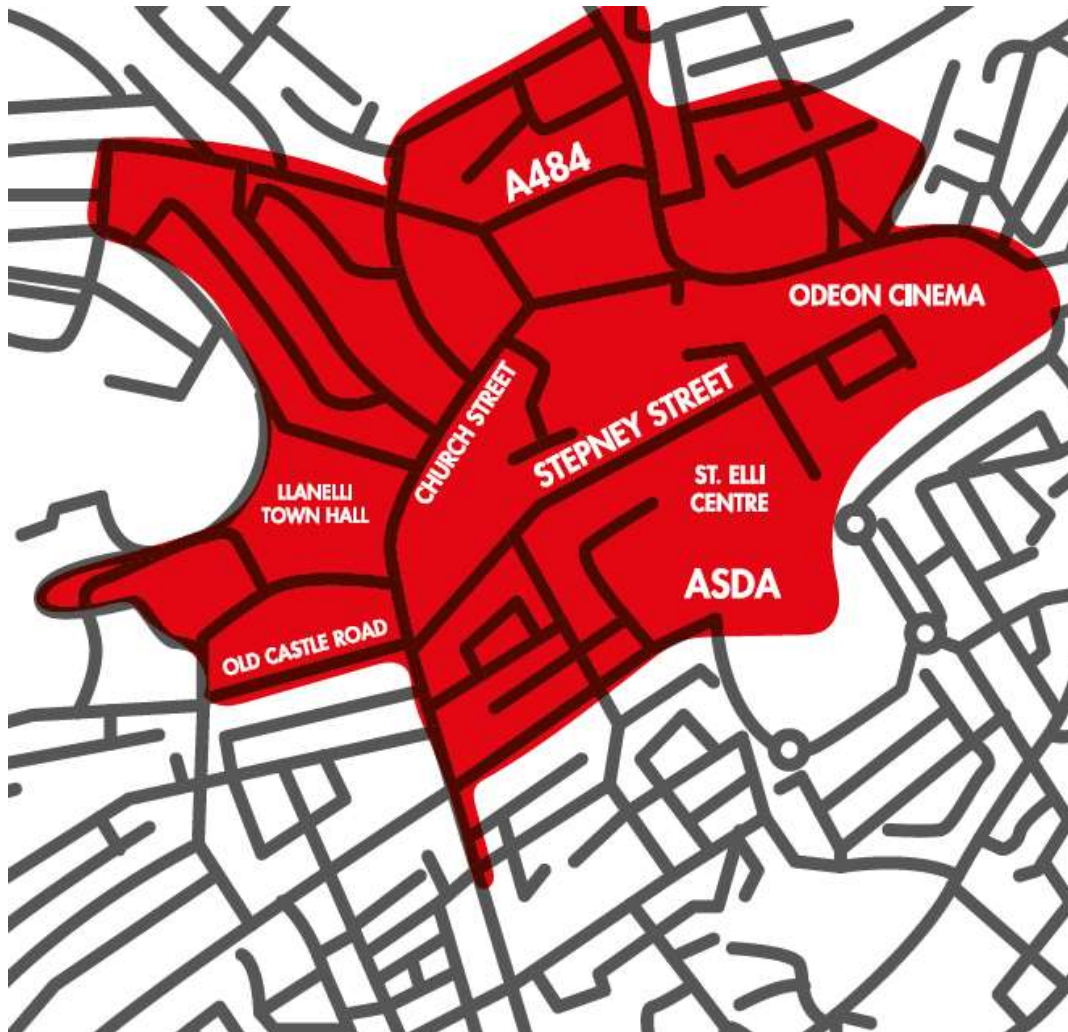
"Ymlaen Llanelli was up and running when we opened our business in the town centre. We weren't sure what it was when we got the bill but now we realise how fortunate we are to have it in Llanelli. We've been able to bring our mobile trailer along to the amazing events which has opened up a whole new avenue of income for us. We will definitely be voting yes this time around, we can't imagine Llanelli without the BID. Losing the calendar of events would be a disaster for town. "

-- All, Marzano's Café Bar

"As Leader of Carmarthenshire County Council I am happy to state our wholehearted support for the BID here in Llanelli. The support the BID has provided in so many ways has been fully acknowledged by the businesses who have benefited. Our intention is to continue that support for the BID especially our collaboration with the events that have proved to be such an outstanding success. I look forward to the ballot and a vote of support to continue the ongoing work of the BID."

-- Cllr Emlyn Dole, Leader Carmarthenshire County Council

Llanelli BID Area



Mae'r dudalen hon yn wag yn fwriadol

Bwrdd Gweithredol 25 Ionawr 2021

Pwnc: Cynllun Argyfwng Bysiau 2 Llywodraeth Cymru

Pwrpas: Mae'r adroddiad hwn yn nodi'r cyd-destun ehangach, y cefndir a'r rhesymau dros Gynllun Argyfwng Bysiau Llywodraeth Cymru ac yn gofyn am gytundeb y Bwrdd Gweithredol i ymuno â chynllun BES2.

Yr argymhellion / penderfyniadau allweddol sydd eu hangen:

- 1.1 Mae'r Bwrdd Gweithredol yn cytuno ag egwyddorion cytundeb BES 2 (Atodiad 2) i sicrhau cymorth ariannol (amodol) i'r sector bysiau ac i sefydlu perthynas â'u hawdurdod arweiniol rhanbarthol a'u llofnodwr, sy'n sicrhau bod yr arian brys parhaus yn bodloni blaenoriaethau'r awdurdod ac yn cael ei ddarparu ar ei ran.
- 1.2 Mae'r Bwrdd Gweithredol yn nodi'r gofyniad i'r cytundeb cyfreithiol presennol ar gyfer diweddarau'r Grant Cymorth Gwasanaethau Bysiau i adlewyrchu'r gofynion ar gyfer cytundeb BES2.
- 1.3 Mae'r Bwrdd Gweithredol yn derbyn adroddiad pellach ar gynigion ehangach i ddiwygio bysiau sy'n ymwneud â rheoli gwasanaethau bysiau yng Nghymru yn y dyfodol yn dilyn cyfarfod Cymdeithas Llywodraeth Leol Cymru gydag Aelodau'r Bwrdd Gweithredol a'r Gweinidog ar ddechrau 2021.

Y rhesymau: Sicrhau cymorth parhaus i ddarpariaeth trafndiaeth gyhoeddus.

Angen ymgynghori â'r pwyllgor craffu perthnasol: Ddim yn berthnasol

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:- Y Cynghorydd. H. Evans.

Y Gyfarwyddiaeth: Yr Amgylchedd

Enw Pennaeth y Gwasanaeth: S.G. Pilliner

Awdur yr Adroddiad: S.G. Pilliner

Swydd: Pennaeth Trafndiaeth a Phrifyrdd

Rhifau ffôn / Cyfeiriadau E-bost:

01267 228150

SGPilliner@sirgar.gov.uk

EXECUTIVE SUMMARY
Executive Board
25th January 2021

Wales Government Bus Emergency Scheme 2

The bus industry across Wales has been supported throughout the COVID pandemic with financial support from the Wales Government. The support has sustained essential bus services as farebox revenue plummeted. Support delivered through the Wales Government Bus Emergency Scheme together with the Council's revenue funding has proved a lifeline.

To date the support has been provided by short term funding schemes, the Wales Government now wishes to move to a more longer-term arrangement to continue with a Bus Emergency Scheme (BES2) in exchange for greater influence over public transport provision.

The longer-term arrangement would be delivered in the form of a Public Service Obligation contract which would run until July 2022 or until such time as market conditions recover sufficiently for an operator to no longer require Bus Emergency Scheme support.

The longer-term agreement will need to be signed by the bus operator, the Wales Government, Transport for Wales and a Lead Authority for the region. The Lead Authority arrangement will be subject to a formal legal agreement between the four authorities across the region like the existing arrangement for administering Bus Services Support Grant (BSSG). The BSSG agreement will need to be updated to include the BES2 scheme.

The Wales Government requires that the Bus Emergency Scheme agreement is signed by the 31st January 2021.

BES2 is required to ensure services are sustained. Any reduction in BES2 funding that is not covered by an uptake in farebox revenue, will place pressure on any Council subsidised bus contracts. Without BES2 support the bus industry would not survive the crisis and many public transport routes would be lost.

The report concerns emergency bus funding, there is ongoing work being undertaken by the Wales Government on the planning of future networks and respective roles of the Wales Government, Transport for Wales, Local authorities and Operators. This will be subject to a separate future report. It will be important the outcome of this further work will provide an assurance and security of service for rural areas together with recognition of the important role Local Government has in the planning and management of bus services.

The report attached sets out the detail and Executive Board are asked to approve the recommendations as set out.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: S.G. Pilliner

Head of Transportation and Highways

| | | | | | | |
|---|------------|------------|-------------|------------------------|-----------------------|-----------------|
| Policy, Crime & Disorder and Equalities | Legal | Finance | ICT | Risk Management Issues | Staffing Implications | Physical Assets |
| YES | YES | YES | NONE | YES | NONE | NONE |

Policy, Crime & Disorder and Equalities

The BES2 provides funding to sustain public transport in accordance with the Regional Bus Network Strategy and South West Wales Joint Local Transport Plan.

Legal

The Council will remain responsible for the subsidised services that it currently funds through direct contracts with bus operators.

BES2 payments that cover the loss of farebox revenue will be made by a Public Services Obligation Contract which has a maximum term until 21st July 2022 or until bus operators enter into an embedded partnership agreement.

The current legal agreement for the joint administration of the Bus Services Support Grant for the region will need to be updated to reflect the arrangements for BES2.

The Lead Authority will enter into agreement with each operator for the region together with the Wales Government and Transport for Wales.

Finance

BES2 provides operators with funding to cover loss of fare box revenue and additional ramp up funding for services. Funding is confirmed until March 2021 in the current financial year. The Wales Government budget announcements indicates there is funding allocated for 2021/22.

Any reduction in funding for BES2 that is not covered by farebox revenue will place pressure on any Council subsidised bus contracts which may require additional revenue support or a reduction in service.

Should bus operators not sign the agreement the Council will need to adjust services.

Risk Management Issues

Should funding be reduced, it will impact on the level of public transport services that the council is able to support.

CONSULTATIONS

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

Signed: S.G.Pilliner

Head of Transportation and Highways

1. **Scrutiny Committee** N/A
2. **Local Member(s)** N/A
3. **Community / Town Council** N/A
4. **Relevant Partners** N/A
5. **Staff Side Representatives and other Organisations** N/A

EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED

Include any observations here

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

THERE ARE NONE

1.0 Introduction and Context

- 1.1 Bus travel has been severely affected by the Covid-19 pandemic. Passenger numbers have plummeted, whilst social distancing and additional cleansing requirements have placed added burdens and costs on operators.
- 1.2 Welsh Government (WG) and local authorities (LAs) have stepped in to support the sector with substantial financial assistance. There has also been an excellent, ongoing dialogue between all parties to discuss and agree on support arrangements.
- 1.3 Prior to the pandemic, WG had consulted on a range of proposed changes to the way bus services are delivered in Wales. A Bus Bill was due to have been brought forward during the current Senedd term. Pressures associated with not only Covid but also the large volume of legal work generated by Brexit and the transition period forced WG to postpone the planned legislation.
- 1.4 Due to the large amount of public funding that goes into bus services from WG and LAs, WG would like to see the public sector having greater influence over areas such as the networks of services provided, ticketing and integration with rail services. It also sees a greater role for Transport for Wales, which is now responsible for rail services in Wales.
- 1.5 This raises two issues: (i) short term survival of operators and (ii) longer term reform of the sector. WG believes that these two can be linked. In the short term, the funding being provided to keep operators afloat is therefore being provided with several conditions attached. These are to incentivise operators to engage in planned changes that are in line with their longer-term ambitions for reform.

- 1.6 The Minister of Economy and Transport and North Wales, Ken Skates MS, has met with Leaders of all 22 LAs, along with his officials, to outline Welsh Government's direction of travel. Further details have been included in the Wales Transport Strategy (WTS) which has been the subject of consultation. More recently, the Deputy Minister, Lee Waters MS, met with all Leaders to discuss the WTS but also to encourage LAs to sign up to the Bus Emergency Scheme 2 (BES2). This is the latest phase of financial support to help operators through the period of the pandemic (more details on BES 2 below).
- 1.7 Leaders have agreed to establish a WLGA Bus Member Group, with a focus on the longer-term proposals to reform the sector's operations. That group includes the WLGA Leader (who is also the WLGA's Transport Spokesperson), the deputy Transport Spokesperson, the chairs of the four regional transport bodies and the co-chairs of the WLGA Rural Forum. That Member Group is due to meet with Lee Waters on 18th January 2021.

2.0 BACKGROUND

- 2.1 The problems facing operators were recognised at an early stage of the pandemic. Looking ahead, to secure their services for the future, local authorities agreed to continue making payments for contracted services even though many services were initially suspended.
- 2.2 Alongside this, WG stepped in to help operators deal with reduced income on commercially operated routes and the additional costs being incurred. Initially, WG made £29m available from a Hardship Fund, which operated from April 2020 for three months. This Fund was assembled from monies that would otherwise have been paid via Bus Services Support Grant, Mandatory Concessionary Fare reimbursement and the 'My Travel Pass' scheme.

- 2.3 The Bus Emergency Scheme was then introduced in July to provide ongoing support. This became known as 'BES 1' and it continued to maintain operators' income at historic levels, based on what was being paid to them under previous grant schemes. In return for this financial support Welsh Government signalled that it expected operators to contribute to a reshaping of bus services in Wales – to include improved regional networks with greater integration with rail services, smart ticketing and timetabling.
- 2.4 'BES 1.5' was introduced in August, administered by the lead Authorities, through whom BSSG had been paid since 2013¹. It provided £10m of so-called 'ramp up funding' to support the reopening of schools and economic activity. This funding helped to cover the cost of reinstating services suspended when travel restrictions associated with the pandemic were introduced, and which were needed to meet increasing demand, given capacity constraints of social distancing. BES 1.5 was then extended to the end of March 2021 following the announcement of a further support package in September 2020². Operators were once again asked to sign up to a range of terms and conditions to access the BES funding.
- 2.5 WG, working with Transport for Wales (TfW), are now proposing to enter into a longer-term BES 2 agreement with operators and local authorities to protect services. It will operate for an initial maximum term of up to 2 years from the date BES 1.5 commenced (i.e. up until 31 July 2022, unless market conditions recover sufficiently for an operator to no longer require BES support for any of its services whether they be contracted or commercial.

3.0 KEY FEATURES OF BES2

- 3.1 BES 2 will continue to address the loss of farebox revenue and the additional costs associated with responding to the pandemic. Under BES 2 the WG funding will sit alongside local authority funding provided through the Concessionary Travel Scheme and via Revenue Support Grant and the Bus Services Support Grant to make up the shortfall.
- 3.2 Welsh Government will be a co-signatory to the BES 2 agreement with bus operators, along with Transport for Wales³. Local authorities retain legal responsibilities for bus services and therefore remain central to determining which local services receive this support. They need to sign up to the principle of the agreement and the relationship with their Lead Authority, in ensuring that the ongoing emergency funding meets their priorities and is delivered on their behalf. This will provide the legal basis for WG to make payments to the operators. **In this way, WG can use its powers to support operators, whereas the additional funding would breach local authorities' de minimis limits for direct award contracts** (further details in the briefing note in Appendix 1 and the full proposed Agreement is in Appendix 2). Local Authorities will remain responsible for those services which they currently contract directly with bus operators. Local Authorities will need to consider planning for contingencies, such as if the BES2 agreement is not signed or the level of funding for BES2 is reduced during the period of the agreement.
- 3.3 Key features of BES 2 will be as follows:

³ Given that the agreement is under discussion between Welsh Government, operators and Transport for Wales as well as local authorities, and must be approved by all parties, it may be subject to some changes before it is finalised.

- Maximum term until 31st July 2022 or until operators enter into an embedded partnership agreement.
- Development and delivery of a Reference Network, intended to provide a range of benefits to communities; multi-operator ticketing; and operator sign-up to an Economic Contract at the heart of WG's Economic Action Plan (and its principles of fair work, health, decarbonisation, skills and learning etc).
- Long term co-operation and co-ordination across TfW, LAs and operators by entering partnerships with a clear set of obligations and shared standards.
- One agreement per operator in each of the regions that they work in, signed by Welsh Government, TfW, a lead authority and the operator. The City and County of Swansea are the lead authority for South West Wales supported by Carmarthenshire for the current Bus Services Support Grant as this authority undertakes the day to day administration for the scheme.
- Operators will be allowed to make a (capped) profit on services that has not been possible under emergency funding to date.

4.0 **BEYOND BES 2**

4.1 Discussions are starting to take place in relation to the planning of future networks⁴ and the respective roles of WG, TfW, LAs and operators. It is important to note that these are not the prime focus of BES2 agreement. It will be vitally important for further detailed discussions to take place with Members on these matters. However, this is not a reason to delay the signing of the BES 2 agreement. WG does believe that the BES2 offer will help to engage operators in the discussions about the future at a time when their income is more dependent than ever on public sector support. In signing up to BES 2, though, LAs are agreeing to financial support being provided to the sector. They are not committing themselves to any specific, future

model of bus service management as that will be the subject of further debate.

5.0 RECOMMENDATIONS

- 5.1 Executive Board agree to the principles of the BES 2 agreement (Appendix 2) to secure (conditional) financial support for the bus sector and to establish a relationship with their regional lead authority and signatory, that ensures that the ongoing emergency funding meets the authority's priorities and is delivered on its behalf.
- 5.2 Executive Board notes the requirement for the current legal agreement for the Bus Services Support Grant to be updated to reflect the requirements for the BES2 agreement.
- 5.3 Executive Board receives a further report on wider bus reform proposals relating to the future management of bus services in Wales following the WLGA meeting with Exec Board Members and the Minister early in 2021.

APPENDIX 1



BES 2 Agreements
LA legal briefing.pdf

APPENDIX 2



BES 2 Agreement 16
December 2020.pdf

BES 2 Agreements: Local Authority legal briefing

The BES 2 Agreement provides continued funding to support the bus industry during recovery from the impact of COVID-19. It reflects continued provision of funding from Welsh Government to support the bus industry, and has been drafted to support continued provision of services on a basis which provides a more structured, long-term arrangement. This note summarises the key legal issues that may affect local authorities.

1. Parties

1.1 The agreement has the following parties:

- Welsh Government – responsible for provision of funding and contracting with the operator for the provision of any additional services or standards that would not be provided in the absence of that funding.
- Operator – there is a separate agreement for each operator of local bus services in each region
- Transport for Wales – as for previous BES agreements, Transport for Wales is responsible for certain elements of the administration of the agreement.
- Lead Authority – as with BES 1.5 it is expected that a lead authority for each region will be a signatory to the agreement, managing the operator on behalf of the local authorities in their region, and coordinate some of the future activities proposed under the arrangements.

1.2 Note that it is not intended that each local authority will be a party to every agreement with every operator, but that this will be managed by the Lead Authority for the region. As with previous BES arrangements it will therefore be important that arrangements are made at regional level to agree how the contracts will be managed, including ensuring that there is sufficient local input into the exercise of Lead Authority obligations.

2. Approach to contract

2.1 The previous BES arrangements relied primarily on grant funding arrangements, including funding provided under COVID-19 specific frameworks for aid. However, the current BES 1.5 arrangements recognised that the approach taken in Wales to focus funding on necessary services meant that the arrangements may be viewed as a public service obligation contract (PSO), which provides greater flexibility for input by local authorities into the services that their local bus operators provide.

2.2 The BES 2 arrangements further reflect this, and are drafted primarily as a PSO directly awarded to each operator by Welsh Government. These are applied both to allow for the continuation of services which were formally commercial services, prior to the impact of COVID-19, and also to cover the additional costs relating to the continued provision of secured services as a result of COVID-19 (including both additional costs incurred as a result of e.g. social distancing, as well as covering the costs associated with lost revenue). The contracts are awarded by Welsh Government after careful consideration as to whether local authority powers could be relied upon – powers are available to Welsh Government because it is not possible to consistently make use of local authority powers for these temporary measures.

2.3 Local authorities already let PSOs through their section 63 powers. Consideration was given to whether section 63 powers could be used for this contract, and the decision was taken that this would not be appropriate because:

- Direct award of section 63 contracts is limited – local authorities would typically directly award service contracts through *de minimis* provisions, which have a limit of 40% of tendered service budgets. Seeking to provide funding through this route would not be possible where the *de minimis* cap was already, or would reach the *de minimis* cap, and therefore does not seem a viable way to fund services during the COVID-19 emergency. In any event, it is expected that local authorities will require these powers to award service contracts to meet specific local needs as operators exit BES 2. Whilst there are also emergency powers that can be used to direct award such contracts, they can only be used on a temporary basis and must be followed by a competition, and therefore are unsuitable for the current purposes.
- a competitive procurement of section 63 contracts is unlikely to be practicable, and does not provide the flexibility required to ensure that operators are providing the services needed during the COVID-19 crisis. Once services have been stabilised, the expectation is that local authorities would then use competitive procurement to procure continued services where they remain unviable commercially.

2.4 The contract is therefore based on use of Welsh Government powers under section 7 Transport (Wales) Act 2006, which mirrors the section 63 powers, but would only be expected to be utilised where local authorities cannot exercise their section 63 powers. This provides for a clear division between:

- Temporary BES support for services – provided by Welsh Government under section 7 powers.
- Changes in underlying procured service contracts to reflect the long-term requirement for services in absence of COVID-19 – provided by local authorities under their section 63 powers.

2.5 The approach taken is therefore to layer the PSOs under the BES2 arrangements on top of existing arrangements e.g. they act as a temporary variation to any existing section 63 contract or commercial service, in each case providing funding to allow the operator to continue to operate those services, during the impact of COVID-19, with the provisions of BES2 falling away once that service becomes commercial again, or the BES2 arrangements come to an end. The exercise of Welsh Government powers under a direct award approach is limited to a maximum of 2 years (which would include the period from the start of BES 1.5, due to the possibility of payments under BES 1.5 also relying upon these powers), but could end sooner, if the market recovers.

3. Effect on existing section 63 contracts

3.1 Rather than letting new contracts in respect of provision of services that are currently provided under section 63 contracts, the BES2 arrangements aim to leave those arrangements in place and layer the additional support required to continue providing those services on top of the existing section 63 contracts.

3.2 Under the BES2 arrangements the Lead Authority therefore acknowledges on behalf of local authorities that, to the extent required, section 63 contracts are amended to allow for any additional payments required to the operators to allow continued provision of the services and to make any service alterations agreed with the local transport authority for the period of the BES2 arrangements. These amendments will reflect agreed service changes agreed at the local and regional level as being required during the impact of COVID-19

3.3 These amendments apply whether contracts are let on a net cost or gross cost basis. In each case the BES 2 contract sets out the implications of those amendments from a procurement

perspective, and sets them within the appropriate procurement regime, setting out an approach to minimise procurement challenge risk associated with the short term amendment.

- 3.4 To the extent that the form of section 63 contract has any contractual processes that are required to be followed to allow for such amendment, the BES 2 agreements require the local transport authority to comply with such processes, so that changes can be effected.
- 3.5 Where BES2 arrangements come to an end, the variations effected also come to an end, and the section 63 contracts should continue as before for any remaining term.
4. Effect on future section 63 contracts
 - 4.1 There is a risk that the effects of COVID-19 could impact on the letting of future service contracts, including the renewal of existing section 63 contracts.
 - 4.2 To avoid this, the BES 2 arrangements make specific provision for the letting by local transport authorities of new section 63 contracts, with agreement of a set of assumptions in respect of BES2 funding that will apply to all bidders for a new contract. These assumptions will reflect the agreed level of funding to be provided to support those services whilst COVID-19 still impacts services. This will allow local transport authorities to set this as an assumption in their tender documents, so that bidders can tender on a level playing field in respect of the impact of COVID-19, removing this as a concern for bidders, and allowing for more competitive bidding, reflecting a post-COVID world.
 - 4.3 This therefore allows local authorities to continue to let section 63 contracts during the term of BES2, but will require engagement with Lead Authorities, TfW and Welsh Government to ensure that appropriate assumptions are agreed and included in tenders.
5. Partnership
 - 5.1 In recognition of the level of public sector funding being provided to support the bus industry, the BES 2 arrangements also require the operators to agree to a framework (umbrella) voluntary partnership agreement at a regional level.
 - 5.2 The BES 2 arrangements therefore include a template for such an agreement which will then need to be agreed with local transport authorities in the region. The agreement provides a framework for more localised and specific voluntary partnership agreements at local level to support improved standards of bus services and partnership working at a regional level. The agreement is structured as a voluntary partnership agreement (VPA) within the meaning set out in the Transport Act 2000, and therefore is intended to provide a competition law compliant framework for future engagement with operators.
6. Standards of service
 - 6.1 The BES 2 Agreement sets out standards of service that apply to operators who are receiving funding. Whilst it is possible for operators to move away from the BES 2 Agreement and start providing services to a lower standard (and therefore does not place an express restriction on operators choosing to move to commercial service and away from BES funding, as the market recovers, so does not act as a restraint on trade). However, it also makes clear that should operators move to operate at a standard below that agreed through the BES 2 arrangements (e.g. by offering lower frequencies or timings) then it is clearly recognised that, in turn, that means that they are offering services other than to the standard required – this aligns with the test that applies for exercise of section 63 powers, so provides express justification for a future tender of services to the appropriate standard in accordance with local government powers, if the operator continues to provide services only to a lower standard. It should be noted that this

does not provide the local transport authority with the unfettered right to let such services in parallel with the commercial services, as it would also be necessary to apply the Part 1 Competition Test under Schedule 10 Transport Act 2000 to the exercise of such powers, but it does ensure that there is a clear acknowledgment from such an operator that the registration of a lower quality service does not place an express bar on the local transport authority procuring a higher quality service on the same route.

7. Level of compensation

7.1 The powers being utilised by Welsh Government to let this contract are also subject to Regulation 1370/2007 EU (which will continue in effect in 2021 with minor amendments as UK law). This regulation deals with both the relevant procurement procedure (and allows for direct award) and also sets out the appropriate state aid framework to ensure that funding provided under agreements awarded directly in this way do not amount to state aid.

7.2 As a result, the compensation mechanism used in the contract draws on the reconciliation procedures already put in place under BES 1.5 and earlier to ensure that operators are not over-compensated. Unlike BES1.5, the agreement recognises that only covering operators costs without any margin available is unlikely to be a sustainable mechanism for public transport. The agreement therefore allows operators to earn a margin of (initially) 2% whilst operating services under BES 2. This reflects the requirement under Regulation 1370/2007 that operators are entitled to earn a reasonable profit margin in providing public service obligations. In determining that margin, the rate of return can be no greater than that which is normal for the sector, taking into account the risk, or absence of risk incurred by the operator.

7.3 The impact of COVID-19 has been to materially impact the revenue received by operators, and also to change their costs. The impact of the BES arrangements has been to de-risk that process for all operators. As the impact of BES arrangement has been to, in the short term, change that risk profile by managing the risk associated with lowered patronage, there is a risk that whatever level any margin was set this could be seen as benefitting one operator over another – operators who were previously making greater profits (or losses) as a result of taking revenue risk, for example, both benefit in different ways from the provision of BES funding, but that reflects the fact that, in many cases, the BES support has also removed the risk that they were taking, and the impact of COVID-19 may have changed their costs. Therefore, as all operators have been moved to a similar risk profile and being protected in a similar way for impacts on operating costs, it therefore seems appropriate to set a consistent margin, which is the default position taken in the BES 2 agreement. It is, however, open to the public sector parties to seek to agree a different approach to margin during the term of BES 2.

7.4 It should also be noted that when the BES 2 agreements fall away, and the operator returns to the original terms of their contracts (or to commercial operation) they will continue to take the same risks, and have the same potential for profit (or loss) as they had prior to introduction of BES.

DATED

2021

(1) WELSH MINISTERS

- and -

(2) TRANSPORT FOR WALES

- and –

(3) [*LEAD REGIONAL TRANSPORT AUTHORITY*]

- and –

(4) [*OPERATOR*]

AGREEMENT

relating to

Bus Emergency Scheme 2 in respect of the
areas of the following [*insert all Local
Authorities in the Region*]

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BETWEEN:

- (1) **WELSH MINISTERS** ("Welsh Government");
- (2) **TRANSPORT FOR WALES** of 3 Llys Cadwyn, Pontypridd, Wales, CF37 4TH ("**TfW**");
- (3) [**LEAD REGIONAL TRANSPORT AUTHORITY**] of [*address*] acting for and on behalf of [*List names of Constituent Local Authorities*] ("**Lead Authority**"); and
- (4) [**OPERATOR**] of [*address*] registered in England and Wales with company number [*number*] ("**Operator**"),

(together the "**Parties**").

BACKGROUND:

- A Welsh Government has been taking action to help bus operators in Wales, including the Operator, get through the inevitable uncertainty of the COVID-19 affected operating conditions, and that such action has enabled the Operator to continue provision of services which could not have been provided by the Operator without this financial support since March 2020. The Operator further acknowledges that the provision of this support has enabled the Operator to retain customers and a network of services which may otherwise have been lost or reduced significantly, and that this will support the Operator's business in recovering following relaxation of rules on social distancing and other factors which affect bus travel at the date of this Agreement.
- B Funding has been provided by the Welsh Government to bus operators in Wales pursuant to the Bus Hardship Funding letter dated 2 April 2020, the Bus Emergency Scheme 1 letter ("**BES 1**") and Bus Emergency Scheme 1.5 letter ("**BES 1.5**") which provided money to bus operators (including the Operator) through the Lead Authority on behalf of its Constituent Local Authorities. Those letters set out conditions to the Operator receiving such funding (together the "**Previous BES Funding Arrangements**").
- C In continuing to provide Bus Emergency Scheme funding, Welsh Government wish to move to a lasting partnership between bus operators and the public sector. Working together will enable a fundamental reshaping of Wales' local bus services, through a new approach to managing services, sharing data and information and establishing standards for routes, services, fares and tickets to meet the needs of passengers in a world affected by COVID-19, climate change, new transport choices and changes to working patterns.
- D It is intended that funding provided under this new BES 2 agreement ("**Agreement**") will ensure that support provided to bus operators is more directly aligned with the provision of bus services that meet with the aim of supporting the management and interaction across transport modes including smart ticketing, unified routing, integrated timetabling and will do this both by Welsh Government funding pursuant to section 7 Transport (Wales) Act 2006 to support the provision of public service obligations by operators reflecting the services agreed by the public sector to continue to be provided by the operators (including both supported and formerly commercial services) and the parties also agreeing a framework for long term partnership which will continue to cover both supported and commercial bus services into the future.
- E Welsh Government and Transport for Wales have agreed to: (i) consult with bus operators before making policy changes which affect or are impacted by local bus services and give full

consideration to the views expressed, consistent with their duties under the Well-being of Future Generations (Wales) Act 2015; (ii) ensure funding arrangements are clear, communicated and executed in a timely fashion; (iii) recognise and take account, wherever possible in designing policy for bus regulation of the real costs of operating services, bus provision and employee matters; and (iv) ensure requests for information to bus operators are targeted, minimise unnecessary burdens on operators and involve no more work than is required to achieve the relevant purposes.

- F This Agreement is intended to provide a step in ensuring that services and funding are aligned, whilst providing a framework for development of future partnership working between the public sector and bus operators, which can be built upon over the coming years, including to secure co-production in the design and delivery of bus transport services. In particular: (i) Welsh Government and TfW shall engage fully and openly with bus operators in the development of the National Transport Delivery Plan, including policies for the delivery of zero carbon bus fleets and for the development of interventions to improve bus journey times through tackling congestion; and (ii) the Constituent Local Authorities shall take action to enhance highways infrastructure, bus facilities and service information, subject to the availability of funding.
- G The Parties acknowledge that the contribution of the Welsh Government, TfW and local government to delivering quicker, more reliable and predictable services through traffic and congestion reduction and the introduction and improvement of bus priority is crucial to the successful delivery of bus services.
- H As a result this Agreement includes specific requirements in respect of the continued funding and provision of services including specifying the terms of an umbrella partnership arrangement between the Parties, other bus operators and the Lead Authority (on behalf of Constituent Local Authorities in the Region and other Local Authorities affected by the partnership) to support Welsh Government's wider objectives.
- I The Parties acknowledge that this Agreement includes a reconciliation process which shall take into account the costs and revenues from all Local Services provided by the Operator, including Supported Services, Formerly Commercial Services and Commercial Services. For the avoidance of doubt, the assessment of whether the Operator has been over or under compensated and the calculation of any margin due shall be based on the net position on costs and revenues across all the Operator's Local Services.
- J It is acknowledged that this Agreement is not intended to amend the basis of payments of BSSG and Concessionary Travel Scheme which shall continue to be paid in accordance with their terms subject to any future reform of such payments with Welsh Government may undertake.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

In this Agreement:

- 1.1 Unless the context otherwise requires, the following expressions shall have the meanings set out below:

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| "ADR Notice" | has the meaning given to it in clause 25.4; |
| "Agreement" | has the meaning given to it in Recital D; |

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| "Alternate Lead Authority" | means each of [Flintshire County Council], [Monmouthshire County Council], [Swansea Council], [Ceredigion County Council], and [Powys County Council] which may be appointed to assist with disputes in accordance with clause 6.7; [Note: delete Lead Authority from this list.] |
| "BES 1" | has the meaning given to it in Recital B; |
| "BES 1.5" | has the meaning given to it in Recital B; |
| "BES 2 Funding" | means funding provided by the Welsh Government to the operators in Wales pursuant to the terms of this Agreement; |
| "BES Funding Period" | means the period of the BES Previous Funding and the BES 2 Funding; |
| "BES Previous Funding" | means funding provided by the Welsh Government to operators in Wales pursuant to the Previous BES Funding Arrangements; |
| "BSSG" | means Bus Services Support Grant awarded to a Lead Authority by Welsh Government to support and maintain the core strategic bus network, improve connectivity and quality, provide certain bus and other local transport services, and develop close and effective partnership working; |
| "Change in Covid-19 Impact Event" | means any new event or circumstances (or change to event or circumstances) which occurs following the Effective Date which arise as a direct result of the COVID-19 Virus and which adversely impacts the Operator's ability to perform its obligations under this Agreement including but not limited to the introduction of lockdown measures, travel restrictions or amended social distancing measures in the United Kingdom; |
| "CMA" | means the Competition and Markets Authority of Victoria House, Southampton Row, London WC1B 4AD; |
| "Commercially Sensitive" | means in relation to a Disclosing Party that the disclosure of such information is either a trade secret or if disclosed would prejudice the commercial interests of that Party, and shall include any Operator Information identified as Commercially Sensitive in Part 4 of Schedule 4; |
| "Commercial Service" | means a Local Service which a bus operator provides on a commercial basis and not pursuant to any Existing Supported Services Contract or New Supported Services Contract; |
| "Confidential Information" | means, in relation to a Disclosing Party: <ul style="list-style-type: none"> (a) information of whatever nature concerning the business, assets, liabilities, dealings, transactions, policies or affairs of the Disclosing Party including all trade secrets, financial, marketing and technical information, ideas, concepts, technology, processes, |

knowledge and know-how, together with all details of a Disclosing Party's, customers, suppliers, prices, discounts, margins, information relating to research and development, current trading performance and future policy or business strategy and all other information of a like nature; and

- (b) any information which is expressly indicated to be confidential or commercially sensitive or which, due to the nature and circumstances of its disclosure or its content might reasonably be considered to be confidential (whether or not marked as such),

in each case in whatever form or medium (including written, electronic, visual and oral) such information is recorded or kept and whether or not created for the purpose of entering into this Agreement or otherwise, and shall include, for the avoidance of doubt, any Operator Data identified as Confidential Information in Part 4 of Schedule 4;

"Constituent Local Authorities"

means a group of local authorities in Wales who are working together and are represented by the Lead Authority (and **"Constituent Local Authority"** shall be construed accordingly);

"COVID-19"

means the virus identified and named "COVID-19 virus" by the World Health Organisation which was characterised as a pandemic by the World Health Organisation on 11 March 2020;

"Data Protection Laws"

means the EU General Data Protection Regulation 2016/679 of the European Parliament and of the Council ("**GDPR**") and the Data Protection Act 2018, together with the Privacy and Electronic Communication Regulations 2003 and all codes of practice issued by the Information Commissioner;

"Defaulting Party"

means a Party who commits a material breach of its obligations under this Agreement;

"de minimis contracts"

means Local Services contracts entered into pursuant to section 63 of the Transport Act 1985 which have been procured on a direct award basis to secure the provision of such public transport services as are considered appropriate to meet any public transport requirements which would not otherwise be met, pursuant to the exceptions allowed under section 91 Transport Act 1985 by the Service Subsidy Agreements (Tendering) Regulations 1985 as amended;

"Disclosing Party"

means a Party that discloses Confidential Information to one or more Receiving Parties under this Agreement;

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| "Dispute" | means a dispute or difference arising out of or in connection with this Agreement or any such matter which a Party deems (acting reasonably) to constitute a dispute; |
| "Economic Contract" | has the meaning given to it in the Welsh Government "Prosperity for All - Economic Action Plan"; |
| "Effective Date" | means the date of this Agreement; |
| "EIR" | means the Environmental Information Regulations 2004; |
| "Existing Supported Services" | means any Local Services operated pursuant to the terms of an Existing Supported Services Contract; |
| "Existing Supported Services Contracts" | means contracts for the provision of Local Services in Wales by the Operator that were entered into before the Effective Date pursuant to: <ul style="list-style-type: none"> a) terms let by or on behalf of the Welsh Government pursuant to section 7 of the Transport (Wales) Act 2000; b) contract terms let by one or more local transport authority pursuant to section 63 of the Transport Act 1985 (including, for the avoidance of doubt, any de minimis contracts); or c) any other contract let by one or more local transport authorities in accordance with sections 89 – 92 of the Transport Act 1985; |
| "FOIA" | means the Freedom of Information Act 2000; |
| "Force Majeure Event" | means any event or occurrence (including fire, flood, violent storm, pestilence, explosion, malicious damage, act of terrorism, epidemic, pandemic, any industrial action by the workforce of an affected Party or by the workforce of a critical or key supplier, armed conflict, acts of terrorism, nuclear, biological or chemical warfare, or any other disaster, natural or man-made) which: <ul style="list-style-type: none"> a) without prejudice to the operation of clause 11.6, the affected Party could not reasonably have provided against before entering into this Agreement; b) materially adversely affects the ability of a Party to perform its obligations (in whole or in part) under this Agreement; c) which is outside the reasonable control of an affected Party; d) having arisen, could not reasonably be avoided or overcome by the affected Party; |

- e) occurs in the United Kingdom; and
- f) is not attributable to any act or failure to take reasonable preventative action by an affected Party;

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| "Former Commercial Services" | has the meaning given to it in clause 15.1; |
| "Funding Review(s)" | means the review carried out in accordance with Schedule 5; |
| "Good and Efficient Operator" | has the meaning given to it in Section 1 to Schedule 3; |
| "Gross Cost Contract" | means a contract whereby the procuring authority retains the right to receipt of passenger revenue and therefore carries the financial risk in respect of the level of passenger revenue received in respect of services provided under such contract; |
| "Historic" | means up to 1 March 2019; |
| "Insolvent Party" | has the meaning given to it in clause 11.3; |
| "Intellectual Property Rights" | means patents, rights to inventions, copyright and related rights, trademarks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world; |
| "Lead Authority" | means a local authority in Wales acting as the Lead Regional Transport Authority for one or more of its Constituent Local Authorities; |
| "Lead Authority Dispute" | means a Dispute which involves the Lead Authority and may therefore be resolved in accordance with clause 25.3; |
| "Legislation" | means any Act of Parliament or subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, any Welsh law within the meaning given to it in section 1(3) of the Legislation (Wales) Act 2019, any exercise of the Royal Prerogative, and any enforceable EU right within the meaning of Section 2 of the European Communities Act 1972 (as amended), in each case in the United Kingdom; |

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| "Local Service" | has the meaning given to it in the section 2 of the Transport Act 1985 and for the avoidance of doubt, this shall not include: services which are not registrable pursuant to section 6 of the Transport Act 1985, including any services which are provided where a railway service is temporarily interrupted under section 40 Railways Act 2005; |
| "Net Cost Contract" | means a contract whereby the operator retains all passenger revenue and takes the risk in respect of the level of passenger revenue received in respect of services provided under such contract; |
| "New Supported Services" | means any Local Service operated pursuant to the terms of a New Supported Services Contract; |
| "New Supported Services Contract" | means contracts for the provision of Local Services in Wales by the Operator that were entered into after the Effective Date pursuant to: <ul style="list-style-type: none"> a) terms let by or on behalf of the Welsh Government pursuant to section 7 of the Transport (Wales) Act 2000; b) contract terms let by one or more local transport authority pursuant to section 63 of the Transport Act 1985 (including, for the avoidance of doubt, any de minimis contracts); or c) any other contract let by one or more local transport authorities in accordance with sections 89 – 92 of the Transport Act 1985; |
| "New Supported Services Contract Tendering Assumptions" | has the meaning given to it in clause 17.3; |
| "Operator Data" | means Operator data required to be provided under this Agreement which are confidential or commercially sensitive to the Operator as identified in Part 4 of Schedule 4; |
| "Operator Companies" | Group means the Operator and any subsidiary, holding company or subsidiary of any holding company of the Operator or any other company or structure established by the owners of the Operator and "Operator Group Company" shall be construed accordingly; |
| "Part 1 Competition Test" | means the test for making and varying quality partnership schemes, making and varying ticketing schemes, and inviting and accepting tenders under section 89 or 91 of the Transport Act 1985 (subsidised services) as set out in Schedule 10, Part 1 to the Transport Act 2000 as modified; |

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| "Part 2 Competition Test" | means the test for certain agreements, decisions and practices as set out in Schedule 10, Part 2 to the Transport Act 2000 as modified; |
| "Permitted Use" | means the use of data for any purpose specified in Part 3 of Schedule 4; |
| "Personal Data Disclosing Party" | has the meaning given to it in clause 22.3; |
| "Personal Data Receiving Party" | has the meaning given to it in clause 22.3; |
| "Previous BES Funding Arrangements" | has the meaning given to is in Recital B; |
| "Priorities" | has the meaning given to it in clause 6.2; |
| "Procurement Programme" | has the meaning given to it in clause 17.2; |
| "Public Sector Parties" | means Welsh Government, TFW and each Lead Authority acting for its Constituent Local Authorities and "Public Sector Party" shall be construed accordingly; |
| "Quality Partnership Schemes" or "QPS" | means a quality partnership scheme as specified in section 114(1) Transport Act 2000; |
| "Receiving Party" | means a Party which receives Confidential Information from a Disclosing Party; |
| "Reconciliation Payment" | has the meaning given to it in clause 9.5; |
| "Reference Network" | means: <ul style="list-style-type: none"> a) the initial reference network in accordance with clause 8.1; and b) the developed reference network, developed in accordance with the provisions of clauses 8.2 to 8.6 as it may be varied from time to time; |
| "Region" | means the geographical area for which the Lead Authority and its Constituent Local Authorities are responsible; |
| "Register of Variations" | means a register for each Region, specific to the Operator, detailing each service contract, the agreed variation to the specific service, which has been reviewed and signed by the relevant Constituent Local Authority, the form appended at Schedule 7; |
| "Regulation 1370/2007" | means Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road as amended, |

including, but not limited to, by the Regulation (EC) No 1370/2007 (Public Service Obligations in Transport) (Amendment) (EU Exit) Regulations 2020;

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| "Request for Information" | shall have the meaning set out in the FOIA or any apparent request for information under the FOIA; |
| "Service Failure Points" or "SFPs" | has the meaning given to it in Part 4 of Schedule 3; |
| "Services" | has the meaning given to it in clause 2.1; |
| "Service Payment" | has the meaning given to it in clause 9.1; |
| "Service Specification" | means the specification to which the Operator agrees to provide Local Services as determined in accordance with clause 6, including but not limited to, compliance with the requirements of Schedule 1; |
| "Service Standards" | means the service standards which will apply to different classifications of routes across Wales, developed in accordance with clause 8.6; |
| "State Aid and Procurement Constraints" | has the meaning given to it in clause 19.2; |
| "Subsidised Network" | has the meaning given to it in clause 8.3; |
| "Term" | has the meaning given to it in clause 3.1; |
| "Umbrella Partnership Agreement" | means the framework voluntary partnership agreement agreed in accordance with clause 5; |
| "VPA" | means a voluntary partnership agreement as described in section 46 of the Local Transport Act 2008, amending section 153(2) of the Transport Act 2000; |
| "Wales Transport Strategy" | means the draft strategy for the future of transport in Wales, setting out Welsh Government's ambitions for the next twenty (20) years and their priorities for the next five (5) years in the form of the consultation document published here: https://gov.wales/llwybr-newydd and developed during the Term; |
| "Welsh Bus Open Data Agreement" | means the agreement to be entered into between (1) TfW and (2) the Operator in relation to the Operator providing certain data to TfW which will enable TfW to build a consistent data set for all services in Wales to improve services for passengers; and |
| "Working Days" | means any day of the week other than a Saturday, Sunday or Bank Holiday. |

- 1.2 the Schedule(s) form part of this Agreement and will have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement shall include the Schedule(s);
- 1.3 references to clauses or paragraphs appearing in the main body of this Agreement are, except where expressly stated to the contrary, references to clauses and paragraphs of this Agreement;
- 1.4 references to any part or paragraph appearing within a Schedule are, except where expressly stated to the contrary, references to such part or paragraph of that Schedule;
- 1.5 references to this Agreement are references to this Agreement as varied, assigned and/or novated in accordance with the provisions of this Agreement from time to time;
- 1.6 references to any other agreement or document are to such agreement or document as varied, assigned or novated from time to time; and
- 1.7 any reference to any Legislation will include any subordinate legislation made under it and will be construed as a reference to such Legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force from time to time.

2. SCOPE OF AGREEMENT

- 2.1 This Agreement shall apply in respect of all Local Services provided by the Operator in the Region, including:
 - 2.1.1 Existing Supported Services; and
 - 2.1.2 Former Commercial Services;
 - 2.1.3 Commercial Services; and
 - 2.1.4 New Supported Services,(together the "**Services**").
- 2.2 Where and to the extent any Existing Supported Services are provided by the Operator pursuant to an Existing Supported Services Contract which is a Gross Cost Contract, clause 12 shall apply.
- 2.3 Where and to the extent any Existing Supported Services are provided by the Operator pursuant to an Existing Supported Services Contract which is a Net Cost Contract, clause 13 shall apply.
- 2.4 Where and to the extent any Local Service provided by the Operator is a Former Commercial Service the provisions of clause 15 shall apply in respect of Former Commercial Services.
- 2.5 Where and to the extent any Local Service provided by the Operator is a Commercial Service, clause 16 shall apply to the Operator in respect of the provision of those services.
- 2.6 Where and to the extent any Local Service provided by the Operator is provided pursuant to a New Supported Services Contract let by a Lead Authority or one of its Constituent Local Authorities after the date of this Agreement the provisions of clause 17 shall apply.
- 2.7 Where any provision of this Agreement is specified as being carried out by one Public Sector Party pursuant to this Agreement, the Public Sector Parties may agree that a representative of

another Public Sector shall be able to exercise such rights or may be required to carry out such function or obligation, provided that prior to such exercise, the Public Sector Parties shall jointly notify the Operator of such change of responsibility, and the party originally subject to such obligation shall notify the Operator of the basis upon which the new Public Sector Party is entitled to exercise the relevant powers. To the extent that this clause relates to the discharge of a statutory duty, the performance of such duty shall not be carried out by another Public Sector Party pursuant to this clause 2.7, save to the extent expressly agreed by such Public Sector Parties or in the event where TfW is performing such duties on behalf of the Welsh Government.

- 2.8 It is acknowledged that the Operator and Operator Group Companies may choose to change the way that they provide Local Services. Notwithstanding this, it is acknowledged by the Operator that this Agreement is entered into in respect of all Local Services provided by the Operator in the Region, and the Operator shall procure that, where there is any change in the operation of such services, that any alternative Operator Group Company providing such Local Services shall enter into an agreement on equivalent terms with the Public Sector Parties, and where and to the extent that they do not, or where any other action is taken by the Operator or any Operator Group Company to seek to provide services which are the same or similar to Local Services provided by the Operator in the Region outside the terms of this Agreement, the Operator shall indemnify the Public Sector Parties against all costs, losses, expenses and claims arising from the Local Services or services similar to the Local Services (including Commercial Services) being provided by the Operator or an Operator Group Company in a manner not subject to the provisions of this Agreement or an agreement on equivalent terms.

3. TERM

- 3.1 This Agreement shall commence on the Effective Date and shall continue until 31 July 2022 (being the date falling two (2) years after the start date of BES 1.5), unless terminated earlier in accordance with the terms of this Agreement ("**Term**").

4. WELSH GOVERNMENT REQUIREMENTS

- 4.1 As a condition of receipt of BES 2 Funding, the Operator shall comply with Welsh Government's minimum funding requirements as specified in Schedule 1.
- 4.2 Where the Operator is in material breach of any condition contained in Schedule 1 and the Operator fails to remedy such material breach (such remedy to include taking all reasonable steps to ensure that such breach is not repeated) within ten (10) Working Days of notification (or such other period of time as is reasonable given the nature of the breach and the steps required to remedy such breach), then the Operator shall pay compensation to the Lead Authority, pursuant to the process and calculated in accordance with Schedule 3.
- 4.3 The Operator shall maintain adequate insurances to cover against the risks which may be expected to arise in connection with the delivery of their obligations under this Agreement, including, but not limited to, insuring all property required to perform such obligations. The Operator shall provide the Lead Authority with proof of such insurances promptly upon request.

5. PARTNERSHIP

- 5.1 The Operator shall use reasonable endeavours to agree the terms of an Umbrella Partnership Agreement, within three (3) months from the Effective Date and in the form of the draft agreement included at Section 1 of Schedule 1 with:

- 5.1.1 the Lead Authority (on behalf of Constituent Local Authorities in the Region and other Local Authorities affected by the partnership);
 - 5.1.2 TfW;
 - 5.1.3 Welsh Government; and
 - 5.1.4 other bus operators in the Region.
- 5.2 The Lead Authority, Welsh Government and TfW shall use reasonable endeavours to agree the terms of the Umbrella Partnership Agreement with the Operator and other bus operators in the Region.
- 5.3 The Parties acknowledge that that Umbrella Partnership Agreement shall provide a framework for development of detailed partnerships in the Region including, where appropriate, VPAs and QPS, and shall include as a minimum terms which:
- 5.3.1 establish a partnership board which shall govern the partnership, set strategy and objectives of the partnership, monitor and report on the performance of the partnership and resolve disputes;
 - 5.3.2 define the parties' obligations in respect of the continued delivery of the Wales Transport Strategy which may be in the form of transport plans which set out implementation dates, or processes to agree such plans, including, but not limited to those matters specified in Schedule 2;
 - 5.3.3 define obligations with respect to the Reference Network in accordance with clause 8;
 - 5.3.4 establish key performance indicators;
 - 5.3.5 invest in provision of Local Services;
 - 5.3.6 confirm review processes for the partnership using annual reviews and/or change procedures;
 - 5.3.7 rectify a breach of the terms of the Umbrella Partnership Agreement; and
 - 5.3.8 terminate the Umbrella Partnership Agreement.

6. SERVICE SPECIFICATION

- 6.1 From the Effective Date, the Operator shall operate its Local Services as it did under the terms of the BES 1.5, unless agreed otherwise with the Lead Authority prior to the Effective Date.
- 6.2 The Operator shall consult and agree with the Lead Authority and each Constituent Local Authority in whose area a Local Service operates by the Effective Date or by no later than thirty (30) days of the Effective Date, the specification of the services (including routes, frequencies and hours of operation) that the Operator shall provide. In determining the specification of the services the Parties shall have regard to:
- 6.2.1 supporting learners' journeys to school or college on registered local bus services;
 - 6.2.2 increasing frequencies where demand exceeds capacity;

- 6.2.3 improving accessibility to jobs and services across our regions and communities;
 - 6.2.4 supporting economic recovery; and
 - 6.2.5 ensuring social inclusion,
- (together the "**Priorities**"),

provided that the services shall be affordable within the BES 2 Funding allocated to the Operator in accordance with the terms of this Agreement.

- 6.3 The agreed Service Specification will be recorded in the form appended at Schedule 6 and shall be updated with any changes, agreed from time to time and subject to being deliverable within the BES 2 Funding provided to the Operator pursuant to the terms of this Agreement.
- 6.4 The Operator shall act in good faith to discuss and agree with the Lead Authority and the relevant Constituent Local Authorities any changes in the Local Services required at regular intervals as agreed by the Parties, to ensure that the Local Services continue to meet local needs.
- 6.5 The Operator shall take all reasonable steps to respond and comply promptly with reasonable requests from the Lead Authority to amend the Local Services operated including:
 - 6.5.1 the routes used by those services;
 - 6.5.2 the hours of operation;
 - 6.5.3 the vehicles used or levels of provision; and
 - 6.5.4 the timetables of such services.
- 6.6 If, in exceptional circumstances, the Operator cannot reach agreement with the Lead Authority and any Constituent Local Authority on the Local Services to be operated in accordance with clause 6.4, then the Operator shall seek to agree the reasonable level of services to be provided with the Lead Authority who shall act reasonably to determine an appropriate service requirement in the context of the BES 2 Funding available and the requirements of the Lead Authority and the relevant Constituent Local Authority, and where such agreement is reached, these service requirements shall apply.
- 6.7 Where following discussion with the Lead Authority in accordance with clause 6.6, agreement can still not be reached with the Operator then either party may refer the matter as a Dispute, save that where the Lead Authority has a reasonable belief that the Operator has not engaged in good faith with any Constituent Local Authority covered by their operations and this forms part of the Dispute then such Dispute shall be referred as a Lead Authority Dispute in accordance with clause 25.3.

7. DATA PROVISION

- 7.1 The Operator shall provide:
 - 7.1.1 the data specific in Section 1 of Part 4 of Schedule 3 in accordance with Part 3 of Schedule 3;
 - 7.1.2 the data specified in Part 1 of Schedule 4, in accordance with Part 3 of Schedule 3; and

- 7.1.3 the data specified in Part 2 of Schedule 4, in accordance with Part 3 of Schedule 3.
- 7.2 The data provided pursuant to this Agreement (including, but not limited to that provided pursuant to clause 7.1) may be used by the Welsh Government, TfW, the Lead Authority and Constituent Local Authorities in the Region solely for the Permitted Uses specified in Part 3 (Permitted Uses) of Schedule 4. Where such data is identified as Confidential or Commercially Sensitive as specified in Part 4 of Schedule 4, the relevant Public Sector Parties shall manage such data as Confidential Information in accordance with clause 21 and clause 23 and Commercially Sensitive in accordance with clause 23.
- 7.3 Where any Public Sector Party wishes to use any data provided by the Operator pursuant to this Agreement for any use which is not a Permitted Use they shall only do so having obtained the consent of the Operator, such consent not to be unreasonably withheld.
- 7.4 Where any data is identified as being Commercially Sensitive pursuant to Part 4 of Schedule 4 then each Public Sector Party shall ensure that, even where such data is being utilised in accordance with the Permitted Use that such data is only disclosed in accordance with clauses 21 to 23, and that where the output from the use of such data is disclosed in any manner which could be accessed by any other operator or prospective operator of Local Services, that such data or outputs are aggregated or presented in such a way that no Commercially Sensitive information is published (for example, where information in respect of crowding on buses is presented through using a traffic light system).
- 7.5 The Parties acknowledge and agree that the data provided pursuant to this clause 7 shall not be used by any Party for:
- 7.5.1 the purposes of monitoring and/or reporting to the Traffic Commissioner or the DVSA in respect of the Operator's service performance in respect of reliability and timekeeping for any local services operated by that Operator; or
- 7.5.2 any purpose relating to the potential introduction of a Quality Contract Scheme pursuant to the Transport Act 2000 by any Local Authority or the introduction by any Local Authority of any similar form of franchising arrangement under subsequent legislation,
- without the Operator's prior written consent.
- 7.6 Where any Public Sector Party analyses Operator Data for a Permitted Use with the intention to use that analysis for policy or decision making processes which may materially affect the Operator, such Public Sector Party shall use reasonable endeavours to engage with the Operator prior to use, to allow the Operator to inform such analysis. The Operator acknowledges that compliance with this obligation may not always be practicable, and in particular that a Public Sector Party shall not be obliged to comply with this obligation to the extent that it would breach clause 7.4.
- 7.7 The Operator shall keep and maintain full and accurate records and accounts on everything to do with this Agreement throughout and for seven (7) years after the date of expiry or termination of this Agreement.
- 7.8 Where a Public Sector Party is required to audit any information provided by the Operator pursuant to this Agreement, including where Welsh Government has reasonable grounds to believe that any information provided is materially incorrect, then they may appoint an auditor. The Operator shall allow such appointed auditor access to their premises, upon reasonable notice, to verify all accounts and records of everything to do with this Agreement (which is

relevant to the issue identified) and provide copies for the audit upon request, subject to clause 21.

- 7.9 The Operator shall provide information to the auditor and reasonable co-operation at their request.
- 7.10 Where any auditor identifies that any information provided by the Operator to any Public Sector Party is materially false or incomplete the relevant Public Sector Party shall be entitled to assess the impact of such false or incomplete information and where this has led to an under-payment to any Public Sector Party or over-payment from any Public Sector Party of the Service Payment, such Party shall be entitled to recover the difference between the amount originally calculated and the amount calculated following correction of the information found to be false or incomplete, and such amount shall be immediately payable by the Operator to such Public Sector Party.
- 7.11 The Operator agrees to use all reasonable endeavours to enter into the Welsh Bus Open Data Agreement within three (3) months of signing this Agreement, and shall, in any case, enter into such agreement within six (6) months of signing this Agreement. In the event of a conflict between the terms of the Welsh Bus Open Data Agreement and this Agreement, the Parties agree that this Agreement shall take priority during the Term of this Agreement and upon termination or expiry of this Agreement, the Welsh Bus Open Data Agreement shall take priority.
- 7.12 The Parties acknowledge that Tfw use third party suppliers to extract/receive and process data and that clauses 21 and 22 shall apply to the use and processing of such data by such third parties.

8. REFERENCE NETWORK

- 8.1 The Parties agree that the initial Reference Network reflects the routes, frequencies and hours of operation of local bus services in Wales prior to COVID-19, specifically as at 29 February 2020 modified by:
- 8.1.1 any key seasonal variations as demonstrated in the preceding year e.g. a summer tourist timetable; and
- 8.1.2 any changes to services implemented by agreement with a Local Authority or the Lead Authority prior to the Effective Date.
- 8.2 The Parties agree that for the purposes of continued improvement in the provision of local bus services in Wales, it will be necessary to develop a revised Reference Network which sets out the target requirements for routes and services to be provided across Wales. The Reference Network shall be developed in accordance with this Agreement, including the provision of services in accordance with clauses 12 to 17 below, as well as any changes to services agreed pursuant to Schedule 1. The Parties agree that the Reference Network shall be developed in respect of each Region in line with the local and regional rankings of the Priorities and in support of a coherent Wales wide Reference Network.
- 8.3 The Parties, together with other operators in the Region, shall work together to develop a revised Reference Network by 30 June 2021. This network will supersede the initial Reference Network and reflect Regional priorities. As part of developing the revised Reference Network, historical and current passenger demand data will be used to objectively identify the elements of the Reference Network which will require long term Government support. These elements of the Reference Network will be referred to as the "**Subsidised Network**".

- 8.4 The development of the Reference Network shall include:
- 8.4.1 use of data provided by all parties with an interest in the provision of bus services within the Region, including operators, Lead Authorities, Local Authorities, TfW and Welsh Government;
 - 8.4.2 consideration of regional strategic Priorities for the provision of Local Services;
 - 8.4.3 examination of existing routes;
 - 8.4.4 exploration of options for new routes;
 - 8.4.5 the viability and affordability of the proposed routes; and
 - 8.4.6 consideration of investment or other measures that may be required to support any revised Reference Network.
- 8.5 The Lead Authority shall manage compliance with the Reference Network in accordance with the requirements set out in Schedule 1.
- 8.6 As part of the development of the Reference Network, the Operator shall use all reasonable endeavours to agree a set of Service Standards pursuant to Schedule 1 with the Lead Authority and TfW which will apply to different classifications of routes across Wales. The Operator, the Lead Authority and TfW shall use all reasonable endeavours to complete this classification by 30 June 2021.

9. PAYMENTS AND RECONCILIATION PROCESSES

- 9.1 The Lead Authority shall pay the Operator a service payment calculated in accordance with Part 2 of Schedule 3 ("**Service Payment**"), in relation to the Services provided pursuant to and in accordance with this Agreement. If the Operator disputes the amount of the Service Payment then such dispute shall be resolved in accordance with clause 25.
- 9.2 For the avoidance of doubt, the Operator shall not be entitled to recover more than once in respect of the same amount, including that the Operator shall not be entitled to recover any amount payable pursuant to the Previous BES Funding Arrangements pursuant to this Agreement.
- 9.3 In the event that the Operator is successful in obtaining any other governmental support or support from any Lead Authority or one of its Constituent Local Authorities or other such body that is offered in relation to the impact of and/or recovery from the impacts of COVID-19, this shall be taken into account in relation to the relevant Service Payment such that the Operator does not benefit from double recovery or double counting.
- 9.4 The Operator shall comply with the reconciliation process detailed in Part 3 of Schedule 3. The Parties acknowledge that Schedule 3 assesses the basis on which the Operator is paid, and includes provisions to ensure that such payments, following reconciliation, do not lead to over-compensation or illegal state aid. Notwithstanding any other remedies that the Lead Authority, TfW or Welsh Government may have pursuant to this Agreement or otherwise for provision by the Operator of false or misleading information, it shall be a material breach of this Agreement for the Operator to fail to accurately provide the information specified in Schedule 3. For the avoidance of doubt, it will be necessary to provide information in respect of all Local Services provided by the Operator, including any Commercial Services, to ensure transparency of costs and revenues and to ensure that the calculation of the Assumed Margin pursuant to Schedule 3

shall take into account the costs and revenues from all Local Services provided by an Operator (including Former Commercial Services and Commercial Services).

- 9.5 Where following any reconciliation process carried out pursuant to Part 3 of Schedule 3, the Lead Authority identifies that an overpayment or an underpayment has been made, the Lead Authority shall be entitled to require either clawback of such amount or pay such amount ("**Reconciliation Payment**"), calculated in accordance with Part 3 of Schedule 3. The Lead Authority shall provide the Operator with detailed calculations confirming the Reconciliation Payment to be returned to the Lead Authority or paid to the Operator.
- 9.6 The Parties acknowledge and agree that Tfw, working with the Lead Authority, may carry out Funding Reviews on behalf of Welsh Government in accordance with the provisions of Schedule 5 and the Parties shall agree, acting reasonably, such amendments to this Agreement, as may be reasonably required to reflect the outcomes of each Funding Review.

10. EXIT FROM BES 2

- 10.1 The Parties agree and acknowledge that by no later than 1 August 2022, it is all Parties' intention that all of the Operator's Local Services which operate in Wales shall either be:
- 10.1.1 operated as a Commercial Service; or
- 10.1.2 operated pursuant to a New Supported Services Contract or the original terms and conditions of an Existing Supported Services Contract (including in each case any such contract which is let as a *de minimis* contract).
- 10.2 Where all Local Services operated by the Operator in Wales are operated in accordance with clause 10.1 then the Parties acknowledge that:
- 10.2.1 no further payments shall be made pursuant to this Agreement; and
- 10.2.2 provided that any Umbrella Partnership Agreement and any associated partnership arrangements shall not be terminated as a result of the termination of this Agreement,
- any Party shall otherwise be entitled to terminate this Agreement by agreement with the other Parties (all acting reasonably).

11. TERMINATION

- 11.1 This Agreement, or a Party's participation in this Agreement, may be terminated in accordance with the provisions of this clause 11.

Defaulting Party Material Breach

- 11.2 In the event of a material or persistent breach of this Agreement by a Defaulting Party, the non-Defaulting Party may give four (4) weeks' written notice of their intention to terminate this Agreement, setting out in sufficient detail the acts or omission of the relevant Defaulting Party giving rise to such breach or breaches. If the Defaulting Party does not, to the reasonable satisfaction of the non-Defaulting Party, remedy the breach or breaches and the consequences of such breach within such notice period, the non-Defaulting Party may terminate this Agreement. Where, pursuant to Part 4 of Schedule 3 Service Failure Points have been allocated for the same trigger in three (3) consecutive months this shall be deemed to be a material breach which the Operator has been unable to remedy.

Insolvency

- 11.3 Any non-Defaulting Party may by written notice terminate its participation in this Agreement where another Party ("**Insolvent Party**"):
- 11.3.1 passes a resolution for its winding up or summons a meeting to pass any such resolution (other than for the purpose of and followed by a solvent reconstruction or amalgamation);
 - 11.3.2 has a petition for a winding-up order presented against it (other than for the purpose of and followed by a solvent reconstruction or amalgamation);
 - 11.3.3 has an application made to court, or an order made, for the appointment of an administrator or any step is taken to appoint an administrator in respect of the Insolvent Party;
 - 11.3.4 has a receiver, administrative receiver, receiver and manager or similar officer appointed by any person of all or any part of the Insolvent Party's property, assets or undertaking;
 - 11.3.5 makes a proposal for a voluntary arrangement as defined in Section 1 of the Insolvency Act 1986;
 - 11.3.6 enters into any other arrangement with its creditors or any of them;
 - 11.3.7 takes or suffers any other action in consequence of debt including, without limitation, giving notice to its creditors or any of them that it has suspended or is about to suspend payment; or
 - 11.3.8 has a proposal or threat to do any of the above acts or things made; or an event analogous to the aforesaid occurs in whatever jurisdiction.

Continuing Force Majeure

- 11.4 No Party shall be liable to any other Party for any delay in, or failure to perform its obligations under this Agreement arising (in whole or in part) from any Force Majeure Event, provided that the affected Party shall:
- 11.4.1 as soon as reasonably practicable, send to the other Parties a written notice setting out the circumstances of the event and its anticipated effect; and
 - 11.4.2 use all reasonable endeavours to minimise the effect of any such circumstances.
- 11.5 If the affected Party's ability to perform its obligations under this Agreement is materially adversely affected (in whole or in part) due to a Force Majeure Event continuing for a period of six (6) months or more, any Party may terminate the affected Party's participation in this Agreement with immediate effect by serving written notice to the other Parties, provided that no such notice shall be served until the Parties have met in good faith to discuss and seek to agree whether this Agreement should continue in modified form (agreement to such not to be unreasonably withheld).
- 11.6 Notwithstanding any other provision under this Agreement, the Parties agree that they were aware of COVID-19 and that the existence of COVID-19 in itself shall not constitute a Force Majeure event save that a Change in COVID-19 Impact Event may be deemed to be a Force

Majeure Event provided it satisfies the criteria set out in sub-paragraphs (b) to (f) (exclusive) of the definition of Force Majeure.

Termination by agreement of the Parties

- 11.7 This Agreement may be terminated in respect of all Parties or in respect of any one party at any time with immediate effect by written consent of all Parties that it be so terminated.
- 11.8 This Agreement shall be terminated in respect of any Party that disposes of its business in accordance with clause 28.2.
- 11.9 In the event that the Operator either: (i) changes the way that they provide Local Services and does not comply with clause 2.8; or (ii) disposes of its business and does not comply with clause 28.2, the Operator acknowledges and agrees that such breach shall be dealt with in accordance with clause 11.2 and the non-Defaulting Party is entitled to terminate this Agreement.

Exit from BES 2

- 11.10 This Agreement may be terminated pursuant to clause 10.2.

Funding Reviews

- 11.11 This Agreement may be terminated on notice provided by Welsh Government to the Operator, in accordance with paragraph 1.3.3 of Schedule 5 following a Funding Review.

Operator withdrawal

- 11.12 This Agreement may be terminated on no less than fifty six (56) days' notice (or such other period of notice as the Traffic Commissioner may require in respect of de-registration of Local Services at the date the notice is given) from the Operator to the other Parties, in the event that the Operator intends to withdraw from the Welsh bus market, such termination to occur on the date of withdrawal from the Welsh bus market.
- 11.13 In the event where the Operator intends to withdraw from the Welsh bus market and terminates this Agreement in accordance with clause 11.12, the Operator shall provide Welsh Government with a reasonable opportunity to purchase any assets of the business which it intends to dispose of, on fair terms.

Effect of Termination

- 11.14 The termination of this Agreement for any reason:
 - 11.14.1 shall be without prejudice to any rights or obligations which shall have accrued or become due prior to the date of termination, including, for the avoidance of doubt, any payments to be made to the operator pursuant to Part 3 of Schedule 3;
 - 11.14.2 shall not prejudice the rights or remedies which any Party may have in respect of any breach of the terms of this Agreement prior to the date of termination; and
 - 11.14.3 shall not impact upon any clawback of BES 2 Funding which is to be made (including any clawback of BES 2 Funding still to be calculated) in accordance with Schedule 3.

12. EXISTING SUPPORTED SERVICES: GROSS COST

12.1 The Parties acknowledge that the Operator operates Existing Supported Services on the date of this Agreement which are contracted in whole, or in part, pursuant to Existing Supported Services Contracts.

12.2 Where an Existing Supported Services Contract is let as a Gross Cost Contract:

12.2.1 the Operator acknowledges that the relevant Constituent Local Authority (or Welsh Government where the Existing Supported Services Contract is let pursuant to section 7 Transport (Wales) Act 2006) remains at risk for passenger revenue, and that any payments made to the Operator in respect of such Local Services pursuant to this Agreement shall relate solely to additional costs incurred by the Operator in providing services in accordance with the terms of such Gross Cost Contract, as a result of the impact of COVID-19 (and related measures) on the operation of that Existing Supported Services;

12.2.2 the Operator (and the Lead Authority on behalf of the relevant Constituent Local Authority) agree that each Existing Supported Services Contract shall be varied to:

12.2.2.1 allow such additional payments to be made by the Lead Authority on behalf of the Constituent Local Authority to the Operator in accordance with the terms of this Agreement; and

12.2.2.2 revise the services provided in agreement with the Constituent Local Authority and the Lead Authority and align payment with the revised services.

It is acknowledged that the variation in such payments shall be limited to those which are required to deal with the impact of COVID-19, and that the modifications are not substantial within the meaning of Regulation 88 (1)(f) Utilities Contracts Regulations 2016 or Regulation 72(1)(f) Public Contract Regulations 2015, as the case may be;

12.2.3 the Operator agrees that more than one amendment may be made pursuant to clause 12.2.2, during the term of this Agreement, provided that those changes shall be made solely for the purposes of reflecting required changes to local bus services to reflect the impact of COVID-19, and that such changes shall not change the economic balance of the contract in favour of the bus operator nor alter the overall nature of the Existing Supported Services Contract;

12.2.4 the Operator and the Lead Authority acknowledge that the payments made pursuant to this Agreement in respect of such Gross Cost Contracts are made pursuant to a valid variation to the Existing Supported Services Contracts between the Constituent Local Authority and the Operator. The Parties agree to execute such other documents, including to update the Register of Variations at Schedule 7, as may be required to effect such variation, and the Lead Authority undertakes to obtain any variation documents executed by the Constituent Local Authority as may be required to effect such variation; and

12.2.5 on a continuing basis, the Lead Authority may carry out a further review of each Existing Supported Services Contract to assess whether any further variation is needed or determinate whether the service remains necessary to be supported in accordance with the review process under clause 6.4.

13. EXISTING SUPPORTED SERVICES: NET COST

13.1 The Parties acknowledge that the Operator operates Existing Supported Services on the date of this Agreement which are contracted in whole, or in part, pursuant to Existing Supported Services Contracts.

13.2 Where such Existing Supported Services Contract is a Net Cost Contract:

13.2.1 the Parties acknowledge that the Operator is at risk for passenger revenue under the terms of the Net Cost Contract with the relevant Lead Authority or one of its Constituent Local Authorities (or Welsh Government where the Existing Supported Services Contract is let pursuant to section 7 Transport (Wales) Act 2006), and that any payments made to the Operator in respect of such Local Services pursuant to this Agreement shall relate solely to:

13.2.1.1 additional costs incurred by the Operator in providing services in accordance with the terms of such Net Cost Contract, as a result of the impact of COVID-19 (and related measures) on the operation of that Existing Supported Services; and

13.2.1.2 the impact on passenger revenue beyond that which was foreseeable by the Operator and/or the Lead Authority or one of its Constituent Local Authorities at the time that such Existing Supported Services Contract was let,

13.2.2 the Operator (and the Lead Authority on behalf of the relevant Constituent Local Authority) agree that each Existing Supported Services Contract shall be varied to:

13.2.2.1 allow such additional payments to be made by the Lead Authority on behalf of the Constituent Local Authority to the Operator in accordance with the terms of this Agreement; and

13.2.2.2 revise the services provided in agreement with the Constituent Local Authority and the Lead Authority.

It is acknowledged that the variation in such payments shall be limited to those which are required to deal with the impact of COVID-19, and that the modifications in respect of any changes to service provision are not substantial within the meaning of Regulation 88 (1)(f) Utilities Contracts Regulations 2016 or Regulation 72(1)(f) Public Contract Regulations 2015, as the case may be, and that the payments in respect of loss of passenger revenue are made due to the immediate and continuing risk of disruption of passenger services as a result of the loss of that passenger revenue,

13.2.3 the Operator agrees that more than one amendment may be made pursuant to clause 13.2.2.2, during the term of this Agreement, provided that those changes shall be made solely for the purposes of reflecting required changes to local bus services to reflect the impact of COVID-19, and that such changes shall not change the economic balance of the contract in favour of the operator nor alter the overall nature of the Existing Supported Services Contract;

13.2.4 the Operator agrees that, where payments made relate to the impact of COVID-19 on passenger numbers, the extent to which those payments relate to costs which would have been funded from passenger revenue, save for the effect of COVID-

19, that the Lead Authority shall be entitled to limit the payments made in respect of such costs for the period that the risk associated with passenger revenue loss is materially greater than that which was reasonably foreseeable at the date of the relevant agreement;

13.2.5 payments made by the Lead Authority to the Operator pursuant to this Agreement in respect of Existing Supported Services pursuant to a Net Cost Contract shall be only made for the period, and to the extent that, the provision of services under the relevant Net Cost Contract are affected by COVID-19;

13.2.6 the Operator and the Lead Authority acknowledge that the payments made pursuant to this Agreement in respect of such Net Cost Contracts are made pursuant to a valid variation to the Supported Services Existing Contract between the relevant Constituent Local Authority and the Operator. The Parties agree to execute such other documents, including to update the Register of Variations at Schedule 7, as may be required to effect such variation, and the Lead Authority undertakes to obtain any variation documents executed by the Constituent Local Authority as may be required to effect such variation; and

13.2.7 on a continuing basis, the Lead Authority may carry out a further review of each Existing Supported Services Contract to assess whether any further variation is needed or determinate whether the service remains necessary to be supported in accordance with the review process under clause 6.4.

14. REVERTING TO ORIGINAL CONTRACT TERMS FOR EXISTING SUPPORTED SERVICES

14.1 The Parties acknowledge that any Existing Supported Services Contract varied in accordance with clause 12 and 13, shall revert to the terms specified immediately prior to such variation (subject to any other variation to such contract agreed by the Parties to that contract) when all or some of the following criteria are achieved (in each case as agreed with the relevant Local Authority, acting reasonably):

14.1.1 the revenue in respect of that service returning to pre-COVID levels;

14.1.2 the service operating to a specification materially the same as that pre-COVID, subject to any other variation of such contract; and

14.1.3 the Operator choosing to return to the terms of the original Existing Supported Services Contract.

15. SUPPORT FOR FORMER COMMERCIAL SERVICES

15.1 The Parties acknowledge that the Operator has historically operated Commercial Services, but due to the effects of COVID-19, those Commercial Services were no longer commercially viable and support for the continuation of the services was required from Welsh Government. Such support was received through BES Funding provided pursuant to the Previous BES Funding Arrangements. The Parties further acknowledge that the Previous BES Funding Arrangements were implemented on the basis of payments being made under the following powers:

15.1.1 use of grant aid under section 154 Transport Act 2000; or

15.1.2 payments made pursuant to section 7 of the Transport (Wales) Act 2006,

("Former Commercial Services").

- 15.2 The Operator acknowledges that in the absence of Service Payments made pursuant to this Agreement the Operator would not be able to continue to operate the relevant Former Commercial Service or would not be able to operate the Former Commercial Services to the Service Standards.
- 15.3 The Lead Authority acknowledges that it would not have funded such Former Commercial Services to the Service Standards unless provided with financial support by Welsh Government.
- 15.4 The Lead Authority agrees to support the Former Commercial Services pursuant to the terms of this Agreement on the basis that the operation of the Former Commercial Service is required to meet public service obligations, with support being provided for provision of such public service obligations through the payment of Service Payments on behalf of Welsh Government in accordance with Schedule 3 (pursuant to section 7 Transport (Wales) Act 2006), provided that the Operator in operating the Former Commercial Services, shall at all times comply with the prevailing Service Specification.
- 15.5 The Parties acknowledge that the reconciliation process at Part 3 of Schedule 3 shall take into account the costs and revenues from all Local Services provided by the Operator, including Supported Services, Formerly Commercial Services and Commercial Services. For the avoidance of doubt, the assessment of whether the Operator has been over or under compensated and the calculation of any margin due shall be based on the net position on costs and revenues across all the Operator's Local Services.

16. COMMERCIAL SERVICES

- 16.1 Where the Operator registers a Commercial Service which does not comply with the applicable Service Standards, then save where the specification of such Commercial Service has been agreed in accordance with clause 16.2.2, the Operator acknowledges and agrees that Welsh Government or any Local Authority in the area in which such service is operated may determine that notwithstanding the operation of the Commercial Service, that the service in question is not being provided to the applicable Service Standard required, in accordance with section 7(4) Transport (Wales) Act 2006 or section 63(5) Transport Act 1985 and that Welsh Government or the relevant Local Authority may determine that a service that meets the applicable Service Standard may be let in accordance with clause 17 (subject to the application, where relevant, of the Part 1 Competition Test).
- 16.2 Where the Operator registers a Commercial Service which will operate:
- 16.2.1 in accordance with the applicable Service Standards; or
- 16.2.2 in accordance with a variation to the Service Standards as agreed by the Operator, Lead Authority and Tfw on the grounds that, for example, the specified standard for the hours of operation or frequency of the service are not financially viable or required,

then the Parties acknowledge that such service shall be operated as a Commercial Service for the purposes of this Agreement, but shall for the avoidance of doubt, remain subject to the terms of this Agreement, the Umbrella Partnership Agreement and any future partnership agreement developed pursuant to the terms of the Umbrella Partnership Agreement.

- 16.3 The Parties acknowledge that the reconciliation process at Part 3 of Schedule 3 shall take into account the costs and revenues from all Local Services provided by the Operator, including

Supported Services, Formerly Commercial Services and Commercial Services. For the avoidance of doubt, the assessment of whether the Operator has been over or under compensated and the calculation of any margin due shall be based on the net position on costs and revenues across all the Operator's Local Services.

17. SERVICES TENDERED AFTER THE DATE OF THIS AGREEMENT

17.1 The Parties agree that the Lead Authority or one of its Constituent Local Authorities or Welsh Government may let New Supported Services Contracts including where:

- 17.1.1 an Existing Supported Service Contract expires or terminates;
- 17.1.2 the Operator chooses to cease operation of a Former Commercial Service; or
- 17.1.3 a new route is identified as part of the Reference Network which is not operated as a Commercial Service or any Commercial Service does not comply with clause 16.2,

in each case where the relevant Local Authority or Welsh Government determine that the provision of such service is appropriate for meeting public transport requirements in the relevant area.

17.2 The Operator acknowledges that, no later than 1 August 2021, the Lead Authority (working with its Constituent Local Authorities) shall set out a programme to tender key services that are otherwise at risk of not meeting the requirements of clause 10.1 prior to 1 August 2022 when this contract shall terminate ("**Procurement Programme**"). The Procurement Programme shall be developed in consultation with the Operator and other operators and plans to tender New Supported Service Contracts within the Procurement Programme shall be prioritised to take account of:

- 17.2.1 the prevailing bus market conditions including any continued impact of COVID-19 on the performance of the bus market, such as passenger levels and revenues;
- 17.2.2 the estimated time frame for meeting the requirements of clause 10.1; and
- 17.2.3 the extent to which each service is required for the purposes of operating the Reference Network and delivering its intended benefits.

The Procurement Programme shall be reviewed by the Lead Authority and its Constituent Local Authorities every month and revised as necessary in consultation with the Operator, other operators and stakeholders to take account of changes which affect the priorities detailed in clauses 17.2.1 to 17.2.3.

17.3 Where a Lead Authority, one of its Constituent Local Authorities or Welsh Government tenders a New Supported Services Contract following the date of this Agreement, the tender for such New Supported Services Contract shall specify the assumptions that are to be made by all bidders regarding payments (if any), to be made pursuant to this Agreement to the operator of services under that New Supported Services Contract, and the relevant Public Sector Party shall ensure that the same assumptions are provided to all tenderers for such Contract ("**New Supported Services Contract Tendering Assumptions**"); or

17.4 the Parties acknowledge, that where any Public Sector Party, specifies New Supported Services Contract Tendering Assumptions as part of a tender process for a New Supported Services Contract and the Operator enters into such New Supported Services Contract, the Lead

Authority shall make payments under this Agreement in respect of such New Supported Services Contract in accordance with the New Supported Services Contract Tendering Assumptions.

18. SURVIVAL

18.1 This clause 18 and the following provisions (and any clauses/Schedules referred to in them/and or necessary in order to give effect to them) shall survive termination of this Agreement:

18.1.1 clauses 1 (*Definitions and Interpretation*);

18.1.2 clause 20 (*Intellectual Property*),

18.1.3 clause 21 (*Confidentiality*),

18.1.4 clause 22 (*Data Protection*),

18.1.5 clause 23 (*Freedom of Information*),

18.1.6 clause 25 (*Dispute Resolution*);

18.1.7 clause 36 (*Governing Law and Jurisdiction*); and

18.1.8 Schedule 3 (*Compensation*) to the extent required for the purposes of any reconciliation of payments following the date of termination,

which shall continue in force after such termination.

19. FUNDING AND CONSTRAINTS

19.1 Each Party shall be responsible for funding their own obligations under this Agreement, save where the funding of any obligation is expressly specified in this Agreement, and otherwise in accordance with this clause 19. Where and to the extent any obligation of the Lead Authority pursuant to this Agreement to pay the Operator is dependent upon Welsh Government paying an equivalent amount to the Lead Authority, Welsh Government shall indemnify the Lead Authority against any claims from the Operator arising directly from any delay or failure by Welsh Government to make such payment to the Lead Authority.

19.2 It is acknowledged that funding from (or provisions of works, services or supplies which have been funded by) the Welsh Government is subject to constraints on public spending, including the application of UK and EU rules in respect of state aid and procurement ("**State Aid and Procurement Constraints**"). It is acknowledged that Welsh Government, TFW and the Lead Authority shall not be required to fund or deliver anything pursuant to this Agreement which would be in breach of such requirements.

19.3 Where any Party is unable to perform an obligation under this Agreement due to State Aid and Procurement Constraints the Parties agree to work together in good faith to determine those changes required to this Agreement whilst not breaching such requirements. It is acknowledged that this may include the Parties working together to identify exemptions which may be applicable and where necessary engaging with third parties including the CMA in order to implement the terms of this Agreement.

20. INTELLECTUAL PROPERTY RIGHTS

- 20.1 To the extent that any Intellectual Property Rights are generated pursuant to the terms of this Agreement, the Parties agree that:
- 20.1.1 such Intellectual Property Rights shall remain the absolute property of the Party which generated such rights; and
 - 20.1.2 such Party shall hereby grant to the other Party a perpetual, irrevocable, non-exclusive, fully paid up and royalty free licence (with the right to sub-licence) to use such Intellectual Property Rights for any purpose relating to this Agreement or any successor agreement.

21. CONFIDENTIALITY

General

- 21.1 The Parties agree that the provisions of this Agreement shall not be treated as Confidential Information and may be disclosed without restriction.
- 21.2 Each Receiving Party shall:
- 21.2.1 keep the Disclosing Party's Confidential Information confidential;
 - 21.2.2 use the Confidential Information (or any part thereof) only in connection with performing its obligations under the Agreement; and
 - 21.2.3 subject to clause 21.4 and 23, not disclose the Confidential Information to anyone without the prior written consent of the Disclosing Party.
- 21.3 Data provided by the Operator pursuant to clause 7 or otherwise pursuant to the terms of this Agreement shall be deemed to be Confidential Information where it is identified as such in the table at Part 4 of Schedule 4.

Exceptions

- 21.4 The consent referred to in clause 21.2.3 shall not be required for the disclosure by a Receiving Party of any Confidential Information which:
- 21.4.1 is disclosed to:
 - 21.4.1.1 the CMA; or
 - 21.4.1.2 the Department for Transport,
 - 21.4.2 at any time comes into the public domain otherwise than as a result of breach of this Agreement by the Receiving Party;
 - 21.4.3 is disclosed to the Receiving Party's officers, contractors or agents, in each case to the extent required to enable the Receiving Party to carry out its obligations under this Agreement provided that the Receiving Party makes such person aware of the Receiving Party's obligations under this Agreement and the Receiving Party requires such person to observe the same restrictions on the use of the relevant information as are contained in clause 21.2;

- 21.4.4 is disclosed to the Receiving Party's professional advisers who are bound to such Receiving Party by a duty of confidence which applies to any information disclosed;
 - 21.4.5 is disclosed to the Receiving Party's auditors (pursuant to clause 7.8) who are bound to such Receiving Party by a duty of confidence which applies to any information disclosed, to the extent that the statutory provisions under which the auditor was appointed allow for such duty of confidence to be imposed upon the auditor;
 - 21.4.6 is received from a third party who is not in breach of any relevant duty of confidence whether express or implied;
 - 21.4.7 is independently developed without access to the Confidential Information; or
 - 21.4.8 is required to be disclosed by any applicable law or regulatory requirement to which the Receiving Party is subject or pursuant to any order of the court or other competent regulatory authority or tribunal.
- 21.5 These restrictions and prohibition on use, exploitation, communication and disclosure set out in this clause 21 shall continue to apply after the expiration or termination of the Agreement in respect of any Confidential Information for such period of time as such information remains Confidential Information..

Required Disclosure

- 21.6 If the Receiving Party becomes required, in circumstances contemplated by clause 21.4.8 to disclose any Confidential Information, the Receiving Party shall (save to the extent prohibited by law) give to the Disclosing Party such notice as is practical in the circumstances of such disclosure and shall co-operate with the Disclosing Party, having due regard to the Disclosing Parties' views, and take such steps as the Disclosing Party may reasonably require in order to enable it to mitigate the effects of, or avoid the requirements for, any such disclosure.

Remedy

- 21.7 The Public Sector Parties acknowledge and agree that money damages may not be an adequate remedy for any breach or threatened breach of this clause 21 and that a breach by any Public Sector Partner of this clause 21 may result in immediate and irreparable competitive injury. The Public Sector Parties therefore agree that in addition to any other remedies that may be available, by law or otherwise, the Operator shall be entitled to seek injunctive relief against any breach or threatened breach of this clause 21 by the Public Sector Parties.

22. DATA PROTECTION

- 22.1 In this clause 22, the expressions "**Process/Processing**", "**Controller**", "**Processor**" "**Data Subject**", "**Personal Data Breach**" and "**Supervisory Authority**" shall have the same meaning as in the Data Protection Laws.
- 22.2 Each Party shall Process Personal Data under this Agreement as a separate Controller, and shall comply at all times with its respective obligations under Data Protection Laws.
- 22.3 In respect of any disclosures of Personal Data by one Party ("**Personal Data Disclosing Party**") to another Party ("**Personal Data Receiving Party**"), the Personal Data Receiving Party shall:

- 22.3.1 only Process the disclosed Personal Data where reasonably necessary for the purposes of performing its obligations, or exercising its rights, under this Agreement (including in respect of any onward disclosures to third parties);
 - 22.3.2 not transfer Personal Data outside the EEA without the prior written consent of the Personal Data Disclosing Party; and
 - 22.3.3 notify the Personal Data Disclosing Party without undue delay upon becoming aware of any Personal Data Breach involving the Personal Data.
- 22.4 Each Party shall co-operate with the other, to the extent reasonably requested, in relation to:
- 22.4.1 any requests from Data Subjects to exercise rights under the Data Protection Laws;
 - 22.4.2 any other communication from a Data Subject concerning the Processing of their Personal Data; and
 - 22.4.3 any communication from a Supervisory Authority concerning the Processing of Personal Data, or compliance with the Data Protection Laws.

23. FREEDOM OF INFORMATION

- 23.1 The Operator shall cooperate to facilitate the Public Sector Parties in complying with their respective obligations under the FOIA and the EIR, together with any guidance and/or codes of practice issued from time to time by the Information Commissioner or the Secretary of State, in the manner provided for in this clause 23, which shall apply whenever any Public Sector Party receives a Request for Information which in that Public Sector Party's reasonable opinion is likely to involve the disclosure of Confidential Information.
- 23.2 Where the relevant Public Sector Party receives a Request for Information in relation to Operator Confidential Information it shall notify the Operator in writing of the Request for Information as soon as practicable after receipt and in any event within five (5) Working Days of receiving a Request for Information and shall consult in good faith with the Operator to ascertain whether disclosure of the requested information would be likely to prejudice the commercial interests of the Operator for the purposes of section 43(2) of FOIA or regulation 12(5)(e) of EIR.
- 23.3 Where the relevant Public Sector Party receives a Request for Information relating Operator Confidential Information, the relevant Public Sector Party shall keep the Operator fully informed and the Operator shall provide all necessary assistance reasonably requested by the relevant Public Sector Party to enable the Welsh Government or TFW to respond to a Request for Information in accordance with Section 1 and Section 10 of the FOIA or regulation 5 of the EIR.
- 23.4 The relevant Public Sector Party agrees that (and shall procure that the Constituent Local Authorities agree that) Operator Data shall, for the purposes of the FOIA, constitute:
- 23.4.1 exempt information pursuant to Part 2 of the FOIA which is provided to the Welsh Government, the Lead Authority and/or TFW in confidence and that disclosure of the Operator Data would constitute a breach of confidence actionable by the Operator; and/or
 - 23.4.2 exempt information pursuant to Part 2 of the FOIA in that it constitutes either a trade secret of the Operator and/or information which if disclosed to the public

would prejudice the commercial interests of the Operator and the Welsh Government, the Lead Authority and TfW will therefore treat all Operator Data as exempt for the purposes of the FOIA.

23.5 In the event that notwithstanding the provisions of clause 23.4, any Public Sector Party is bound by the FOIA to disclose any Operator Data to the public, the relevant Public Sector Party shall nonetheless provide the Operator with a minimum of 48 hours written notice prior to the disclosure of any such data.

24. COMPETITION AND PROCUREMENT LAW

24.1 The Parties intend that this Agreement shall comply with competition law at the date of this Agreement.

24.2 The Parties acknowledge that the development of partnership arrangements pursuant to clause 5 of this Agreement will be subject to the application of competition law, and in particular the parties may need to apply the Part 2 Competition Test, and be satisfied (acting reasonably and by reference to the prevailing law at the time of such consideration) that any Umbrella Partnership Agreement meets the Part 2 Competition Test;

24.3 The Parties intend that:

24.3.1 this Agreement shall not breach the Public Contracts Regulations 2015, the Utilities Contracts Regulations 2016, the Concession Contracts Regulations 2016 or Regulation 1370/2007;

24.3.2 that payments in respect of, and the provision of, services by the Operator pursuant to the terms of this Agreement are consistent with the requirements of article 5 of Regulation 1370/2007.

24.4 Notwithstanding clause 24.1 to 24.3, if:

24.4.1 statements by, advice from, or decisions by competent authorities (including, but not limited to, the CMA) provides additional detail or guidance in relation to the applicability of competition law to this Agreement which may impact on the position of this Agreement or in respect of the negotiation of the Umbrella Partnership Agreement;

24.4.2 statements by, advice from, or decisions by competent authorities impact on the position of this Agreement under procurement law,

the Parties agree to:

24.4.3 meet in good faith and review the impact of such change or other developments on this Agreement; and

24.4.4 make any amendment necessary to ensure that this Agreement complies with applicable competition law or procurement law then in force in the light of such development, whilst taking account of the Parties' commercial intentions as expressed in this Agreement.

24.5 In the event that the Parties are unable to agree as to the extent and nature of such amendments within one (1) month, any party shall be entitled to refer the decision to the Dispute process in accordance with clause 25.

25. DISPUTE RESOLUTION

- 25.1 Where any Dispute arises between the Parties in connection with this Agreement, the Parties shall attempt to resolve the Dispute in good faith. During the period of the Dispute, the Parties shall continue to comply with their respective obligations under this Agreement.
- 25.2 Where the Parties are unable to resolve the Dispute in good faith, the dispute may be escalated to the relevant Parties' senior representatives (being a senior executive of the relevant Party with sufficient authority to bind the relevant Party in any agreement reached in respect of the Dispute) in order to try and resolve the Dispute. If the Parties' senior representatives are unable to resolve the Dispute within fifteen (15) Working Days of referral, the Dispute shall be referred to mediation in accordance with clause 25.4, save for any Lead Authority Disputes which shall be referred to resolution pursuant to clause 25.3.
- 25.3 Where a Dispute is a Lead Authority Dispute then the following shall apply:
- 25.3.1 the Lead Authority shall notify an Alternate Lead Authority (whose identity is to be agreed between the Operator and the Lead Authority or where they cannot agree the identity of the Lead Authority as determined by TfW) in writing, asking for input. Such notice shall provide background information on the issue and reasons why the Lead Authority believes the Operator has not engaged in good faith;
 - 25.3.2 upon receipt of such notice, the Alternate Lead Authority shall consider the information provided in the notice and shall promptly request any additional information from the Operator that may be required to consider the dispute;
 - 25.3.3 upon receipt of such additional information from the Operator, the Alternate Lead Authority shall consider all responses within fifteen (15) Working Days. The Alternate Lead Authority shall notify both the Operator and the Lead Authority of its decision; and
 - 25.3.4 in the event that the Alternate Lead Authority agrees that the Operator has not engaged in good faith, then the Lead Authority may suspend or reduce BES 2 Funding paid to the Operator in respect of the disputed service or services or seek compensation in accordance with Schedule 3; or
 - 25.3.5 in the event that the Alternate Lead Authority agrees that the Operator has engaged in good faith, the BES 2 Funding paid to the Operator shall continue.
- 25.4 If the Parties are unable to resolve a Dispute within two (2) months, the Parties shall attempt to settle the Dispute by mediation in accordance with the CEDR Model Mediation Procedure. Within ten (10) Working Days of service of referral to mediation, the mediator shall be nominated by CEDR. To initiate the mediation, one Party must serve notice in writing ("**ADR Notice**") to the other Party(s) requesting mediation. A copy of the ADR Notice should be sent to CEDR. Unless otherwise agreed between the Parties, the mediation shall start no later than ten (10) Working Days after the date of the ADR Notice.
- 25.5 If the Dispute is not resolved within ten (10) Working Days after service of the ADR Notice, any Party fails to participate or ceases to participate in the mediation before the expiry of that ten (10) Working Day period, or the mediation terminates before the expiry of that ten (10) Working Day period, the Dispute shall be finally resolved by the courts of England and Wales.
- 25.6 The Parties may by written agreement, agree to vary the time periods set out in this clause 25 to resolve a Dispute.

25.7 Any decision, judgement or settlement resulting from a Dispute determined in accordance with clause 25 shall be recorded in writing, signed by all the Parties involved, and shall be binding on the Parties. Where the Parties have submitted the Dispute to the Courts of England and Wales, the decision of the Courts of England and Wales shall be binding on the Parties.

26. CHANGE PROCEDURE

26.1 The Parties acknowledge and agree that from time to time during the Term, any Party may request a change to this Agreement. A Party may present its proposal for change to the other Parties who shall consider and discuss the proposal.

26.2 Where the Parties agree to amend the Agreement to reflect the proposal, they shall as soon as reasonably practicable (and in any event within twenty (20) Working Days), evaluate the proposal to determine whether it remains in accordance with the Wales Transport Strategy and associated transport plans and propose and agree the amendments required to the Agreement.

26.3 The Parties shall take all reasonable steps to implement those amendments to the Agreement as soon as reasonably practicable. The Parties acknowledge that any changes agreed pursuant to this clause, are not subject to the general amendment clause at clause 29.

27. LIMITATION OF LIABILITY

27.1 References to liability in this clause 27 include every kind of liability arising under or in connection with this Agreement including but not limited to liability in contract, tort (including negligence), misrepresentation, restitution or otherwise. No Party may benefit from the limitations and exclusions set out in this clause in respect of any liability arising from its deliberate default.

27.2 Nothing in this Agreement limits any liability which cannot legally be limited, including but not limited to liability for:

27.2.1 death or personal injury caused by negligence; or

27.2.2 fraud or fraudulent misrepresentation.

27.3 Subject to clause 27.1 and 27.2:

27.3.1 the Public Sector Parties' total liability under and in connection to this Agreement shall in no event exceed an amount equal to the total amounts payable to the Operator up to the date that this Agreement is terminated; and

27.3.2 the Operator's total liability under and in connection to this Agreement shall in no event exceed an amount equal to the total amounts payable to the Operator under the terms of this Agreement.

28. ASSIGNMENT

28.1 This Agreement is personal to the Parties and may not be assigned (whether absolutely or by way of security and whether in whole or in part), sub-contracted, transferred, mortgaged, charged, declared in trust for a third party, or otherwise disposed of in any manner whatsoever to any third party without the prior written consent of the other Parties and any such purported dealing in contravention of this clause shall be ineffective.

28.2 In the event that the Operator disposes of its business (or part of its business), the Operator shall act reasonably to:

28.2.1 ensure that the party to which its business is transferred enters into an agreement on equivalent terms to this Agreement in respect of that business (or part of the business) (including, where agreed the rights and obligations in respect of the Umbrella Partnership Agreement or any other agreement entered into to further the intent of this Agreement); and

28.2.2 terminate its participation under this Agreement in accordance with clause 11.8, to the extent that the whole of business is disposed of; and

28.2.3 amend this Agreement to reflect the remaining business where part of the business is disposed of.

29. AMENDMENT

29.1 This Agreement may only be amended, modified, varied or supplemented in writing signed by or on behalf of all of the Parties to this Agreement.

29.2 The Parties shall, as soon as reasonably practicable following the coming into force of any legislation, regulations or statutory instruments (or any amendments to existing legislation, regulations or statutory instruments) which impacts the terms of this Agreement, review and, if necessary, amend the terms of this Agreement to account for such changes.

30. WAIVER

The rights and remedies of the Parties shall not be affected by any failure to exercise or delay in exercising any right or remedy or by the giving of any indulgence by any other Party or by anything whatsoever except a specific waiver or release in writing and any such waiver or release shall not prejudice or affect any other rights or remedies of the Parties. No single or partial exercise of any right or remedy shall prevent any further or other exercise thereof or the exercise of any other right or remedy.

31. NOTICES

31.1 Any notice (including any approval, consent or other communication) in connection with this Agreement shall be given in writing and shall either be personally left at the address of the addressee or sent by pre-paid first class post or be sent by electronic mail. The address for service of a Party shall be its address as stated in clause 31.2 or any other address or electronic mail address notified to the other Parties in accordance with this clause 31.1.

31.2 The addresses for service of notices are:

The Operator

- a) Address: [ADDRESS]
- b) For the attention of: [POSITION OF CONTACT]
- c) Email address: [EMAIL ADDRESS]

Welsh Ministers

- a) Address: [ADDRESS]
- b) For the attention of: [POSITION OF CONTACT]
- c) Email address: [EMAIL ADDRESS]

Transport for Wales

- a) Address: [ADDRESS]
- b) For the attention of: [POSITION OF CONTACT]
- c) Email address: [EMAIL ADDRESS]

Lead Authority

- a) Address: [ADDRESS]
- b) For the attention of: [POSITION OF CONTACT]
- c) Email address: [EMAIL ADDRESS]

31.3 In the absence of evidence of earlier receipt, any notice shall take effect from the time that it is deemed to be received in accordance with clause 31.4.

31.4 A notice is deemed to be received:

31.4.1 in the case of a notice personally left at the address of the addressee during normal working hours, upon delivery at that address or if not during normal working hours the next Working Day; or

31.4.2 in the case of a first class posted letter (within the United Kingdom), on the third Working Day after posting; or

31.4.3 in the case of an email, in the absence of a delivery error message, at the time of sending to the relevant addressee,

and for the purpose of deemed receipt under this clause 31.4, it shall be sufficient to prove that personal delivery was made or that the envelope containing the posted notice was properly addressed or the email contained the correct email address.

32. SEVERABILITY

If any term of this Agreement is found by any court or body or authority of competent jurisdiction to be illegal, unlawful, void or unenforceable, such term will be deemed to be severed from this Agreement and this will not affect the remainder of this Agreement which will continue in full force and effect.

33. THIRD PARTY RIGHTS

33.1 Save as otherwise expressly provided for in this Agreement, a person who is not a party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

33.2 Where a Lead Authority and/or Constituent Local Authority is stated as having a right pursuant to this Agreement the Lead Authority and/or Constituent Local Authority shall be entitled to exercise that right pursuant to the terms of this Agreement, notwithstanding that it is a third party.

33.3 The rights of the Parties to terminate, rescind or agree any variation to this Agreement are not subject to the consent of any other person.

34. ENTIRE AGREEMENT

34.1 Subject to clause 34.2, with the Previous BES Funding Arrangements, this Agreement constitutes the entire agreement between the Parties and supersedes any prior agreement or arrangement in respect of its subject matter and:

34.1.1 no Party has entered into this Agreement in reliance upon, and will have no remedy in respect of, any misrepresentation, representation or statement (whether made by any other Party or any other person and whether made to the first Party or any other person) which is not expressly set out in this Agreement; and

34.1.2 the only remedies available for any misrepresentation or breach of any representation or statement which was made prior to entry into this Agreement and which is expressly set out in this Agreement will be for breach of contract.

34.2 Nothing in this clause 34 shall be taken to affect the terms of any Existing Supported Services Contract or New Supported Services Contract between any of the parties to this Agreement, including any amendments to such contracts effected by the terms of this Agreement.

34.3 For the avoidance of doubt, nothing in this clause 34 will be interpreted or construed as limiting or excluding the liability of any person for fraud or fraudulent misrepresentation.

35. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and by the Parties as separate counterparts but will not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute one and the same Agreement.

36. GOVERNING LAW AND JURISDICTION

36.1 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Welsh law.

36.2 Subject to the Dispute Resolution Procedure, the courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with this Agreement including (without limitation) in relation to any non-contractual obligations.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

Signed for and on behalf of **WELSH
MINISTERS** by:

)
)

Signature

Name (block capitals)

**Director/authorised
signatory**

Signed for and on behalf of **TRANSPORT
FOR WALES** by:

)
)

Signature

Name (block capitals)

**Director/authorised
signatory**

Signed for and on behalf of [**LEAD
AUTHORITY**] by:

)
)

Signature

Name (block capitals)

**Director/authorised
signatory**

Signed for and on behalf of [**OPERATOR**]
by:

)
)

Signature

Name (block capitals)

**Director/authorised
signatory**

SCHEDULE 1: WELSH GOVERNMENT REQUIREMENTS

The Parties acknowledge and agree that in consideration of the Welsh Government providing the BES 2 Funding and other payments pursuant to this Agreement, the Operator shall comply with the following obligations. Failure to comply with these obligations will constitute a material breach under the terms of this Agreement:

1. Safety of passengers and staff is paramount

1.1 In providing Local Services the Operator shall comply with the Welsh Government's "Restarting public transport: guidance for operators" (<https://gov.wales/restarting-public-transport-guidance-operators-html>) and any updated guidance provided in response to emerging requirements to respond to the public health impact of the COVID 19 pandemic.

2. Reforming Service Delivery

2.1 The Operator shall support the introduction of new and emerging institutional arrangements between the Public Sector Parties that Welsh Government believe are reasonably required to more effectively support the management of bus services in Wales in the future.

2.2 The Operator shall, in good faith, engage with TfW, Welsh Government and the Lead Authorities on behalf of their Constituent Local Authorities to reform funding and reimbursement mechanisms such as BSSG and the Concessionary Travel Scheme to improve the quality and viability of the local services available to passengers in Wales.

2.3 The Operator shall work with TfW and Welsh Government and other operators to develop a vehicle replacement strategy which will help to inform Welsh Government's plans for a sustainable public transport fleet. Subject to the availability of funding and compliance with state aid rules, Welsh Government may fund measures to bring the national fleet up to the required minimum standard.

2.4 Welsh Government is in the process of updating the requirements for the Economic Contract Plan with which all bus operators in receipt of Government funding will be required to sign up to. Once the updated guidance has been published, the Operator shall produce an Economic Contract for approval by TfW, acting reasonably and on behalf of Welsh Government, within (6) six months of publication of the guidance.

2.5 Following the issue of the updated requirements for the Economic Contract Plan, pursuant to paragraph 2.4, TfW shall set out a timetable and process for the development, review, approval and monitoring of the Operator's Economic Contract.

2.6 The Parties acknowledge that, at the time of signing this Agreement, the Operator will not have had sight of the requirements for the Economic Contract Plan. TfW and Welsh Government shall work with the Operator and representatives of the bus industry to reach agreement on affordable and sustainable options for implementing such requirements.

2.7 In advance of the development of the new requirements for the Economic Contract Plan, the Operator shall commit to complying with the principles of the current Economic Contract ([found here](#)), specifically with respect to:

2.7.1 growth potential;

2.7.2 fair work;

- 2.7.3 promotion of health, including a special emphasis on mental health, skills and learning in the workplace; and
- 2.7.4 progress in reducing carbon footprint.
- 2.8 The Operator acknowledges that Welsh Government intends that the Operator's Economic Contract and delivery against the same may form a key part of:
 - 2.8.1 the evidence for the scoring of future competitions for grant funding or other contracts which make use of Welsh Government funding; and
 - 2.8.2 the conditions for other statutory and non-statutory schemes relating to the funding of the bus industry in Wales which Welsh Government may introduce in the future.

3. **Improving the Passenger Experience**

The Operator shall use reasonable endeavours to work with the Lead Authority, the Constituent Local Authorities and TfW to increase patronage and social inclusion on bus services and the wider public transport network in Wales.

3.1 **Routes**

- 3.1.1 To the extent that reinstatement of the pre-COVID 19 network meets the Priorities and can be provided within the funding available, the Operator shall, by agreement with the Lead Authority, progressively re-instate the network of services that the Operator provided prior to the impact of COVID 19.
- 3.1.2 The Lead Authority shall work with the Operator and the Constituent Local Authorities to determine what changes may be required to the network of services provided by the Operator in response to changing passenger demand and patterns of travel and shall authorise such changes, including the use of alternative delivery modes, in line with the Reference Network. Such changes may include adjustments to the Operator's timetables and routes, where these are necessary to integrate the Operator's services, other bus services and modes of transport to provide passengers with improved journey times and a better experience of public transport.
- 3.1.3 During the term of this Agreement, and reflecting the material funding being provided by Welsh Government to support continued provision of Local Services by the Operator, the Operator shall seek permission from the Lead Authority prior to registering any new service. Such permission shall not be unreasonably withheld where the Operator demonstrates compatibility of such service with the Reference Network or justifies the change to the Reference Network based on passenger need and positive impact on value for money for the Lead Authority.

3.2 **Fares and Ticketing**

- 3.2.1 The Operator shall demonstrate that it has sought to improve value for money for passengers by confirming that it has considered options for capping and rationalising fares. No increase in fares will be allowed during the Term of this Agreement unless it is part of a proposal, approved by the Lead Authority, to improve overall value for money for passengers.

3.2.2 The Parties shall work together to develop and implement ticketing schemes for the benefit of passengers and the Operator, whether proposed on a statutory or non-statutory basis subject to compliance with competition law.

4. Negative Conditions

For the Term of this Agreement the Operator shall not:

- 4.1 act in a way which is primarily intended or expected to make cost effective delivery of the Reference Network more difficult;
- 4.2 carry out their business in a manner which can be shown to, overall, have the intent or expectation of reducing passenger benefits from the bus network in Wales; and
- 4.3 register Local Services which have the primary effect of undermining the value for money of the Subsidised Network (provided that nothing in this paragraph 4 shall prohibit the Operator from replacing an Existing Supported Service or New Supported Service with a Commercial Service which provides the same or better service across all hours of operation of the Supported Service.

5. Exit from BES 2

Where clause 10.2 applies, the Operator acknowledges that it is a condition of the payments made under this Agreement that the Operator will work with the Lead Authority, TfW and other operators to develop a set of partnership obligations which will preserve and improve the benefits to passengers embodied in the Welsh Government requirements set out in this Schedule, recognising the fact that such obligations must be compliant with competition law.

SCHEDULE 2: PARTNERSHIP THEMES

The Parties acknowledge the following matters shall be taken into consideration when agreeing the Umbrella Partnership Agreement and may either be included within the terms of that agreement or may be included as provisions to consider in the implementation of VPAs or other partnership arrangements at a local level.

The Parties shall use the draft form of VPA appended to this Schedule at Section 1 as a template when producing the Umbrella Partnership Agreement.

In developing the Umbrella Partnership Agreement, the Parties agree to build on the Welsh Government requirements as set out in Schedule 1 and to agree a shared, enforceable set of partnership obligations to govern the partnership. Examples of such obligations include the Operators working with TfW and the Lead Authority to develop and, where agreed, implement proposals to:

1. register routes and timetables that support the journey times and interchange opportunities identified in the Reference Network;
2. consolidate core routes, including determining how passengers can benefit from services on core routes irrespective of bus operator, to the extent enabled by competition law;
3. de-duplicate and harmonise route numbering;
4. identify unserved markets and routes that could serve those markets;
5. develop and implement a code of practice on employment terms and driver standards to offer a safe and high quality service to passengers;
6. facilitate the introduction of demand responsive or other approaches to service delivery, e.g. by deregistering the existing Local Services, where it is identified that routes may be more effectively served by other means;
7. align new routes within the Reference Network where appropriate whilst allowing the Operator innovation in respect of new routes and bus services;
8. improve value and/or convenience for passengers. This shall, to the extent enabled by competition law, include working with TfW and the Constituent Local Authorities on the introduction of ticketing schemes (whether statutory or voluntary) which may:
 - 8.1 introduce pay as you go capping;
 - 8.2 rationalise fares; and/or
 - 8.3 introduce day and/or weekly tickets,
9. establish multi-operator ticketing schemes;
10. provide information to support passengers, including the prompt communication of changes to bus timetables through Traveline Cymru, Lead Authority, Constituent Local Authorities and TfW; and
11. invest in bus services alongside the Welsh Government's and Constituent Local Authorities' investment in infrastructure with the aim of improving customer experience.

Section 1: FORM OF UMBRELLA PARTNERSHIP AGREEMENT

SCHEDULE 3: COMPENSATION, PAYMENT AND RECONCILIATION

Part 1: General and information provision

The Operator shall provide such information to TFW and the Lead Authority as they may reasonably require in order to calculate support payments, reconciliation payments and compensation to be paid pursuant to this Schedule 3.

Part 2: Payment

1. The Service Payment (SP) shall be calculated as follows:

$$SP = PC + AM - PR + RP - CP$$

Where:

- 1.1 Service Payment (SP): shall be calculated monthly and in accordance with the following:
 - 1.1.1 the first Service Payment under this Agreement, shall be calculated for a part month to take account of the Effective Date. Service Payments shall be paid on the same basis as BES 1.5 until the Parties agree a revised process to incorporate the provisions of this Part 1 of Schedule 3. The Parties shall use reasonable endeavours to agree the revised process by no later than sixty (60) days after the Effective Date. Once the revised process for payment has been agreed, the Parties agree that paragraphs 1.1.3 and 1.1.4 below shall be updated to reflect such agreement. Any adjustments to allow for actual costs, margin and revenue during this first period shall be taken into account as part of the reconciliation process set out in Part 3 of this Schedule;
 - 1.1.2 the Lead Authority shall on a monthly basis by no later than the []th day of each month, notify the Operator of the proposed Service Payment providing reasonable detail as to how it has been calculated in accordance with this Schedule;
 - 1.1.3 the Service Payment shall be paid by the Lead Authority within [] days of the Operator issuing an invoice following receipt of the notice in paragraph 1.1.2 in respect of a month, in respect of provision of services for that month; and
 - 1.1.4 where this Agreement terminates or expires, other than at the end of a month, the Lead Authority shall, acting reasonably, determine the date and calculation of payment to ensure that the Operator is paid for provision of Services throughout the term of this Agreement.
- 1.2 Period Costs (PC): shall be such value as the Lead Authority may calculate in accordance with paragraph 1 of Section 1, noting that Inadmissible Costs, as set out in Section 2 to this Schedule, shall not be included in the calculation of PC;
- 1.3 Assumed Margin (AM): shall be the assumed margin payable to the Operator for provision of the Services and shall be a percentage applied to these elements of the Period Costs (PC) for the relevant period i.e. direct costs, variable costs and overhead costs. The AM shall be initially set at 2% of the value of the Periodic Cost. The Parties agree that during the Term, this assumed margin set at 2% shall be subject to ongoing review by Transport for Wales and Welsh Government to ensure that it remains an appropriate percentage to pay Operators as a margin in addition to their costs in accordance with Schedule 5;

- 1.4 Periodic Revenue (PR): shall be all revenue received by the Operator in respect of the relevant period as the Lead Authority may calculate in accordance with paragraph 1 of Section 1;
- 1.5 RP: is any reconciliation payment in accordance with Part 3, and shall be a positive figure where the Reconciliation Payment is to be made to the Operator and a negative figure where a Reconciliation Payment is to be made to the Lead Authority; and
- 1.6 CP: is any compensation payment payable pursuant to Part 4.
- 2. Where:
 - 2.1 SP is a positive figure then this amount shall be paid by the Lead Authority to the Operator, provided that the value of SP shall always be capped at a maximum at the level calculated in accordance with Section 1 (which may vary each month in line with the calculation); and
 - 2.2 SP is a negative figure then this amount shall be paid to the Lead Authority by the Operator, in each case in accordance with clause 9 and this Schedule.
- 3. The Operator shall participate in an open book reconciliation process with TfW and the Lead Authority in accordance with Part 3 to allow assessment of costs to ensure that the Operator has not been overcompensated and that payments reflect the reasonable cost of providing the Services with no more than a reasonable profit earned. Where the reconciliation process determines that the Operator has been over-compensated in any month, the value of the Monthly Costs payable in following months shall be adjusted, at the discretion of the Lead Authority (acting reasonably), such that, the Monthly Service Payment made by the Lead Authority reflects the Lead Authority's expectation of the Operator's costs in future months.
- 4. The Operator acknowledges and agrees that where it fail to provide information in accordance with Section 1 of Schedule 3, this may result in a reduction in the Service Payment to:
 - 4.1 50% in the following month; and
 - 4.2 no payment in the month following the 50% reduction,
 provided that where the operator provides such information the balance of such payment shall be made as part of the next Service Payment.

Part 3: Reconciliation

- 1. The Operator shall participate in an open book reconciliation exercise with TfW and the Lead Authority to enable them to assess compliance by the Operator with the terms of this Agreement and ensure that the Operator has not been over-compensated or under-compensated for provision of services pursuant to the terms of this Agreement. The Operator acknowledges that the support provided to the Operator pursuant to the terms of this Agreement cannot lead to:
 - 1.1 over-compensation of the Operator, and where it is determined that the Operator has been over-compensated for provision of any Local Service that the Lead Authority shall be entitled, on behalf of Welsh Government, to recover the amount of any over-compensation, in accordance with this Part 3 of Schedule 3; or
 - 1.2 under-compensation of the Operator, and where it is determined that the Operator has been under-compensated for provision of any Local Service as a result of events which were outside the reasonable control of the Operator (including the impact of exceptional weather related

events and material unforeseen variations in passenger revenues), and in such circumstances the Lead Authority shall be entitled, on behalf of Welsh Government, to add the amount of any under-compensation to the next Service Payment provided in aggregate provided that the total Service Payments made to the Operator, including any such payments, shall not exceed the maximum levels calculated in accordance with Section 1.

2. The reconciliation process shall be carried out in accordance with paragraph 2 of Section 1 to this Schedule 3.
3. TfW may determine materiality thresholds for the carrying out of the reconciliation process, and determine that it would be disproportionate to carry out a reconciliation process in respect of the Operator. Such decision shall be solely at TfW's discretion, and where TfW makes any such decision, the Operator acknowledges that this shall be without prejudice to any future requirement to examine payments made to the Operator, including where this is required for the purposes of state aid, procurement or competition assessment. It is acknowledged that TfW may determine materiality thresholds by reference to level of payments made to the Operator, or such other criteria as TfW may determine are appropriate.
4. The Operator shall provide any information reasonably required by TfW or the Lead Authority on an open book basis, including, but not limited to, information specified in Part 1 to Schedule 4.
5. Information provided for this purpose may be shared with contractors that are engaged by TfW to undertake any reconciliation exercise or other analysis of the BES 2 Funding.

Part 4: Compensation

1. Where pursuant to the terms of this Agreement, the Lead Authority or Welsh Government are entitled to be paid compensation by the Operator for breach of the terms of this Agreement, the provisions of this Part 4 shall apply, including:
 - 1.1 where the Operator is in material breach of this Agreement;
 - 1.2 where the Operator fails to agree the terms of the Umbrella Partnership Agreement, in accordance with clause 5.1;
 - 1.3 where the Operator fails to comply with the Welsh Government's "Restarting public transport: guidance for operators" in accordance with paragraph 1.1 of Schedule 1;
 - 1.4 where the Operator fails to comply with the Reference Network and associated Service Standards in accordance with clause 8; and
 - 1.5 where the Operators fails to provide data in accordance with clause 7,

and the Lead Authority shall allocate service failure points ("**SFP**") in respect of each such breach on the following basis:

| Trigger | Service Failure Points |
|--|---|
| Operator fails to agree the terms of the Umbrella Partnership Agreement, in accordance with clause 5.1. | 1 SFP for each day following the date on which the Umbrella Partnership Agreement remains unagreed in accordance with clause 5.1. |
| Operator fails to comply with the Welsh Government's "Restarting public transport: guidance for operators" in accordance with paragraph 1.1 of Schedule 1. | 20 |
| Operator fails to comply with the Reference Network and associated Service Standards in accordance with clause 8. | 30 |
| Operators fails to provide data in accordance with clause 7 | 20 |
| Total: | 100 |

Compensation Payments shall be calculated on the following basis:

$$CP = AM \times \frac{SFP}{MSFP}$$

Where:

- 1.5.1 AM means the Assumed Margin for the relevant period as calculated in Part 2 above.
- 1.5.2 SFP means the total number of Service Failure Points allocated in respect of the relevant period.

- 1.5.3 MSFP means the maximum number of Service Failure Points which may be allocated in respect of the relevant period, which shall be 100.
- 1.6 Where SFP's have been allocated for the same trigger in three (3) consecutive months or more, the Lead Authority or Welsh Government shall be entitled to terminate this Agreement in accordance with clause 11.2.

Section 1: INFORMATION TO BE PROVIDED BY THE OPERATOR

Definitions

"Good and Efficient Operator" means in the context of all other relevant provisions of this Agreement a notional bus operator, having the same commercial, regulatory and operational arrangements as the Operator and being subject to the same operational circumstances (which, for the avoidance of doubt, shall recognise the extraordinary impact of COVID-19, the existence of this Agreement and the requirement for operators to act in the national interest in response to COVID-19) as other bus operators, which complies with its legal obligations, including pursuant to this Agreement and in a timely, efficient and economical manner and with the degree of skill, diligence, prudence and foresight which can be expected from a skilled and experienced bus operator so that in this context costs and revenues are optimised in combination to the greatest extent reasonably practicable;

"Forecast Template" means the Excel spreadsheet issued by TfW, as updated from time to time, to capture forecast revenue and costs for the purpose of calculating the Service Payment;

"Inadmissible Costs" means those costs which are listed in Section 2 to Schedule 3;

"Management Accounts" means the periodic management accounts which cover the relevant Quarter;

"Month" means a calendar month;

"Operator Specific Reporting Period" means a four-weekly, five weekly, monthly or similar cycle on which the Operator posts its accounts;

"Quarter" means a period of three (3) months (April to June, July to September, October to December and January to March), or such other three (3) month period as TfW may reasonably specify;

"Reconciliation Period" means the closest multiple of the Operator Specific Reporting Period to the Quarter, to be agreed with the Operator; and

"Reconciliation Template" means the Excel spreadsheet issued by TfW, as updated from time to time, to capture the actual revenue and income generated and costs incurred by the Operator for the relevant Quarter.

1. Information to be provided Monthly

1.1 In order for PC and PR to be calculated in accordance with paragraph 1 of Schedule 3, for each Month, the Operator shall complete the Forecast Template which provides high level details on the forecast revenue and costs for that Month;

1.2 TfW will provide the Forecast Template for the Operator to complete and return to TfW within fourteen (14) days of the Operator issuing an invoicing following receipt of the notice from the Lead Authority notifying the Operator in reasonable detail of the proposed Service Payment or on such other date as may be agreed with TfW.

1.3 The Operator shall be required to populate the following items in the Forecast Template in respect of all Local Services that they provide, including Commercial Services, Existing Supported Services, Former Commercial Services and New Supported Services:

1.3.1 Forecast farebox revenue: based on the current month's predicted outturn plus adjustment for seasonal factors, including, but not limited to Christmas, Easter and school holidays;

1.3.2 Forecast funding: This shall reflect all funding received by the Operator, including but not limited to BSSG, Mandatory Concessionary Fare reimbursement, Young

Persons Travel payments, CJRS, Job Retention Bonus and Job Support Scheme (as amended or replaced from time to time);

- 1.3.3 Other income: This shall reflect all other income received by the Operator arising from the provision of Local Services, including but not limited to income received from advertising, maintenance and sales; and
 - 1.3.4 Forecast Cost: These shall be broken down by headings, e.g. Staff Costs, Fuel/Maintenance Costs, Overhead Costs, Interest, Depreciation etc.
- 1.4 The Forecast Template will use the information provided in line with paragraph 1.3 to calculate the value of Assumed Margin in accordance with the principles set out in paragraph 2 of Schedule 3.

2. Information to be provided for each Reconciliation Period

- 2.1 In order for RP to be calculated in accordance with paragraph 1 of Schedule 3, at the end of each Reconciliation Period the Operator shall complete the Reconciliation Template which provides details on the actual revenue and income generated and costs incurred in the relevant Reconciliation Period.
- 2.2 TfW will provide the Reconciliation Template for the Operator to complete and return to TfW within fifteen (15) Working Days of the end of the relevant Reconciliation Period.
- 2.3 The Operator shall be required to populate the Reconciliation Template, which TfW may reasonably update from time to time, in respect of all Local Services that they provide, including Commercial Services, Existing Supported Services, Former Commercial Services and New Supported Services. Such information to be provided for each Month in the Reconciliation Period in question plus the figures for the same three (3) Months in the prior year (only required for submissions up to the date when the Operator has provided a full prior years' data to TfW, being data up to [31 March 2021] for most operators).
- 2.4 In the event where any of the Operator's Local Services operate across the Welsh border, the Operator shall assist with any further examination and analysis of the information provided in paragraph 2.3 above to ensure that the BES 2 Funding it receives, does not relate to the section of such Local Service which is outside of Wales.
- 2.5 Once the Operator has submitted the Reconciliation Template, this shall be evaluated by TfW to ascertain whether a Reconciliation Payment adjustment will be made to the next Service Payment following the completion of the reconciliation process in this Schedule 3.
- 2.6 In determining the level of Reconciliation Payment, TfW may request further information or evidence from the Operator as it reasonably requires, such as, but not limited to Management Accounts or receipts relating to certain transactions.
- 2.7 TfW shall use the Reconciliation Template and additional information to check whether any costs included in the template are Inadmissible Costs and may amend the Reconciliation Template to adjust the Reconciliation Payment accordingly where any costs are Inadmissible Costs.
- 2.8 Where Inadmissible Costs are identified and the Period Costs (as defined in Part 2 of this Schedule) are re-calculated, the reconciliation exercise shall include consequential adjustments and reconciliation of the Assumed Margin to reflect the change in Period Costs.

Section 2: INADMISSABLE COSTS

The following costs shall be Inadmissible Costs for the purposes of this Agreement:

1. The Operator agrees and acknowledges that: (i) only reasonable costs incurred and evidenced as ongoing and repeat transactions shall be taken into account; and (ii) it shall operate efficiently during the Term.
2. The Operator shall seek approval from the Lead Authority prior to incurring any material costs which are not ongoing and repeat transactions and agree the basis upon which such transactions will be considered for the purposes of this Schedule 3. Material costs may include investment in vehicles, information technology, costs of depot purchase or refurbishment or major items of plant and equipment. The Lead Authority shall take the following considerations into account when determining the eligibility for BES 2 Funding such costs:
 - 2.1 evidence from the Operator to confirm that such expenditure was in their business plans and/or is required in the current COVID affected circumstances and cannot be deferred until patronage and farebox return to pre-COVID levels;
 - 2.2 confirmation from the Operator that they have explored all other routes for grants and funding such expenditure;
 - 2.3 a forecast of the net impact of the additional expense on their claims under this Agreement; and
 - 2.4 confirmation from the Operator that they will be able to sustain any ongoing payments for this following the cessation of the BES 2 Funding.
3. For the avoidance of doubt, the reconciliation process will not take into account any capital expenditure, exceptional (non-operating) payments or dividend payments in determining whether the Operator has generated a profit before tax, or a loss at the end of each Reconciliation Period. The Lead Authority shall determine whether any capital expenditure will be reimbursed in accordance with paragraph 2 above and will be paid in addition to the Service Payment as calculated pursuant to paragraph 1.1, of Part 2 of Schedule 3.
4. Any costs that were incurred otherwise than in accordance with those expected to be incurred by a Good and Efficient Operator including but not limited to:
 - 4.1 staff, director or officer costs in excess of that set out in the Forecast Template (except where evidenced by the Operator as appropriate to the satisfaction of the Lead Authority);
 - 4.2 costs that do not reflect the contracted position under Existing Supported Services Contracts unless such change has been agreed by the Lead Authority;
 - 4.3 new contracts entered in to by the Operator which have not been procured in compliance with the Operator's usual procurement procedures; and
 - 4.4 variations to existing contracts which have not been made in accordance with the Operator's usual procurement procedures or practice.
5. Any bonuses, rewards or discretionary benefits paid to any staff, directors or officers under any schemes which have not previously been approved by the TfW (in their absolute discretion) in writing.

6. Any expenses, disbursements or equivalent costs (to which the Operator's expenses policy would apply) which are incurred other than in compliance with the Operator's expenses policy.
7. Any cost that the Operator may incur as a result of it failing to comply with any applicable laws, to the extent this gives rise to a criminal liability.
8. Any payments, costs or other liabilities owed to affiliates save in respect of such payments costs or other liabilities which have been incurred by the Operator acting as a Good and Efficient Operator.
9. Costs of developing and protecting any Intellectual Property Rights which are not owned by the Operator or are so owned, but where the costs are not ancillary to an activity included in the Forecast Template.
10. Marketing or advertising costs incurred substantially to the benefit of wider group products or group brand recognition and which are not primarily for the benefit of bus services.
11. Fines from government or regulatory bodies.
12. Any costs (including any legal costs and expenses) incurred by the Operator in pursuing any claim against or defending any claim from TfW or Welsh Government in respect of or in connection with the grant offer letter or otherwise.
13. Any costs incurred in relation to the period prior to the BES Funding Period which a Good and Efficient Operator would usually have discharged in the period prior to the BES Funding Period.
14. Any costs incurred in relation to the period prior to the expiry of the term of the BES Funding Period which a Good and Efficient Operator would usually have discharged in the period following the expiry of the BES Funding Period.
15. Interest paid or payable on any loan from any lender that was taken out after the Effective Date (and subject to not having been approved in accordance with paragraph 2 in this Section 2), noting that the cash from such loan will not be taken into account as income in the reconciliation process.
16. Except with the prior agreement of the Lead Authority or TfW (not to be unreasonably withheld), any costs, charges, penalties, compensation or similar payments that the Operator may incur as a result of the termination of any contract or other arrangement.
17. Except with the prior agreement of the Lead Authority or TfW, losses on disposals of fixed or non-current assets.
18. Maintenance costs where the maintenance activity was previously scheduled to be undertaken prior to or after the term of the BES Funding Period or where (and to the extent that) it would have been reasonable and/or prudent for the maintenance to have been carried out prior to or after the BES Funding Period.
19. Depreciation or Capital Expenditure to the extent that the capital cost of acquisition of the relevant assets was to be funded by third party.
20. Costs of complying with any audit by TfW or its agents pursuant to any grant offer letter or this Agreement.

21. Reasonable costs for external assistance to complete this proforma up to £1,500 are not Inadmissible Costs. Any amount in excess of £1,500 plus legal, accountancy and other costs and expenses incurred in connection with the preparation and implementation of this Agreement are Inadmissible Costs.
22. Legal, accountancy and other costs and expenses incurred in connection with any future arrangements between the Lead Authority or TfW and the Operator following the BES Funding Period.
23. Travel costs (including flight travel) of the Operator primarily relating to the business of their group, noting that TfW would expect the group to cover the cost of any such travel.
24. Any costs which relate to that part of a Local Service which operates outside of Wales which shall be calculated on a pro rata basis to the length of the Local Service or as otherwise more accurately evidenced by the Operator.

SCHEDULE 4: DATA REQUIREMENTS

Part 1: Financial Data Requirements

The Operator shall provide the following data in accordance with templates provided by TfW and updated from time to time, in respect of Commercial Services, Former Commercial Services and Local Services provided pursuant to Existing Supported Services Contracts and New Supported Services Contracts:

1. Operational costs and revenue from the period covered by BES (including this Agreement and BES 1.5), the Bus Hardship Fund and the 20 March Letter scheme as well as costs and revenues covering a similar period prior to the commencement of the BES, the Bus Hardship Fund and the 20 March Letter schemes. Where intra-group costs are shown, you must be able to show evidence that these are properly incurred costs of providing the services. These figures shall be disaggregated to show major cost and revenue sources, and shall include any payments received from local authorities and central Government such as:
 - 1.1 payments made under the Coronavirus Jobs Retention Scheme, Job Retention Bonus, Job Support Scheme and any replacement schemes;
 - 1.2 payments (and any reconciliation payments) made under BES including Service Payments received;
 - 1.3 payments pursuant to the terms of any Existing Supported Services Contract or New Supported Services Contract;
 - 1.4 payments under existing bus support arrangements including BSSG, Mandatory Concessionary Fare reimbursement and Young Persons travel payments and shall include any costs associated with the operation of such Local Services, including:
 - 1.4.1 direct costs, such as the costs of drivers, parts and fuel (fuel costs shall include the amounts payable or receivable on fuel related financial derivatives in respect of the relevant period, but exclude any "mark to market" gains or losses on financial derivatives);
 - 1.4.2 semi-direct costs, including but not limited to: the costs of engineering, maintenance, traffic pay, vehicle related costs and marketing;
 - 1.4.3 costs of additional holidays accrued by employees in the relevant claim period;
 - 1.4.4 overhead costs, including but not limited to: the costs of administration, pensions, fixed operating costs, insurance and claims;
 - 1.4.5 pensions expenses, including budgeted pension deficit repair costs, on the basis of the ongoing contributions payable for the relevant period, without adjustment to comply with accounting standards;
 - 1.4.6 operating lease costs on the basis of the lease rentals payable during the Term;
 - 1.4.7 depreciation and amortisation of property, plant, equipment, software and other applicable assets on a basis consistent with the Term; and
 - 1.4.8 reasonable PPE and safe operating costs.

2. Revenue sources to also include farebox revenue generated and all other income received by the Operator, including but not limited to income received from advertising and sales in relation to Local Services.
3. Commercial service kilometres covered by the operator's services per 4-week period during the period covered by BES (including this Agreement and BES 1.5), the Bus Hardship Fund and the 20 March Letter Scheme and that for a similar period prior to the commencement of the BES, the Bus Hardship Fund and the 20 March Letter Scheme.
4. Commercial services run and patronage data per 4 week period for the period covered by BES (including this Agreement and BES 1.5), the Bus Hardship Fund and the 20 March Letter Scheme and that for a similar period prior to the commencement of the BES, the Bus Hardship Fund and the 20 March Letter Scheme.
5. Evidence of the process that the Operator has undertaken with Constituent Local Authorities to agree services, including pursuant to the terms of this Agreement and that service changes have been properly communicated to the general public.
6. Evidence of the Operator's cost implications of removing staff from the furlough system early, reasonable costs to bring vehicles back into service, cost of screens around the driver's cab on buses, on bus capacity signage.
7. The same information as above for the equivalent period in the previous financial year.
8. Additional information (e.g. management accounts) to corroborate any submissions.

Part 2: Operational Data Requirements

Where the data is available to the Operator or from its Electronic Ticket Machines, the following data shall be provided by it to support the prioritisation, co-ordination and design of services and to support the provision of information to passengers. The data may be provided direct from the Operator's Electronic Ticket Machine supplier with its permission, not to be unreasonably withheld, or direct from the Operator. The data shall be provided to TfW (or its nominated agent which may be Traveline Cymru or a local authority):

| Data | Format | Source | Scope |
|-----------------------------|--|---|--|
| Timetable | TransXchange 2.4 to include all stop level detail and full geographic routing information | Scheduling software or entry into an online portal for conversion to TransXchange 2.4 | Current timetable |
| Patronage Data | Report from ETMs | Direct from ETM/Operator | Historic and current to support prioritisation of routes |
| Passenger Counting/Capacity | SIRI VM feed as amended to include occupancy and bus capacity information or report from ETMs | Direct from ETM/Operator | Historic and current to support passenger information and prioritisation of routes |
| Origin and Destination Data | Report from ETMs | Direct from ETM/Operator | Historic and current to support prioritisation and design of routes |
| Fares | Spreadsheet Files for Adult and child fares, zone or rider tickets, m-tickets and multi operator tickets. Move to NeTEx format from January 2021 | Direct from ETM/Operator | Historic and current to support passenger information and development of quality partnership schemes and ticketing schemes |
| Real Time Information | SIRI SM (where currently available) | Direct from ETM/Operator | Every 5-30 seconds |
| | SIRI VM | Direct from ETM/Operator | Every 5-30 seconds |
| | TransXchange 2.4 (as a minimum standard) to include Service number, journey code and crew/duty number information for each track/leg for each service Note that this will move to TransXChange 2.4 once the Department for Transport profile is finalised and adopted | Scheduling software or entry into an online portal for conversion to TransXchange 2.4 | 5 days advance notice where systems permit |

Part 3: Permitted Use

1. Permitted Uses of the Operator Data shall be the following purposes:
 - 1.1 calculation of payments to be made in accordance with Part 2 of Schedule 3;
 - 1.2 periodic reconciliation in accordance with Part 3 of Schedule 3;
 - 1.3 calculation of any additional payments to be made in respect of provision of any additional services to be provided pursuant to clauses 12 (Existing Supported Services: Gross Cost), 13 (Existing Supported Services: Net Cost) or 15 (Supported Services Contracts for Former Commercial Services).
 - 1.4 to support the calculation and payment of BSSG, Mandatory Concessionary Fare Reimbursement or My Travel Pass reimbursement;
 - 1.5 identification of any anomalous Operator costs and for the purposes of any audit of operator data or otherwise pursuant to clauses 7.7 to 7.10 of this Agreement;
 - 1.6 the assessment the viability of routes to support return to commerciality and determine the scope of the Subsidised Network in accordance with clause 8;
 - 1.7 to allow review of the BES 2 Funding mechanism specified in this Agreement by Welsh Government and Transport for Wales, including, but not limited to, pursuant to Schedule 5;
 - 1.8 to inform the reform of funding and reimbursement mechanisms (including BSSG and Mandatory Concessionary Fares) by Welsh Government and Transport for Wales including assessing the impact (or potential impact) of such funding mechanisms (and changes to such funding mechanisms) on the operators of local services in the Welsh bus market;
 - 1.9 to support the management of contracts (including Existing Supported Service Contracts as varied in accordance with the terms of this Agreement) that are being managed under this Agreement including in respect of the delivery of local services in accordance with the Service Specification or to the Service Standards;
 - 1.10 development of the Umbrella Partnership Agreement, and any VPA, QPS or ticketing scheme made pursuant to the terms of such Umbrella Partnership Agreement;
 - 1.11 development of the Reference Network in accordance with clause 8;
 - 1.12 provide of public information about the Operator's Local Services and other Local Services operated in Wales;
 - 1.13 provision of a support service to the Traffic Commissioner, including a registration service (subject always to clause 7.5.1);
 - 1.14 inform investment decisions by Welsh Government, TfW and Local Authorities (including the Lead Authority); and
 - 1.15 inform the broader Welsh Government response to the COVID-19 outbreak.

Part 4: Public Sector Data Access and Confidentiality

| Data provided | Confidential for the purposes of Clause 21 | Commercially Sensitive for the purposes of Clause 23 |
|--|---|---|
| Schedule 3 Part 2 Payment | Yes | Yes |
| Schedule 3 Part 3 Reconciliation | Yes | Yes |
| Schedule 3 Part 4 Compensation | Yes | Yes |
| Schedule 3 Part 4 Section 1 Information to be Provided by the Operator | Yes | Yes |
| Schedule 4 Part 1 Financial Data Requirements | Yes | Yes |
| Timetable | No | No |
| Patronage Data | Yes | Yes |
| Passenger counting/capacity | Yes | Yes |
| Origin and destination data | Yes | Yes |
| Fares | No | No |
| SIRI SM | No | No |
| SIRI VM | No | No |
| TXC supplementary data | Yes | Yes |

SCHEDULE 5: FUNDING REVIEW

1. Funding Review

1.1 Welsh Government shall review the implementation of BES Funding on a periodic basis ("**Funding Review**"), at frequencies to be determined by Welsh Ministers at their sole discretion.

1.2 It is acknowledged that BES Funding has been provided on a discretionary basis by Welsh Government and that Welsh Government shall therefore be entitled to apply its own criteria to determine whether to continue the provision of BES 2 Funding, but such criteria may include:

1.2.1 Performance of the Bus Emergency Scheme (including this Agreement) against the available Funding in meeting the Priorities; and

1.2.2 The levels of Funding available.

1.3 The outcome of any Funding Review may include, but not be limited to, the following:

1.3.1 continuation of the BES 2 Funding on its existing terms;

1.3.2 changes to the BES 2 Funding terms, in which case the Agreement shall be varied in accordance with clause 29 to reflect the requirements of such change.

The Parties agree and acknowledge that the Operator may propose a reduced Service Standard to take account of any reduction in BES 2 Funding, save for where either:

1.3.2.1 BES 2 Funding is removed or reduced due to the removal of social distancing measures that previously impacted on transport capacity; or

1.3.2.2 Welsh Government provide an alternative grant or funding scheme in place of BES 2 Funding which is designed to provide continuity of service; or

1.3.3 ending the BES 2 Funding, in which case the Welsh Government shall use reasonable endeavours to provide the Lead Authority and the Operator with sufficient notice of such change in order to minimise the disruption to the Operator's delivery of Local Services. The minimum notice prior to ending the BES 2 Funding shall be the current period of notice to be provided to the Traffic Commissioner in respect of deregistration of Local Services except for where such decision arises as a result of UK government determining to terminate the financial settlement relating to the impact of COVID-19 on bus services or as a result of the Welsh Government budget setting round in which case the notice shall be a minimum of one (1) month.

1.4 Where BES 2 Funding is terminated pursuant to paragraph 1.3 above, no further payments shall be made pursuant to this Agreement, following such notice period, provided that nothing in this Schedule 5 shall be taken to remove the right of Welsh Government to recover monies paid to the Operator or the entitlement of the Operator to any additional payments calculated, in each case, pursuant to the reconciliation and compensation process specified in Schedule 3.

1.5 The Parties agree and acknowledge that as part of a Funding Review, Welsh Government may review the level of AM (as set out in Schedule 3) and make such adjustments as are reasonable

and necessary to ensure the continued viability of services. The review of the level of AM shall consider available Welsh Government budget, the levels of BES funding being provided to the bus industry and prevailing market conditions.

SCHEDULE 6: FORM OF SERVICE SPECIFICATION

| Operator | Service Registrati on Number | Service number | Route description | Peak Vehicle Requirement (PVR) | Typical weekly days of operation | Mon-Sat First outward departure | Mon-Sat Last return departure | Number of departures per day per direction (Mon-Fri / Sat / Sun) | Weekday Peak daytime frequency in minutes |
|-----------------|-------------------------------------|-----------------------|--------------------------|---------------------------------------|---|--|--------------------------------------|---|--|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

SCHEDULE 7: TEMPLATE REGISTER OF VARIATIONS

[Region and Operator Name]

| No. | Contracting Authority | Contract Reference | Variation | Approver name | Signature and date of signature |
|-----|-----------------------|--------------------|-----------|---------------|---------------------------------|
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |
| 6. | | | | | |
| 7. | | | | | |

Y BWRDD GWEITHREDOL 25ain IONAWR 2021

ADRODDIAD MONITRO CYLLIDEB REFENIW Y CYNGOR

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

Sicrhau bod y Bwrdd Gweithredol yn derbyn yr adroddiad Monitro Cyllideb ac yn ystyried y sefyllfa cyllidebol a'r camau cywirol priodol.

Yn sgil y gorwariant sylweddol rhagweledig presennol ar lefel adrannol, dylai'r Prif Swyddogion a Phenaethiaid y Gwasanaethau barhau i adolygu eu sefyllfaoedd cyllidebol yn feirniadol a pharhau i roi ar waith bob gweithrediad priodol angenrheidiol, er mwyn cadw o fewn yr adnoddau a ddsbarthwyd, tra'n cydnabod y pwysau mae Covid-19 wedi'i roi ar gyllideb yr Awdurdod yn ei gyfanrwydd.

Y Rhesymau:

I ddarparu'r newyddion i'r Bwrdd Gweithredol ynglyn a sefyllfa diweddaraf cyllideb 2020/21, ar 31^{ain} Hydref 2020.

Ymgynghorwyd â'r pwyllgor craffu perthnasol: AMHERTHNASOL

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES
Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cyng. David Jenkins

Y Gyfarwyddiaeth:
Gwasanaethau Corfforaethol

Enw Cyfarwyddwr y
Gwasanaeth:
Chris Moore

Awdur yr Adroddiad:
Randal Hemingway

Swyddi:

Cyfarwyddwr y Gwasanaethau
Corfforaethol

Pennaeth y Gwasanaethau
Ariannol

Rhif ffôn: 01267 224886
Cyfeiriadau E-bost:

CMoore@sirgar.gov.uk

RHemingway@sirgar.gov.uk

EXECUTIVE SUMMARY

Executive Board

25th January 2021

The revenue budget monitoring reports for the period to 31st October 2020 are attached and indicate that:

COUNCIL FUND REVENUE ACCOUNT (Appendix A)

Overall, the monitoring report forecasts an end of year overspend of £1,226k on the Authority's net revenue budget with an overspend at departmental level of £2,426k.

This is due to a combination of:

- additional costs due to Covid-19 activity, some of which are disallowed under the Welsh Government hardship scheme
- foregone income from services which closed during national lockdown and continue to experience reduced revenue, which may not be fully recompensed by Welsh Government (WG); and
- planned savings proposals which have been either reduced or delayed due to the pandemic or may be undeliverable due to current service operations.

The full year forecast includes known financial positions up to the point of writing as well as assumptions about the remainder of the year. As such, the forecast remains acutely sensitive to the assumptions made over inherent Covid-19 related additional costs / foregone income as well as the level of recompense from WG. The current picture is:

Expenditure – the Authority is submitting a monthly hardship claim for additional costs. The vast majority are being refunded, though a small proportion are deemed ineligible – principally where it is deemed that the cost has arisen from a local discretion/decision rather than national policy or unavoidable cost.

Income – WG have now progressed the Quarter 2 (July-September) process. Clearly identifiable lost income has been paid in full, however they are holding items in respect of car parking and leisure centres utilised as field hospitals. There is still a residual impact from elements such as officer costs not chargeable to grants or capital schemes and school fundraising events cancelled.

At the time of writing, commencement of the vaccination programme has just commenced, providing much needed light at the end of the tunnel. However, it is clear that this will provide little or no immediate relaxation to restrictions over the coming winter months, especially with the Welsh case rate high enough to classify the nation as “tier 3” under English restrictions. This financial forecast therefore broadly assumes a continuation of Covid related expenditure, and income loss which is largely met by WG. Where such assumptions have been made, these are provided in the commentary against specific budget variances within Appendix A.

Members should note that this forecast does not include any allowance for a reduction in Council Tax collection. Carmarthenshire experienced a marked reduction in payments during the first quarter, which it is unlikely to fully recover during the year. This area is being monitored closely by the Director of Corporate Services as the current year impact could be in the range £1-2m.

Chief Executive's Department

The Chief Executive Department is anticipating an underspend of £558k for the year. This is made up of a £356k overspend due to a reduction in anticipated income from Commercial property, livestock markets, provision markets and Registrars, offset by underspends on Member expenses and staffing savings from vacant posts across the department.

Operational budgets

The Chief Executive's section is anticipating an underspend of £151k, primarily due to vacant posts and an underspend on supplies and services.

There is an anticipated £14k underspend in the People Management section. A £41k underspend relates to supplies and services costs along with a £34k underspend due to less DBS checks being undertaken. This is offset by £10k shortfall in income target, partially due to Covid-19 restrictions along with a £51k overspend on various salary related costs.

The ICT & Corporate Policy section are anticipating a £173k underspend largely due to part year vacant posts within the division pending a team review.

Admin and Law are anticipating an underspend of £254k. Members expenses are underspent (£145k), there is additional income from Joint Committees of £25k along with a £45k saving on supplies and services. Legal Services also have some staffing vacancies (£83k). Offset against this is a shortfall in Land Charges income of £43k.

The Marketing and Media section are anticipating a £135k net underspend, made up of an overspend of £143k within Marketing and Media on salary costs pending a staffing review within the whole division (19-20 saving proposal), and also a loss of income streams from external partners such as ERW. Potential alternative income streams are currently being sought. This is offset by an underspend on staffing costs in the Customer Services Centres, Translation Unit and Yr Hwb. These will all form part of the divisional staffing review.

Within Statutory Services, Registrars are incurring additional staff costs to recover delays - £76k overspend. It is assumed that WG will fund any income shortfall, though this is currently deemed by WG to be merely deferred. This is offset by underspends in Electoral Services and Coroners leaving a net underspend of £14k within the division

The Regeneration division is anticipating a £182k overspend for the year. This is made up of an overspend of £280k due to a loss of income on Livestock markets, provision markets and Commercial Properties largely due to an overall reduction in occupancy levels. This is partially offset from savings on staffing and supplies and services.

Department for Communities

The Department for Communities is projecting a £911k overspend for the year. Physical Disabilities, Learning Disabilities and Mental Health budgets account for the majority of the overspend, with an underspend forecast within Older People. Social care teams have prioritised the safe delivery of key services, meaning that the department has been unable to progress many of the planned savings proposals. However, the budget position is highly uncertain with eligibility for grant funding changes as well as the resumption of some services over recent weeks and months. Looking ahead to the rest of the year, the department is likely to be most affected in financial terms by the impact of a second wave.

Older People's budgets are forecasting an underspend of £7k. There are significant underspends forecast for the year due to the reduction of home care delivered, reduced reablement activity and the closure of day services at the start of the pandemic.

Physical Disabilities services are forecasting a £334k overspend. The budget position is volatile with considerable uncertainty regarding grants eligibility and future demand. The demand for Direct Payments has continued from last year. This allows the service user to request this as an alternative to regulated provision.

In Learning Disability services, there is an overspend of £148k. At the start of the pandemic, day services were closed, and community services reduced significantly, reducing expenditure in this area, whilst alternative support measures were put in place, the costs are incurred in homes and direct payments.

The overspend in Mental Health of £448k is due to increased demand.

Together LD/MH services were significantly changed in response to the pandemic. Further analysis is being carried out by the service to better understand and mitigate adverse financial effects.

Leisure & Culture Services are predicting to breakeven. Whilst there is an ongoing material reduction in income over the year, this change in forecast position is a result of the recovery of lost income now being funded by WG.

Homes & Safer Communities are predicting a £22k underspend. Overspends caused by underachievement of licensing income are offset by underspends resulting from staff vacancies and increased income in Temporary Accommodation.

Corporate Services

The Corporate Services Department is projecting a £451k underspend for the year, though this is made up of much larger variances.

The budget for Council Tax Reduction Scheme is forecast to be £889k overspent due to exceptional increased demand, of which it is assumed only part will be funded by WG. This is offset by reductions in pre LGR pension costs, efficient recovery of rent allowance overpayments and vacancies across the department. There is also £60k of net additional income from services provided to M&WWFA and WPP.

Department for Education and Children

The Department for Education and Children is forecasting a net overspend of £12k at year end.

The main adverse budget variations relate to: assumed reduced School Meals and breakfasts income and partial irrecoverable costs from Free School Meal payments £210k; Special Educational Needs provision £226k; Education Other Than At School £70k; Adoption services due to a specific family placement £125k; School Modernisation property decommissioning costs £55k; irrecoverable Covid related expenditure for face coverings and PPE totalling £199k.

A significant change from the previous forecast is a reduction in the forecasted overspend for School Meals due to revised forecasts based on loss of income from Welsh Government continuing to the 31st March as per guidance.

The overspends are offset by staff vacancies, utilisation of additional grants and external income to support core spend £511k; fewer children taking up places in early years non-maintained settings £55k; part year moratorium on redundancy processes due to Covid-19 £113k; reduced number of out of county placements within Children's £211k.

Schools Delegated Budgets

Schools working budgets are predicting a net overspend in year of £1.5m. This has reduced by £700k since the previous forecast following budget monitoring submissions from schools and revised budgets following review and challenge by Department and Corporate Services officers. Some of the forecasted surplus staffing costs due to redundancies not progressing have been reduced by schools utilising the one off ALP grant for these teachers. These remain subject to change between now and the end of the financial year as plans develop and circumstances change across the 112 schools.

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

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

Environment

The department is anticipating an overspend of £1,016k for the financial year, largely due to lost income as a result of Covid-19 across parking and property maintenance, combined with additional costs within waste services again as a result of Covid-19.

The Waste and Environmental Services division is projecting a £266k overspend. There are additional blue bag requirements due to HWRCs closed from March until end of May therefore more kerbside blue bags used and cans and paper removed from community recycling centres, however this is offset by savings from the delay of the implementation of the AHP collection service (net total £162k). The underachievement of income against budget on the Sustainable Drainage Approval service has resulted in a £68k overspend and Cleansing is estimating a £47k deficit due to additional requirements. There is also an overspend of £74k due to reactive works at Trebeddrod Reservoir. This is offset by a £45k surplus on green waste services due to an increased take up of the service, along with other smaller underspends.

Highways and Transportation are anticipating a £393k overspend for the year. This is due to a loss of income in parking services which it is assumed will only be partially recoverable from WG. (£634k). This is offset by additional income generated within the division, £131k for Streetworks and £40k for Traffic regulation orders, savings on vacant posts and additional project management costs charged to grants.

Planning Division is anticipating a £129k overspend for the year, largely accounted for by a reduction in income due to Covid-19. It is not year clear the extent to which applications are reduced versus merely delayed.

The Property Division is anticipating an £240k overspend due to the operational impact of Covid-19 on the service. This service normally operates on a cost recovery model, therefore the budget is highly sensitive to the effects of sickness absence, shield, or productivity changes.

HOUSING REVENUE ACCOUNT (Appendix B)

The HRA is predicting to be underspent by £2,784k for 2020/21. Repairs and Maintenance is likely to be underspent by £2,755k. Budget managers are predicting underspends on Responsive (£373k), Minor Works (£2,436k), Drains, Sewers & Grounds (£27k) and an overspend on voids (£81k). This is a result of a general reduction in demand due to Covid-19, with only emergency and legislative servicing being undertaken up to the end of August.

Supervision & Management is projecting an underspend of £418k mainly due to staff vacancies (£389k), premises cost (£45k) due to work restrictions and reduced decants, transport costs (£53k) due to reduced visits offset by recharge income (£75k) officers costs not capitalised on projects including Ty Isha. Provision for bad debts will overspend by £61k. Capital financing charges will be £791k less than budgeted due to a reduction in previously forecast interest rates and an underspend on the capital programme. Officers are currently reviewing these forecast underspends for possible re-assignment to deliver alternative services to tenants.

Income (inclusive of rents) will be under target by approximately £1,111k. Made up predominantly of less than budgeted rental income of £954k primarily due to void loss, interest on cash balances £105k and underachievement of commission on sales relating to the collection of water rates £66k.

Lists of the main variances are attached to this report.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: Chris Moore

Director of Corporate Services

| Policy, Crime & Disorder and Equalities | Legal | Finance | ICT | Risk Management Issues | Staffing Implications | Physical Assets |
|---|-------------|------------|-------------|------------------------|-----------------------|-----------------|
| NONE | NONE | YES | NONE | NONE | NONE | NONE |

3. Finance

Council Fund

Overall, the Authority is forecasting an overspend of £1,226k at this point in time. The Authority will monitor this position going forward with Directors controlling and limiting spend wherever possible. Clarity over the continued level of additional funding from WG will be critical to the potential out-turn position.

HRA

The HRA is predicting to be underspent by £2,784k for 2020/21.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below
 Signed: Chris Moore Director of Corporate Services

- 1. Scrutiny Committee – Not applicable
- 2. Local Member(s) – Not applicable
- 3. Community / Town Council – Not applicable
- 4. Relevant Partners – Not applicable
- 5. Staff Side Representatives and other Organisations – Not applicable

**EXECUTIVE BOARD PORTFOLIO
 HOLDER(S) AWARE/CONSULTED**
 NO

Include any observations here

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

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

THESE ARE DETAILED BELOW

| Title of Document | File Ref No. | Locations that the papers are available for public inspection |
|-------------------|--------------|---|
| 2020/21 Budget | | Corporate Services Department, County Hall, Carmarthen |

REPORT OF THE DIRECTOR OF CORPORATE SERVICES

EXECUTIVE BOARD 25th JANUARY 2021

COUNCIL'S BUDGET MONITORING REPORT 2020/21

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

Table 1

Forecasted for year to 31st March 2021

| Department | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|--|-----------------------------|------------------------|-------------------------|----------------|-----------------------------|------------------------|-------------------------|----------------|---|---|
| | Controllable Expenditure | Controllable Income | Net Non Controllable | Total Net | Controllable Expenditure | Controllable Income | Net Non Controllable | Total Net | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Chief Executive | 31,883 | -13,309 | -5,581 | 12,994 | 31,792 | -13,775 | -5,581 | 12,436 | -558 | -108 |
| Communities | 153,273 | -63,030 | 12,639 | 102,882 | 155,218 | -64,063 | 12,639 | 103,794 | 911 | 899 |
| Corporate Services | 81,196 | -51,937 | -1,623 | 27,637 | 78,566 | -49,757 | -1,623 | 27,186 | -451 | -208 |
| Education & Children (incl. Schools) | 186,503 | -34,854 | 26,643 | 178,291 | 191,834 | -38,679 | 26,643 | 179,798 | 1,507 | 2,949 |
| Environment | 125,463 | -79,113 | 12,841 | 59,190 | 127,963 | -80,597 | 12,841 | 60,207 | 1,016 | 1,439 |
| Departmental Expenditure | 578,318 | -242,242 | 44,919 | 380,995 | 585,373 | -246,872 | 44,919 | 383,420 | 2,426 | 4,971 |
| Capital Charges/Interest/Corporate | | | | -19,940 | | | | -21,140 | -1,200 | -1,000 |
| | | | | | | | | 0 | 0 | 0 |
| Levies and Contributions: | | | | | | | | | | |
| Brecon Beacons National Park | | | | 138 | | | | 138 | 0 | 0 |
| Mid & West Wales Fire & Rescue Authority | | | | 10,400 | | | | 10,400 | 0 | 0 |
| Net Expenditure | | | | 371,593 | | | | 372,818 | 1,226 | 3,971 |
| Transfers to/from Departmental Reserves | | | | | | | | | | |
| - Chief Executive | | | | 0 | | | | 0 | 0 | 0 |
| - Corporate Services | | | | 0 | | | | 0 | 0 | 0 |
| - Environment | | | | 0 | | | | 0 | 0 | 0 |
| Net Budget | | | | 371,593 | | | | 372,818 | 1,226 | 3,971 |

Chief Executive Department
Budget Monitoring - as at 31st October 2020

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|------------------------|----------------------|-----------------|-----------------------------------|---------------|----------------------|-----------------|-----------------------------------|---------------|---|---|
| | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | | |
| Chief Executive | 868 | 0 | -837 | 31 | 997 | -280 | -837 | -120 | -151 | -130 |
| People Management | 4,437 | -1,489 | -2,619 | 329 | 4,558 | -1,624 | -2,619 | 315 | -14 | 37 |
| ICT & Corporate Policy | 5,825 | -922 | -4,867 | 36 | 6,213 | -1,483 | -4,867 | -137 | -173 | -160 |
| Admin and Law | 4,319 | -823 | 682 | 4,178 | 4,003 | -761 | 682 | 3,924 | -254 | -194 |
| Marketing & Media | 2,820 | -805 | -1,430 | 585 | 2,352 | -472 | -1,430 | 450 | -135 | -34 |
| Statutory Services | 1,276 | -303 | 281 | 1,254 | 1,415 | -455 | 281 | 1,240 | -14 | -45 |
| Regeneration | 12,340 | -8,967 | 3,209 | 6,581 | 12,254 | -8,699 | 3,209 | 6,764 | 182 | 417 |
| GRAND TOTAL | 31,883 | -13,309 | -5,581 | 12,994 | 31,792 | -13,775 | -5,581 | 12,436 | -558 | -108 |

Chief Executive Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 | Notes | Aug 20 |
|--|----------------|--------|-------------|--------|----------------------------|---|---------------------|
| | Expenditure | Income | Expenditure | Income | Forecast Variance for Year | | Forecasted for Year |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | £'000 |
| Chief Executive | | | | | | | |
| Chief Executive-Chief Officer | 260 | 0 | 201 | 0 | -59 | Savings on supplies and services. | -58 |
| Chief Executive Business Support Unit | 608 | 0 | 796 | -280 | -92 | 3 vacant posts - All not being filled in this financial year. | -72 |
| People Management | | | | | | | |
| Business & Projects Support | 275 | 0 | 234 | -0 | -41 | Savings on supplies and services | -35 |
| Employee Well-being | 756 | -333 | 737 | -305 | 10 | Income target not being met due to: less external work and less 1:1 health screenings taking place due to social distancing leading to a £28k shortfall. Partially offset by a net saving of £18k due to short term vacant posts. | 59 |
| Employee Services – HR/Payroll Support | 130 | 0 | 163 | -1 | 31 | £24k graduate not funded, 2 x employees regraded with no funding £8k | 26 |
| DBS Checks | 124 | 0 | 93 | -3 | -34 | Review of DBS checks process and budget to be undertaken. | -37 |
| Other variances | | | | | 20 | | 23 |
| ICT & Corporate Policy | | | | | | | |
| Welsh Language | 165 | -10 | 121 | -10 | -44 | Vacant post not currently being filled due to team review being undertaken. Delayed due to Covid-19 but due to be completed by end of 2020/21 | -43 |
| Chief Executive-Policy | 848 | -30 | 722 | -30 | -126 | 3 vacant posts not currently being filled due to team review being undertaken. Delayed due to Covid-19 but due to be completed by end of 2020/21 | -116 |
| Other variances | | | | | -3 | | -1 |
| Admin and Law | | | | | | | |
| Democratic Services | 1,850 | -260 | 1,734 | -289 | -145 | Underspend on Members pay & travelling costs along with an additional £33k income for work undertaken for the Housing Revenue Account. | -142 |
| Democratic Services - Support | 494 | 0 | 464 | -26 | -55 | Additional income for work undertaken for the Wales Pension Partnership (£20k), ERW (£5k); £30k supplies and services underspend; | -41 |
| Civic Ceremonial | 23 | 0 | 8 | 0 | -15 | Less civic ceremonial events taking place due to Covid-19. | 0 |
| Land Charges | 130 | -300 | 76 | -202 | 43 | A reduction in estimated income as result of Covid-19, partially offset by savings on supplies and services and legal costs | 57 |
| Legal Services | 1,777 | -263 | 1,675 | -243 | -83 | 2 FTE vacant posts (£70k), one to be filled shortly but no plan to fill the other two in the current financial year. An additional £10k of income for work undertaken for the Wales Pension Partnership. | -68 |

Chief Executive Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 | Notes | Aug 20 |
|------------------------------------|----------------|--------|-------------|--------|----------------------------|--|---------------------|
| | Expenditure | Income | Expenditure | Income | Forecast Variance for Year | | Forecasted for Year |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | £'000 |
| Marketing & Media | | | | | | | |
| Marketing and Media | 501 | -285 | 395 | -37 | 143 | Overspend on salaries pending divisional realignment. Loss of income streams from external partners (e.g. ERW £80k). Looking at alternative potential partnership arrangements. | 118 |
| Translation | 552 | -51 | 428 | -35 | -108 | £20k saving down to staff reducing their hours, £11k on a vacant post, £27k underspend as a result of maternity leave and £13k saving on staff at a lower point on the salary scale than budgeted. Further savings on supplies and services. | -86 |
| Customer Services Centres | 1,112 | -346 | 1,037 | -347 | -75 | 2.5 FTE vacant posts not being filled in current financial year | 1 |
| Yr Hwb | 187 | -92 | 36 | -36 | -95 | Three vacant posts pending divisional realignment but less income anticipated as a result of Covid-19. NNDR relief due to Covid-19 £20k | -65 |
| Other variances | | | | | -0 | | -2 |
| Statutory Services | | | | | | | |
| Registrars | 430 | -301 | 508 | -303 | 76 | £76k increase in Registration Officers hours to catch up on delays in various registrations not able to be undertaken during early months of Covid-19. | 77 |
| Coroners | 384 | 0 | 321 | 0 | -63 | Following the appointment of medical examiners by the NHS, fewer cases are being referred to the Coroner. | -74 |
| Electoral Services - Staff | 287 | 0 | 267 | -0 | -20 | Vacant post during year pending divisional realignment. | -40 |
| Other variances | | | | | -7 | | -8 |
| Regeneration & Property | | | | | | | |
| Property | 1,241 | -67 | 1,169 | -67 | -72 | Part year vacant post (£40k). Large underspend on travelling and car hire as well as other supplies and services savings. | -64 |
| Commercial Properties | 32 | -582 | 54 | -516 | 88 | General loss of income due to properties becoming vacant and no immediate prospect of re-letting. | 102 |
| Provision Markets | 581 | -651 | 560 | -580 | 49 | Ongoing reduction in Lettings income due to market forces impacting rates achievable. Reduction in anticipated overspend due to more Covid-19 related costs being claimable than on previous monitoring. | 132 |
| Industrial Premises | 539 | -1,520 | 486 | -1,495 | -28 | £24k anticipated shortfall in income offset by reduction in premises related costs. | 86 |
| Investment Markets | 59 | -209 | 48 | -54 | 143 | Anticipated shortfall in income collected at Nant Y Ci Mart | 158 |
| Other variances | | | | | 2 | | 3 |
| Grand Total | | | | | -558 | | -108 |

Department for Communities
Budget Monitoring - as at 31st October 2020

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|--------------------------------------|----------------------|-----------------|-----------------------------------|----------------|----------------------|-----------------|-----------------------------------|----------------|---|---|
| | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | | |
| Adult Services | | | | | | | | | | |
| Older People | 60,405 | -23,143 | 3,207 | 40,469 | 62,284 | -25,029 | 3,207 | 40,463 | -7 | -534 |
| Physical Disabilities | 8,248 | -1,859 | 253 | 6,642 | 8,252 | -1,529 | 253 | 6,976 | 334 | 452 |
| Learning Disabilities | 40,116 | -11,059 | 1,283 | 30,340 | 39,671 | -10,466 | 1,283 | 30,489 | 148 | 249 |
| Mental Health | 9,582 | -4,030 | 255 | 5,807 | 10,467 | -4,466 | 255 | 6,255 | 448 | 761 |
| Support | 6,940 | -4,978 | 1,123 | 3,085 | 7,133 | -5,163 | 1,123 | 3,094 | 9 | -30 |
| Homes & Safer Communities | | | | | | | | | | |
| Public Protection | 3,214 | -1,094 | 532 | 2,652 | 3,268 | -1,152 | 532 | 2,649 | -4 | -4 |
| Council Fund Housing | 9,140 | -7,972 | 521 | 1,689 | 10,538 | -9,388 | 521 | 1,671 | -18 | 4 |
| Leisure & Recreation | | | | | | | | | | |
| Leisure & Recreation | 15,627 | -8,894 | 5,465 | 12,198 | 13,604 | -6,871 | 5,465 | 12,198 | -0 | 0 |
| GRAND TOTAL | 153,273 | -63,030 | 12,639 | 102,882 | 155,218 | -64,063 | 12,639 | 103,794 | 911 | 899 |

Department for Communities - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---|----------------------|-----------------|----------------------|-----------------|---|--|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Adult Services | | | | | | | |
| Older People | | | | | | | |
| Older People - Commissioning | 3,646 | -513 | 3,564 | -498 | -66 | Care Management Teams - underspends re staffing | -61 |
| Older People - Private/ Vol Homes | 24,748 | -13,127 | 25,063 | -13,130 | 313 | Pressures remain on the demand for services | 76 |
| Older People - Community Support | 28 | 0 | 66 | 0 | 38 | | 43 |
| Older People - Extra Care | 774 | 0 | 833 | 0 | 60 | Cwm Aur contract - savings proposals in previous years only partially delivered | 51 |
| Older People - Local Authority Domiciliary Care | 7,514 | 0 | 8,100 | -375 | 211 | Enhanced rates of pay and overtime not fully funded by Welsh Government Hardship Fund. Funding is claimable at £1 per hour of Domiciliary Care delivered. | 143 |
| Older People - Private Domiciliary Care | 8,238 | -2,523 | 7,973 | -2,602 | -344 | Welsh Government Hardship Fund claimable at £1 per hour delivered. Demand had fallen due to cancelled care packages early in the year. Activity now increasing. Delays to implement several savings proposals | -350 |
| Older People - Management & Support Services | 920 | -175 | 1,020 | -188 | 86 | Previous years savings proposals relating to reduced staff costs not delivered | 81 |
| Older People - Enablement | 1,874 | -444 | 1,955 | -623 | -98 | Enhanced rates of pay and overtime not fully funded by Welsh Government Hardship Fund. Funding is claimable at £1 per hour of care delivered. | -279 |
| Older People - Day Services | 861 | -81 | 847 | -18 | 49 | Previous years savings proposals relating to reduced premises costs not delivered, offset by reducing in running costs in current year | 4 |
| Older People - Private Day Services | 225 | 0 | 8 | 0 | -217 | No day services due to Covid-19 | -217 |
| Older People - Other variances | | | | | -37 | | -25 |
| Physical Disabilities | | | | | | | |
| Phys Dis - Commissioning & OT Services | 861 | -323 | 675 | -271 | -135 | Vacant posts | -119 |
| Phys Dis - Private/Vol Homes | 1,659 | -300 | 1,310 | -132 | -182 | Demand led - Reduced use of respite care due to Covid-19 | -167 |
| Phys Dis - Group Homes/Supported Living | 1,079 | -167 | 1,109 | -10 | 187 | Significant changes over recent years as packages reassessed following the transfer of Welsh Independent Living Fund into Revenue Support Grant. Primarily affected Physical Disabilities and Learning Disability clients for Direct Payments, Day Services and Community Support. Budget adjustments to be monitored to check initially virements were accurate | 268 |
| Phys Dis - Community Support | 198 | 0 | 118 | 0 | -80 | Reduced use of respite care due to Covid-19 | -79 |
| Phys Dis - Direct Payments | 2,673 | -577 | 3,220 | -577 | 547 | Demand remains steady but at a level of overspend in 2019/20 | 550 |
| Phys Dis - Other variances | | | | | -2 | | -1 |

Department for Communities - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 | Notes | Aug 20 |
|--|----------------|--------|-------------|--------|----------------------------------|--|------------------------------------|
| | Expenditure | Income | Expenditure | Income | Forecast Variance for Year | | Forecasted Variance for Year |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | £'000 |
| Learning Disabilities | | | | | | | |
| Learn Dis - Private/Vol Homes | 10,812 | -4,287 | 11,690 | -4,015 | 1,150 | Demand increased - further work to establish underlying cause. Previous year had grant awarded late in the year - this is not projected in the current year forecast. | 1,054 |
| Learn Dis - Direct Payments | 3,758 | -547 | 4,448 | -547 | 690 | Demand remains steady but at a level of overspend in 2019/20 | 653 |
| Learn Dis - Group Homes/Supported Living | 9,829 | -2,221 | 10,280 | -2,373 | 298 | More demand in Supported Living as an alternative to residential care. Rightsizing in Supported Living ongoing but delayed due to Covid-19. Accommodation and Efficiency project which plans for strategic longer term future accommodation options as well as current client group is now picking up pace. | 268 |
| Learn Dis - Adult Respite Care | 981 | -812 | 941 | -812 | -39 | | -29 |
| Learn Dis - Home Care Service | 322 | -154 | 322 | -154 | -0 | | 0 |
| Learn Dis - Local Authority Day Services | 2,482 | -410 | 2,265 | -317 | -124 | Reduced premises and running costs as building based provision is reduced due to social distancing regulations and alternatives provided. | -29 |
| Learn Dis - Private Day Services | 1,438 | -80 | 464 | -80 | -974 | Day Services closed from March 2020. Assume closure for whole financial year. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget. However this is not claimable under Welsh Government Hardship Fund where there is no additional cost | -917 |
| Learn Dis - Community Support | 3,537 | -158 | 2,856 | -158 | -681 | Community Services provision greatly reduced from March 2020. Activity levels beginning to increase. Where care has been reassessed and alternative has been provided, the additional cost is shown as an overspend in that budget. However this is not claimable under Welsh Government Hardship Fund where there is no additional cost | -533 |
| Learn Dis - Adult Placement/Shared Lives | 3,031 | -2,198 | 2,708 | -2,011 | -136 | Staff vacancies and reduced payments for day services support | -131 |
| Learn Dis - Other variances | | | | | -35 | | -86 |
| Mental Health | | | | | | | |
| Health - Private/Vol Homes | 6,081 | -3,230 | 6,753 | -3,467 | 435 | Demand increased - further work to establish underlying causes. Previous year had grant awarded late in the year - this is not projected in the current year forecast. | 647 |
| Health - Other variances | | | | | 13 | | 114 |
| Support | | | | | | | |
| Other Variances - Support | | | | | 9 | | -30 |

Department for Communities - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---------------------------------------|----------------------|-----------------|----------------------|-----------------|---|--|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Homes & Safer Communities | | | | | | | |
| Public Protection | | | | | | | |
| PP Management support | 102 | -8 | 83 | -8 | -19 | Underspend on postages and photocopying recharges. | -9 |
| PP Business Support unit | 151 | 0 | 125 | 0 | -26 | Vacant posts | -22 |
| Public Health | 283 | -14 | 314 | -7 | 38 | Underachievement of Fees and costs recoverable. Overspent on Premises Maintenance and Internal design fees linked to Llanfallteg Works in default. | 17 |
| Noise Control | 214 | 0 | 199 | -1 | -16 | Vacant Post. | -1 |
| Air Pollution | 126 | -35 | 138 | -35 | 12 | Underachievement of licensing income. | 14 |
| Dog Wardens | 99 | -29 | 103 | -17 | 16 | Underachievement of Fees and costs recoverable. Overspend on Long term Vehicle hire. | 2 |
| Animal Safety | 158 | 0 | 116 | 0 | -42 | Vacant posts. | -36 |
| Licensing | 350 | -330 | 361 | -321 | 20 | Underachievement of licensing income. | 26 |
| Trading Standards Services Management | 89 | -38 | 117 | -45 | 21 | Overspent on Legal Fees. | 9 |
| Fair Trading | 146 | -65 | 144 | -46 | 18 | Underachievement of Fees and costs recoverable. | 9 |
| Other Variances | | | | | -26 | | -13 |
| Council Fund Housing | | | | | | | |
| Home Improvement (Non HRA) | 709 | -300 | 701 | -318 | -26 | Vacant Posts. | 9 |
| Landlord Incentive | 13 | -10 | 57 | -10 | 44 | Overspend on Premises maintenance. | -0 |
| Temporary Accommodation | 502 | -108 | 1,751 | -1,467 | -110 | Overachievement of rental and Housing benefit income target. | -6 |
| Social Lettings Agency | 797 | -802 | 789 | -721 | 73 | Overspend on Premises maintenance. | -0 |
| Other Variances | | | | | 1 | | 2 |

Department for Communities - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---------------------------------------|----------------------|-----------------|----------------------|-----------------|---|--|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Leisure & Recreation | | | | | | | |
| Pendine Outdoor Education Centre | 522 | -348 | 340 | -224 | -58 | Vacant posts in structure | -39 |
| Carmarthen Leisure Centre | 1,640 | -1,751 | 1,234 | -1,301 | 43 | Unable to claim current year efficiencies from Hardship Fund | 43 |
| Amman Valley Leisure Centre | 910 | -833 | 777 | -669 | 30 | Unable to claim current year efficiencies from Hardship Fund | 30 |
| Llanelli Leisure Centre | 1,340 | -1,145 | 1,110 | -871 | 43 | Unable to claim current year efficiencies from Hardship Fund | 43 |
| ESD Rev Grant - Ynys Dawela | 43 | -43 | 21 | 0 | 21 | Grant for project not yet confirmed by funding body | 28 |
| Archives General | 137 | -2 | 174 | -3 | 36 | Estimated cost of returning Archive collection from storage | 1 |
| Arts General | 25 | 0 | 0 | 0 | -25 | Vacant post being held pending restructure | -25 |
| Laugharne Boathouse | 147 | -112 | 120 | -49 | 35 | Shortfall of income to budget as a result of part year closure. Potential to be reduced if grant application to Cultural Fund is successful. | 5 |
| Entertainment Centres General | 444 | -62 | 349 | -59 | -93 | Vacant posts in structure | -97 |
| Oriel Myrddin CCC | 113 | 0 | 125 | 0 | 12 | Backdated NNDR bills re: 26/27 King Street | 14 |
| Leisure Management | 389 | 0 | 361 | 0 | -28 | Vacant post in structure | -33 |
| Other Variance - Leisure & Recreation | | | | | -16 | | 30 |
| Grand Total | | | | | 911 | | 899 |

Corporate Services Department
Budget Monitoring - as at 31st October 2020

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|---------------------------------|----------------------|-----------------|-----------------------------------|---------------|----------------------|-----------------|-----------------------------------|---------------|---|---|
| | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | | |
| Financial Services | 5,399 | -2,862 | -2,552 | -16 | 5,125 | -2,820 | -2,552 | -247 | -231 | -232 |
| Revenues & Financial Compliance | 4,793 | -1,723 | -2,408 | 662 | 4,254 | -1,794 | -2,408 | 53 | -610 | -563 |
| Other Services | 71,004 | -47,351 | 3,337 | 26,991 | 69,187 | -45,144 | 3,337 | 27,381 | 390 | 587 |
| GRAND TOTAL | 81,196 | -51,937 | -1,623 | 27,637 | 78,566 | -49,757 | -1,623 | 27,186 | -451 | -208 |

Corporate Services Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|--|----------------------|-----------------|----------------------|-----------------|---|---|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Financial Services | | | | | | | |
| Corporate Services Management team | 485 | -63 | 482 | -109 | -49 | £35k income from Fire Authority SLA and £15k savings on supplies and services | -50 |
| Accountancy | 1,697 | -459 | 1,595 | -466 | -109 | Vacant posts not likely to be filled in the short term. A few staff members currently being paid at the lower points of the scale whilst budgeted at the top. | -113 |
| Treasury and Pension Investment Section | 258 | -182 | 230 | -207 | -54 | £25k additional income for work undertaken for the Wales Pension Partnership; £29k - part year staff vacancy and three staff members currently at lower points of the salary scale but budgeted at top of scale. | -37 |
| Payments | 531 | -76 | 501 | -71 | -25 | Net £16k part year vacant posts and £9k savings on supplies and services | -35 |
| Other variances | | | | | 6 | | 3 |
| Revenues & Financial Compliance | | | | | | | |
| Procurement | 548 | -34 | 520 | -34 | -28 | Net effect of 1 vacancy not being filled offset by additional staff costs | -14 |
| Audit | 482 | -19 | 418 | -34 | -80 | 2 vacant posts during the year not to be filled before year end | -80 |
| Risk Management | 148 | -0 | 169 | -0 | 21 | Temporary additional secondment into team | -10 |
| Corporate Services Training | 59 | 0 | 33 | 0 | -26 | Under utilisation of budget due to current working practices | -26 |
| Local Taxation | 934 | -741 | 820 | -755 | -127 | A few posts have been vacant during the year to date and are expected to be filled imminently. A number of staff members are currently on lower points of the salary scale but budgeted at the top of scale and 2 staff members have reduced their hours. Additional one off DWP grant to implement the welfare reform changes of £43k has contributed to the underspend. | -131 |
| Housing Benefits Admin | 1,645 | -752 | 1,369 | -841 | -365 | A few posts have been vacant during the year to date and are expected to be filled imminently. A large number of staff members are currently on lower points of the salary scale but budgeted at the top of scale. Additional one off grants from DWP for additional burdens contributed a net £75k of the underspend. | -299 |
| Other variances | | | | | -5 | | -3 |

Corporate Services Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 | Notes | Aug 20 |
|------------------------------|----------------|---------|-------------|---------|----------------------------------|--|---------------------------|
| | Expenditure | Income | Expenditure | Income | Forecast Variance for Year | | Forecasted for Year |
| | £'000 | £'000 | £'000 | £'000 | £'000 | | £'000 |
| Other Services | | | | | | | |
| Audit Fees | 316 | -92 | 287 | -92 | -29 | A proportion of audit fees chargeable directly to grants | -29 |
| Bank Charges | 67 | 0 | 17 | 0 | -50 | One off refund in year of £43k | -9 |
| Council Tax Reduction Scheme | 16,511 | 0 | 17,738 | -338 | 889 | Significant increase in caseload as a result of Covid-19. Estimated cost is £1.68m greater than 19-20 actual cost. £179k income received from WG for Q1 with an additional £158k expected for Q2 | 1,047 |
| Rent Allowances | 46,923 | -47,140 | 44,250 | -44,677 | -209 | Efficient recovery of overpayments | -209 |
| Miscellaneous Services | 7,187 | -120 | 6,894 | -38 | -211 | £238k underspend on pre LGR pension costs | -213 |
| Grand Total | | | | | -451 | | -208 |

Department for Education & Children
Budget Monitoring - as at 31st October 2020

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|---|----------------------|-----------------|-----------------------------------|----------------|----------------------|-----------------|-----------------------------------|----------------|---|---|
| | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | | |
| Schools Delegated Budgets | 132,231 | -13,543 | 0 | 118,687 | 133,726 | -13,543 | 0 | 120,182 | 1,495 | 2,200 |
| Director & Strategic Management | 1,480 | 0 | -109 | 1,371 | 1,501 | -0 | -109 | 1,391 | 21 | 4 |
| Education Services Division | 7,259 | -2,716 | 21,134 | 25,676 | 6,724 | -2,148 | 21,134 | 25,710 | 34 | 91 |
| Access to Education | 9,046 | -6,201 | 1,584 | 4,429 | 9,979 | -6,901 | 1,584 | 4,662 | 233 | 626 |
| School Improvement | 3,467 | -1,526 | 427 | 2,368 | 3,549 | -1,725 | 427 | 2,251 | -117 | 48 |
| Curriculum & Wellbeing | 8,570 | -4,781 | 886 | 4,674 | 8,803 | -4,994 | 886 | 4,694 | 20 | 90 |
| Children's Services | 24,451 | -6,087 | 2,721 | 21,086 | 26,504 | -8,518 | 2,721 | 20,708 | -378 | -309 |
| Additional resources for reopening of schools | 0 | 0 | 0 | 0 | 1,049 | -850 | 0 | 199 | 199 | 199 |
| TOTAL excluding schools | 54,272 | -21,311 | 26,643 | 59,604 | 58,109 | -25,136 | 26,643 | 59,616 | 12 | 749 |
| GRAND TOTAL | 186,503 | -34,854 | 26,643 | 178,291 | 191,834 | -38,679 | 26,643 | 179,798 | 1,507 | 2,949 |

Department for Education & Children - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|--|----------------------|-----------------|----------------------|-----------------|---|---|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Schools Delegated Budgets | | | | | | | |
| Primary Schools | 69,767 | -8,545 | 69,932 | -8,545 | 165 | Based on schools' working budgets received for 2020/21 & updated for 2nd quarter monitoring returns which reflect reduced actuals during summer term and the application of ALP grant against teacher posts where redundancies have been postponed due to Covid-19. | 850 |
| Secondary Schools | 58,331 | -4,958 | 59,231 | -4,958 | 900 | | 900 |
| Special Schools | 4,132 | -40 | 4,562 | -40 | 430 | | 450 |
| Director & Strategic Management | | | | | | | |
| Business Support | 398 | 0 | 424 | -0 | 26 | Pool cars fleet costs (£9k) and Dept central mailing costs | 11 |
| Other variances | | | | | -6 | | -7 |
| Education Services Division | | | | | | | |
| School Redundancy & EVR | 2,017 | 0 | 1,904 | 0 | -113 | Part year moratorium on redundancy processes due to Covid-19 | -66 |
| Early Years Non-Maintained Provision | 1,704 | -1,337 | 861 | -549 | -55 | Fewer children taking up places in non-maintained settings | -96 |
| Special Educational Needs | 2,844 | -1,379 | 3,288 | -1,597 | 226 | Increase in existing out of county placement costs. | 276 |
| Other variances | | | | | -24 | | -23 |
| Access to Education | | | | | | | |
| School Admissions | 345 | -84 | 314 | -84 | -32 | Part year staff vacancy & staff budget saving as not all staff at top of grade Premises costs relating to closed schools | -29 |
| School Modernisation | 114 | -1 | 201 | -33 | 55 | | 61 |
| School Meals & Primary Free Breakfast Services | 8,586 | -6,116 | 9,464 | -6,784 | 210 | Income target of £100k for breakfast club contributions not achievable due to summer term closure and reduced take up due to Covid-19. £100k additional cost of FSM due to Covid-19 that are not eligible for WG hardship | 594 |
| School Improvement | | | | | | | |
| School Effectiveness Support Services | 265 | -43 | 213 | -37 | -47 | Delayed recruitment to school support due to Covid-19 | -21 |
| National Model for School Improvement | 1,139 | -60 | 1,035 | -26 | -70 | Reduced travelling due to Covid-19 and maximising Education Improvement Grant to release core budget | 68 |

Department for Education & Children - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|--|----------------------|-----------------|----------------------|-----------------|---|---|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Curriculum and Wellbeing | | | | | | | |
| Music Services for Schools | 1,038 | -737 | 1,100 | -762 | 37 | Delay with staff restructuring which has been further affected by Covid-19 | 61 |
| Education Other Than At School (EOTAS) | 2,205 | -339 | 2,380 | -445 | 70 | Increasing number of placements from schools for alternative provision requiring increased staffing due to both complexity and numbers | 86 |
| Youth Offending & Prevention Service | 1,979 | -1,116 | 1,882 | -1,084 | -65 | Reduced travelling, staff vacancies and maximising grants to release core budget | -57 |
| Other variances | | | | | -21 | | 0 |
| Children's Services | | | | | | | |
| Adoption Services | 532 | 0 | 1,093 | -489 | 72 | One off payment committed for adoption of sibling group £125k, partially offset by maximising grant income in other areas of the service | 100 |
| Out of County Placements (CS) | 670 | 0 | 489 | -29 | -211 | Reduction in Out of County placements and no current remand placements | -236 |
| Childcare | 901 | -345 | 880 | -351 | -27 | Additional in year grants awarded from Welsh Government supporting priorities the service had already identified and have staff working on | -10 |
| Family Aide Services | 172 | 0 | 305 | -191 | -58 | Part year vacant posts and maximisation of grant income | -66 |
| Other Family Services incl Young Carers and ASD | 540 | -300 | 697 | -507 | -50 | Part year vacant post (currently out for recruitment) and maximisation of grant income | -31 |
| Out of Hours Service | 175 | 0 | 175 | 0 | 0 | | 0 |
| Children's Services Mgt & Support (incl Care First) | 992 | -76 | 1,120 | -275 | -71 | Further utilisation of grants - £45k, staff budget saving as not all staff at top of grade & purchase of extra leave - £12k, staff recruitment savings with most posts advertised on our website - £14k | -67 |
| School Safeguarding & Attendance | 296 | -45 | 552 | -353 | -52 | Part year vacant posts and maximisation of grant income | -67 |
| Other Variances | | | | | 18 | | 67 |
| Additional resources for reopening of schools | | | | | | | |
| Additional Cleaning for schools re-opening | 0 | 0 | 850 | -850 | 0 | Assumes additional cleaning costs will be fully recovered from Welsh Government. Expectation that additional cleaning costs in other establishments will be recovered from the user departments. | 0 |
| Face coverings & PPE | 0 | 0 | 199 | 0 | 199 | Expenditure incurred in August to procure Face Coverings & PPE for Schools at short notice expected to exceed WG grant by £199k | 199 |
| Grand Total | | | | | 1,507 | | 2,949 |

Environment Department
Budget Monitoring - as at 31st October 2020

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | | | Forecasted | | | | Oct 20 Forecast Variance for Year £'000 | Aug 20 Forecasted Variance for Year £'000 |
|--------------------------------|----------------------|-----------------|-----------------------------------|---------------|----------------------|-----------------|-----------------------------------|---------------|---|---|
| | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net non- controllable £'000 | Net £'000 | | |
| Business Support & Performance | 166 | -212 | 130 | 84 | 121 | -179 | 130 | 72 | -13 | 15 |
| Waste & Environmental Services | 25,651 | -4,471 | 1,373 | 22,553 | 28,334 | -6,888 | 1,373 | 22,819 | 266 | 366 |
| Highways & Transportation | 52,387 | -31,575 | 10,384 | 31,197 | 51,491 | -30,285 | 10,384 | 31,590 | 393 | 678 |
| Property | 42,805 | -40,787 | 624 | 2,642 | 43,857 | -41,599 | 624 | 2,882 | 240 | 211 |
| Planning | 4,454 | -2,069 | 330 | 2,715 | 4,160 | -1,646 | 330 | 2,844 | 129 | 170 |
| GRAND TOTAL | 125,463 | -79,113 | 12,841 | 59,190 | 127,963 | -80,597 | 12,841 | 60,207 | 1,016 | 1,439 |

Environment Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---|----------------------|-----------------|----------------------|-----------------|---|--|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| Business Support & Performance | | | | | | | |
| Business Support | -119 | -35 | -152 | -36 | -33 | Posts budgeted at top of scale but majority are not at the top of scale yet; a few posts temporarily vacant during the year. | -29 |
| Operational Training | 37 | -57 | 12 | -19 | 12 | Overspend due to Covid-19 restrictions and training time allocated to refuse and cleaning departments | 33 |
| Departmental - Core | 45 | 0 | 64 | 0 | 19 | £9k department's share of the Health and Wellbeing co-ordinators' pay costs; £10k efficiency not yet achieved | 18 |
| Other variances | | | | | -11 | | -7 |
| Waste & Environmental Services | | | | | | | |
| SAB - Sustainable Drainage approval Body Unit | 121 | -115 | 120 | -47 | 68 | Anticipated income not materialised - Dependent on number of submissions and market buoyancy of development projects | 81 |
| Reservoirs | 0 | 0 | 74 | 0 | 74 | Reactive work, including consultancy costs at Trebeddrod Reservoir. | 0 |
| Cleansing Service | 2,380 | -108 | 2,431 | -110 | 47 | Additional cleansing requirements | 38 |
| Waste Services | 17,071 | -1,316 | 17,298 | -1,382 | 162 | Additional blue bag requirements due to: HWRCs closed from March until end of May therefore more kerbside blue bags used, cans and paper removed from community recycling centres resulting in a 35% increase in kerbside dry recycling and increased stock in additional private outlets during Covid-19 lockdown. | 257 |
| Green Waste Collection | 533 | -336 | 523 | -371 | -45 | Increased take-up of green waste collection service | -6 |
| Closed Landfill Sites | 255 | 0 | 235 | 0 | -20 | Reduction in electricity costs | -3 |
| Other variances | | | | | -20 | | -1 |
| Highways & Transportation | | | | | | | |
| Civil Design | 1,096 | -1,680 | 1,010 | -1,621 | -27 | Increased income recovery | -34 |
| Transport Strategic Planning | 396 | 0 | 357 | -0 | -39 | Project Management Fees charged to various grants | -28 |
| Traffic Management | 559 | -43 | 781 | -342 | -78 | Net increase in additional Traffic Regulation Orders income against additional planned works -£40k and net effect of vacant posts/reduced recharges to grants of -£38k. | -52 |
| Car Parks | 1,997 | -3,271 | 1,749 | -2,389 | 634 | The outturn includes the WG reimbursement for loss of income of £701k for quarter 1 and £277k for quarter 2. Quarters 3 and 4 include an assumption that WG will partly reimburse the Authority for the loss in income due to the reduction in footfall. The £167k efficiency for the increase in parking charges has not been met in full for the year. | 833 |
| Plant y Ci Park & Ride | 80 | -33 | 136 | -71 | 18 | Increased maintenance costs & reduced income | 29 |

Environment Department - Budget Monitoring - as at 31st October 2020

Main Variances

EXECUTIVE BOARD 25th JANUARY 2021

| Division | Working Budget | | Forecasted | | Oct 20 Forecast Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---|----------------------|-----------------|----------------------|-----------------|---|--|---|
| | Expenditure £'000 | Income £'000 | Expenditure £'000 | Income £'000 | | | |
| School Crossing Patrols | 121 | 0 | 148 | 0 | 26 | The school crossing patrols section has reviewed all patrols to identify where there is no requirement to provide them according to the National Safety criteria. Vacancies that arise in the sites that do not require school crossing patrols will not be filled as and when they become vacant. | 29 |
| Bridge Maintenance | 740 | 0 | 727 | 0 | -14 | Structures Engineer vacant for part year | -37 |
| Street Works and Highway Adoptions | 426 | -364 | 423 | -492 | -131 | Additional income from highway adoption agreements and streetworks | -20 |
| Other variances | | | | | 3 | | -41 |
| Property | | | | | | | |
| Property Maintenance Operational | 30,380 | -31,924 | 30,071 | -31,429 | 186 | Estimated £90k loss of recharge income due to shielding, redeployment, social distancing and works on-stop or delayed and an estimated loss of £96k for reduced construction work as a result of Covid-19 leading to a reduction of internal fees that can be charged. | 200 |
| Design & Professional Services Frameworks | 0 | 0 | 247 | -216 | 30 | Some capital projects have slipped as a result of the current pandemic and fee income has reduced as a result. | -0 |
| Facilities Management - Corporate Buildings | 388 | 0 | 417 | 0 | 29 | Additional Facilities Assistants' workload as a result of closure of buildings that need to be attended in the absence of staff on site | 12 |
| Other variances | | | | | -5 | | -1 |
| Planning | | | | | | | |
| Planning Admin Account | 342 | -14 | 423 | -84 | 11 | Additional Arcus software costs | -3 |
| Building Regulations Trading - Chargeable | 454 | -507 | 401 | -333 | 121 | Reduction in income as a result of Covid-19. Final decision on reimbursement of lost / deferred income will be made by WG in February 2021. | 107 |
| Building Control - Other | 186 | -5 | 174 | -4 | -11 | Less staff travel & spend on supplies due to Covid-19 | -10 |
| Minerals | 359 | -236 | 333 | -163 | 46 | Reduction in income as a result of Covid-19. Final decision on reimbursement of lost / deferred income will be made by WG in February 2021. | 55 |
| Policy-Development Planning | 680 | -0 | 528 | 0 | -152 | Part year vacancy and employee on maternity, underspend has increased due to less estimated expenditure on consultant fees & supplies | -123 |
| Development Management | 1,575 | -968 | 1,483 | -730 | 147 | Income shortfall offset by less expenditure due to Covid-19. Final decision on reimbursement of lost / deferred income will be made by WG in February 2021. | 124 |
| Law Centre | 47 | -47 | 63 | -119 | -56 | Reimbursement for lost income received from WG of £29.7k in quarter 1 and £37.6k in quarter 2. | -0 |
| Conservation | 442 | -54 | 461 | -48 | 26 | One-off consultancy cost | 24 |
| Other Variances | | | | | -3 | | -3 |
| Grand Total | | | | | 1,016 | | 1,439 |

Housing Revenue Account - Budget Monitoring as at 31st October 2020

| | Working Budget £'000 | Forecasted £'000 | Oct 20 Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|-------------------------------------|-------------------------|---------------------|--|---|---|
| Expenditure | | | | | |
| Repairs & Maintenance | | | | | |
| Responsive | 1,840 | 1,467 | -373 | | -725 |
| Minor Works | 3,086 | 650 | -2,436 | | -2,086 |
| Voids | 3,448 | 3,529 | 81 | Budget managers predicting underspends on R&M and voids of -£2,755k. This is due to only undertaking emergency and legislative work and supply chain issues inclusive on contractor availability. Tenants reluctance to request works and allow contractors access is also a factor. | -112 |
| Servicing | 1,723 | 1,723 | 0 | | 0 |
| Drains & Sewers | 142 | 120 | -22 | | -22 |
| Grounds | 770 | 764 | -6 | | 0 |
| Unadopted Roads | 107 | 107 | 0 | | 0 |
| Supervision & Management | | | | | |
| Employee | 5,988 | 5,599 | -389 | Staff Vacancies | -219 |
| Premises | 1,507 | 1,462 | -45 | Decant costs underspent by £63k as they were stopped during lockdown. | -123 |
| Transport | 72 | 19 | -53 | Reduction in staff travel due to working from home | -39 |
| Supplies | 920 | 914 | -6 | | -1 |
| Recharges | 2,107 | 2,182 | 75 | Ty Isha project delayed resources to be re-assigned | 127 |
| Provision for Bad Debt | 511 | 572 | 61 | Forecasted overspend on provision for bad debt based on current figures. | 0 |
| Capital Financing Cost | 15,423 | 14,632 | -791 | Capital HRA programme is predicting a £13m underspend on the revised budget of £39.4m decreasing the borrowing requirement in year from £14.76m to £7.239m, the impact on mid-year CFR and therefore interest is significant, reducing capital charges by £791k. This does assume an interest rate of 4.04% which may change if other elements of the capital programme on Council Fund vary. | -632 |
| Central Support Charges | 1,687 | 1,695 | 8 | | 8 |
| DRF | 10,000 | 10,000 | 0 | | 0 |
| Total Expenditure | 49,329 | 45,435 | -3,895 | | -3,823 |

Housing Revenue Account - Budget Monitoring as at 31st October 2020

| | Working Budget £'000 | Forecasted £'000 | Oct 20 Variance for Year £'000 | Notes | Aug 20 Forecasted Variance for Year £'000 |
|---------------------------|----------------------------|---------------------|--|--|---|
| Income | | | | | |
| Rents | -41,913 | -40,959 | 954 | Voids currently running at 4.18% compared to budget of 2.9% will result in £531k additional rental void loss. Also delay in new build and refurbishment of buy backs reducing the rent due by approx. £424k. | 604 |
| Service Charges | -833 | -839 | -6 | | -0 |
| Supporting People | -81 | -81 | 0 | | 0 |
| Interest on Cash Balances | -139 | -34 | 105 | Forecast interest rate on cash balances is 0.15% compared to original forecast 0.75% | 0 |
| Grants | -237 | -245 | -8 | | -3 |
| Insurance | -169 | -169 | 0 | | 0 |
| Other Income | -546 | -481 | 66 | Underachievement of income from Commission on Sales relating to the collection of water rates due to higher number of voids. | 87 |
| Total Income | -43,917 | -42,807 | 1,111 | | 688 |
| Net Expenditure | 5,412 | 2,628 | -2,784 | | -3,135 |

| HRA Reserve | £'000 |
|---------------------------|---------------|
| Balance b/f 01/04/2020 | 21,252 |
| Budgeted movement in year | -5,412 |
| Variance for the year | 2,784 |
| Balance c/f 31/03/2021 | 18,624 |

**Y BWRDD GWEITHREDOL
25AIN IONAWR 2021**

Diweddaru Rhaglen Gyfalaf 2020/21

Y Pwrpas: I adrodd y amrywiant cyllidebol yn y rhaglen gyfalaf.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

I dderbyn yr adroddiad diweddaraf ar y rhaglen gyfalaf.

Y RHESYMAU:

I ddarparu'r newyddion ynglyn a sefyllfa gyllideb ddiweddaraf y rhaglen gyfalaf 2020/21, ar 31^{ain} Hydref 2020.

Ymgynghorwyd â'r pwyllgor craffu perthnasol - Amherthnasol

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES
Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO: Cyng. David Jenkins

Y Gyfarwyddiaeth:

Enw Cyfarwyddwr y
Gwasanaethau Corfforaethol:

Randal Hemingway

Awdur yr Adroddiad:

Randal Hemingway

Swydd:

Pennaeth Gwasanaethau
Arrianol

Rhif ffôn: 01267 224886

Cyfeiriad E-bost:

RHemingway@sirgar.gov.uk

EXECUTIVE SUMMARY
Executive Board
25th January 2021

CAPITAL PROGRAMME 2020/21 UPDATE

This report provides an update on expenditure on the Capital programme against the budgets for 2020/21 as at the 31st October 2020.

Virement to be approved:

Regeneration: £302k to be vired from the Transformational Commercial Property Development Fund to Cross Hands East Plot 3. This will put in place the final amount of internal match funding required to support this project.

Additional Schemes to the Capital Programme to be noted and approved:

Public Sector Housing – Under the Council New Build programme, Llandoverly Playing Fields, St David's Park, and Maesyhaf, Pwll are now included for initial studies and works.

Rights of Way Access Improvement Grant – A further allocation of £9k from the Welsh Government in addition to the £74k award previously reported – 100% grant funded.

Llyn Llech Owain Country Park - £130k new award of Valleys Regional Park Discovery Gateway grant (VRP) from Welsh Government for new landscaping at the entrance and new play furniture.

£50k has also been awarded for the creation of an agile working room at the visitor centre.

Appendix A shows a forecasted net spend of £51,198k compared with a working net budget of £114,351k, giving a **-£63,153k** variance. The significant variance projected at this time continues to be in large part attributable to restrictions associated with the Covid-19 pandemic.

Appendix B details the main variances within each department.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

| | | | | | | |
|---|-------------|-------------------------|-------------|------------------------|-----------------------------------|-----------------|
| Signed: | | Randal Hemingway | | | Head of Financial Services | |
| Policy, Crime & Disorder and Equalities | Legal | Finance | ICT | Risk Management Issues | Staffing Implications | Physical Assets |
| NONE | NONE | YES | NONE | NONE | NONE | YES |

3. Finance

The capital programme shows an in-year forecasted variance of **-£63,153m** against the 2020/21 approved budget.

7. Physical Assets

The capital programme will have an impact on the physical assets owned by the Authority.

CONSULTATIONS

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

| | | | | | |
|--|--|-------------------------|--------------------------------------|-----------------------------------|--|
| Signed: | | Randal Hemingway | | Head of Financial Services | |
| 1. Scrutiny Committee Relevant Scrutiny Committees will be consulted. 2. Local Member(s) N/A 3. Community / Town Council N/A 4. Relevant Partners N/A 5. Staff Side Representatives and other Organisations N/A | | | | | |
| EXECUTIVE BOARD PORTFOLIO HOLDER(S) AWARE/CONSULTED | | | Include any observations here | | |
| NO | | | | | |

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

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

| Title of Document | File Ref No. | Locations that the papers are available for public inspection |
|----------------------------------|--------------|--|
| 2020/21 Capital Programme | | Corporate Service Department, County Hall, Carmarthen. On-line via corporate website – Minutes of County Council Meeting 3rd March 2020. |

Mae'r dudalen hon yn wag yn fwriadol

Capital Programme 2020/21

Appendix A

Capital Budget Monitoring - Report for October 2020

| | Working Budget | | | Forecasted | | | |
|---------------------------------|----------------------|-----------------|----------------|----------------------|-----------------|---------------|---|
| | Expenditure £'000 | Income £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net £'000 | October Variance for Year £'000 |
| DEPARTMENT | | | | | | | |
| COMMUNITIES | | | | | | | |
| - Public Housing | 40,167 | -10,401 | 29,766 | 26,647 | -9,091 | 17,556 | -12,210 |
| - Private Housing | 2,675 | -246 | 2,429 | 1,090 | -247 | 843 | -1,586 |
| - Leisure | 6,393 | -1,032 | 5,361 | 4,655 | -357 | 4,298 | -1,063 |
| - Social Care | 419 | 0 | 419 | 262 | 0 | 262 | -157 |
| ENVIRONMENT | 28,577 | -14,177 | 14,400 | 27,412 | -16,378 | 11,034 | -3,366 |
| EDUCATION & CHILDREN | 49,764 | -27,789 | 21,975 | 19,276 | -10,616 | 8,660 | -13,315 |
| CHIEF EXECUTIVE | 5,519 | -230 | 5,289 | 3,585 | -230 | 3,355 | -1,934 |
| REGENERATION | 62,492 | -27,780 | 34,712 | 16,285 | -11,095 | 5,190 | -29,522 |
| TOTAL | 196,006 | -81,655 | 114,351 | 99,212 | -48,014 | 51,198 | -63,153 |

Mae'r dudalen hon yn wag yn fwiadol

| Capital Programme 2020/21 | | | | | | | Variance for Year £'000 | Comment |
|--|-------------------|----------------|---------------|-------------------|----------------|---------------|-------------------------|--|
| Capital Budget Monitoring - Report for October 2020 - Main Variances | | | | | | | | |
| DEPARTMENT/SCHEMES | Working Budget | | | Forecasted | | | | |
| | Expenditure £'000 | Income £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net £'000 | | |
| COMMUNITIES | | | | | | | | |
| - Public Housing | 40,167 | -10,401 | 29,766 | 26,647 | -9,091 | 17,556 | -12,210 | |
| Sewage Treatment Works Upgrading | 348 | 0 | 348 | 45 | 0 | 45 | -303 | Works rescheduled for 2021/22. |
| Telecare Upgrade | 20 | 0 | 20 | 7 | 0 | 7 | -13 | |
| Internal and External Works (Property) | 17,934 | 0 | 17,934 | 15,382 | 0 | 15,382 | -2,551 | Includes £8.3m repurposed to deliver voids backlog. This will take up underspends from Internal works that we cannot complete at the moment because of Covid-19 restrictions. |
| Environmental Works (Housing Services) | 391 | 0 | 391 | 256 | 0 | 256 | -135 | Delays because of Covid-19 restrictions. |
| Adaptations and Equalities Works (Building Services) | 1,620 | 0 | 1,620 | 926 | 0 | 926 | -694 | Delays because of Covid-19 restrictions. |
| Programme Delivery and Strategy | 790 | 0 | 790 | 609 | 0 | 609 | -181 | Delays because of Covid-19 restrictions. |
| Housing Development Programme | 19,028 | -336 | 18,692 | 9,386 | -919 | 8,467 | -10,225 | Development delays because of Covid-19 and site shut down restrictions. |
| ICF - Morfa Parent & Baby Centre (20 School Rd, Llanelli) | 37 | -37 | 0 | 37 | -37 | 0 | 0 | No projected variance. |
| MRA and IHP Grants Income | 0 | -10,028 | -10,028 | 0 | -8,135 | -8,135 | 1,893 | IHP Grant - for Glanmor Terrace Development received in 2020/21 will be carried forward to be applied in 2021/22. |
| - Private Housing | 2,675 | -246 | 2,429 | 1,090 | -247 | 843 | -1,586 | No major variances. |
| Disabled Facilities Grant (DFG) | 1,927 | 0 | 1,927 | 704 | -2 | 701 | -1,226 | Delays because of Covid-19 restrictions. |
| ENABLE - Adaptations to Support Independent Living | 246 | -246 | 0 | 246 | -246 | 0 | 0 | |
| Empty Properties Initiatives | 500 | 0 | 500 | 140 | 0 | 140 | -360 | Delays because of Covid-19 restrictions. The Welsh Government has made this a two year scheme so the project will be completed in 2021/22. |
| - Leisure | 6,393 | -1,032 | 5,361 | 4,655 | -357 | 4,298 | -1,063 | |
| Carmarthen Leisure Centre & Track | 946 | 0 | 946 | 1,147 | -25 | 1,122 | 176 | Additional Covid-19 costs and higher project costs. The dept has confirmed that additional costs will be funded by underspends on other projects within the Departmental programme. |
| Amman Valley Leisure Centre Masterplan | 665 | 0 | 665 | 107 | 0 | 107 | -558 | Scheme on hold pending wider masterplan process. Including Amman Valley school. |
| Oriol Myrddin Redevelopment | 1,073 | -700 | 373 | 30 | 0 | 30 | -343 | Legal fees and some design expected in 2020/21. Slip the balance into 2021/22. |
| Libraries & Museums | 1,829 | -202 | 1,628 | 1,650 | -202 | 1,449 | -179 | No projected variance. |
| Burry Port Harbour Walls | 1,468 | 0 | 1,468 | 1,391 | 0 | 1,391 | -76 | Works to start in Sept/Oct. 26wk contract. Work to be completed in 2021/22. |
| Country Parks | 281 | 0 | 281 | 199 | 0 | 199 | -82 | Pembrey Country Park Cycling Hub - Will be utilised to cover spend on other projects. |
| - Social Care | 419 | 0 | 419 | 262 | 0 | 262 | -157 | £100k to be vired to Carmarthen Leisure Centre. Balance to be slipped. |
| ENVIRONMENT | 28,577 | -14,177 | 14,400 | 27,412 | -16,378 | 11,034 | -3,366 | |
| Highways & Infrastructure | 21,070 | -14,177 | 6,893 | 20,140 | -15,009 | 5,132 | -1,761 | Main variance is Towy Valley Path -£1,224k - delays in land acquisition and attracting external funding and Cross Hands Economic Link Road - £529k because of ongoing negotiations for land access and land acquisition. |
| Property | 7,507 | 0 | 7,507 | 7,272 | -1,369 | 5,903 | -1,603 | This variance is because of a 60% commitment against Capital Maintenance budget owing to Covid-19 restrictions. |

| Capital Programme 2020/21 | | | | | | | Variance for Year £'000 | Comment |
|--|-------------------|----------------|---------------|-------------------|----------------|--------------|-------------------------|--|
| Capital Budget Monitoring - Report for October 2020 - Main Variances | | | | | | | | |
| DEPARTMENT/SCHEMES | Working Budget | | | Forecasted | | | | |
| | Expenditure £'000 | Income £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net £'000 | | |
| EDUCATION & CHILDREN | 49,764 | -27,789 | 21,975 | 19,276 | -10,616 | 8,660 | -13,315 | |
| Llandeilo Primary | 2,989 | 0 | 2,989 | 100 | 0 | 100 | -2,889 | Scheme delayed owing to MEP Review |
| Gorslas - New School | 5,708 | 0 | 5,708 | 3,000 | 0 | 3,000 | -2,708 | Delayed start on site and delayed works owing to Covid-19. |
| Ammanford Welsh Medium Primary | 5,686 | 0 | 5,686 | 200 | 0 | 200 | -5,486 | Delay to scheme development |
| Ysgol Gymraeg Cydweli | 508 | 0 | 508 | 100 | 0 | 100 | -408 | Scheme development progressing well, however, construction unlikely to start before the new year. |
| Ysgol y Castell | 3,803 | 0 | 3,803 | 2,000 | 0 | 2,000 | -1,803 | Delayed start on site and delayed works owing to Covid-19. |
| Ysgol Pum Heol | 4,813 | 0 | 4,813 | 2,500 | 0 | 2,500 | -2,312 | Delayed works due to Covid-19. |
| Heol Goffa - Replacement Building | 10,713 | 0 | 10,713 | 310 | 0 | 310 | -10,403 | Delays with consultation due to Covid-19 and scheme is still subject to WG business case approval. |
| St John Lloyd | 379 | 0 | 379 | 300 | 0 | 300 | -79 | Delay because of Covid-19 and Welsh Water. |
| Penrhos | 417 | 0 | 417 | 35 | 0 | 35 | -382 | Project Complete - Delivered under budget |
| Pontyberem | 238 | 0 | 238 | 5 | 0 | 5 | -233 | Project Complete - Delivered under budget |
| Dewi Sant | 264 | 0 | 264 | 62 | 0 | 62 | -202 | Awaiting outcome of the education forward plan review - To be confirmed |
| Rhydygors | 97 | 0 | 97 | 3 | 0 | 3 | -94 | Scheme delayed owing to MEP Review |
| Rhys Pritchard | 1,768 | 0 | 1,768 | 2,000 | 0 | 2,000 | 232 | Progressing Well - ahead of profiled budget. |
| Education - Equality Act Works | 0 | 0 | 0 | 244 | 0 | 244 | 244 | Ongoing commitment to Equalities Act works |
| School Buildings - Education Capital Maintenance Grants | 2,677 | 0 | 2,677 | 2,677 | 0 | 2,677 | 0 | |
| Flying Start Capital Expansion Programme | 440 | -440 | 0 | 30 | -30 | 0 | 0 | New Allocation of Grant from the Welsh Government to enhance Flying Start provision in the County. Project will be completed in 2021/22. |
| Infant Class Size | 1,774 | -1,774 | 0 | 1,517 | -1,517 | 0 | 0 | Projects will be delivered in 2021/22 |
| Childcare Offer Places | 1,626 | -1,626 | 0 | 918 | -918 | 0 | 0 | Reflects delays in the wider school building programme. Will be delivered as part of the wider MEP programme. Hendy & Llandeilo will be carried over to 2021/22. |
| Welsh Language Immersion Centre (Maes y Gwendraeth) | 958 | -958 | 0 | 958 | -958 | 0 | 0 | |
| MEP Income - 21 st Century Schools Grant | 0 | -22,957 | -22,957 | 0 | -7,167 | -7,167 | 15,790 | Income will be received in future years in line with projected expenditure. Delays to business case sign-off and Covid-19. |
| Other Projects with Minor Variances | 4,909 | -34 | 4,876 | 2,316 | -26 | 2,290 | -2,586 | |
| | | | 0 | | | | | |
| CHIEF EXECUTIVE | 5,519 | -230 | 5,289 | 3,585 | -230 | 3,355 | -1,934 | |
| IT Strategy Developments | 1,914 | 0 | 1,914 | 1,191 | | 1,191 | -722 | Projects need to be reprofiled and reprioritised. Delays because of Covid-19. |
| Land at Nantglas, Crosshands | 300 | 0 | 300 | 0 | 0 | 0 | -300 | On hold pending review of priorities. |
| Purchase of Grillo Site, Burry Port | 1,900 | 0 | 1,900 | 1,468 | 0 | 1,468 | -432 | Purchase price lower than expected. |
| Glanamman Industrial Estate Redevelopment | 1,268 | -230 | 1,038 | 750 | -230 | 520 | -518 | Delays because of Covid-19. New £230k Valleys Task Force Grant Awarded which has substituted in-house funding on this project. |
| Other Projects with Minor Variances | 137 | 0 | 137 | 176 | 0 | 176 | 38 | No major variances. |

| Capital Programme 2020/21 | | | | | | | Variance for Year £'000 | Comment |
|--|-------------------|----------------|----------------|-------------------|----------------|---------------|-------------------------|--|
| Capital Budget Monitoring - Report for October 2020 - Main Variances | | | | | | | | |
| DEPARTMENT/SCHEMES | Working Budget | | | Forecasted | | | | |
| | Expenditure £'000 | Income £'000 | Net £'000 | Expenditure £'000 | Income £'000 | Net £'000 | | |
| REGENERATION | 62,492 | -27,780 | 34,712 | 16,285 | -11,095 | 5,190 | -29,522 | |
| Swansea Bay City Region Projects | 37,273 | -16,600 | 20,673 | 3,434 | -3,434 | 1 | -20,672 | Pentre Awel under development, procurement work under way. Includes £3m for Yr Egin, net nil impact to Carmarthenshire's budget |
| Rural Enterprise Fund | 1,021 | 0 | 1,021 | 540 | 0 | 540 | -481 | Third party project delivery delayed due to Covid-19 now expected to complete in 2021/22 |
| Transformation Commercial Property Development Fund | 2,352 | 0 | 2,352 | 43 | 0 | 43 | -2,309 | Delays because of Covid-19. |
| Carmarthen Town Regeneration - Jacksons Lane | 837 | -81 | 755 | 89 | -71 | 18 | -738 | Phase 2 of the project under review. |
| Pendine Iconic International Visitors Destination | 3,243 | -797 | 2,445 | 2,618 | -797 | 1,820 | -625 | On budget overall - to be delivered by Spring/Summer 2021. |
| TAIS - Pendine Attractor Sand Area | 30 | -24 | 6 | 30 | -24 | 6 | 0 | |
| Llandeilo Market Hall | 2,519 | -700 | 1,819 | 1,127 | 700 | 1,827 | 8 | Balance to slip into next financial year, completion expected Sept 2022 |
| TRI Strategic Projects - Market Street North | 1,881 | -1,231 | 650 | 1,910 | -1,231 | 680 | 30 | CCC budget to roll over into 2021/2022. WG grant to be utilised in full by the end of March 2021. |
| TRI Strategic Projects - Former YMCA Building, Stepney Street, Llanelli | 1,931 | -1,726 | 205 | 1,946 | -1,726 | 220 | 15 | CCC budget to roll over into 2021/2022. WG grant to be utilised in full by the end of March 2021. |
| Cross Hands East Strategic Employment Site Phase 1 | 664 | 0 | 664 | 634 | 0 | 634 | -29 | Final costs and Part 1 payments. |
| Cross Hands East Phase 2 | 2,486 | -994 | 1,493 | 2,522 | -994 | 1,529 | 36 | Delays because of Covid-19 and mine capping works. |
| Cross Hands East Plot 3 Development | 6,537 | -5,250 | 1,287 | 52 | -1,275 | -1,224 | -2,511 | Later start to project following negotiations. WG grant will be received in advance and carried forward. |
| Carmarthen Western Gateway & Wetlands | 173 | -80 | 93 | 173 | -80 | 93 | 0 | Project delayed by Covid-19 restrictions but due to complete this financial year. |
| Laugharne Car Park | 75 | 0 | 75 | 0 | 0 | 0 | -75 | Project delivery under review. |
| Ammanford Regeneration Development Fund | 330 | 0 | 330 | 50 | 0 | 50 | -280 | Third party project delivery delayed owing to Covid-19. To be delivered and completed in 2021/22. Balance of funding can be use on other projects. |
| Transforming Towns (Green Infrastructure & Biodiversity) - Llanelli Library Green Wall | 97 | -97 | 0 | 100 | -97 | 3 | 3 | New project to be delivered in 2020/21. |
| Transforming Towns (Green Infrastructure & Biodiversity) - Carregamman Car Park Enhancements | 200 | -200 | 0 | 191 | -191 | 0 | 0 | New project to be delivered in 2020/21. |
| Other Projects with Minor Variances | 843 | 0 | 844 | 825 | -1,875 | -1,050 | -1,894 | |
| TOTAL | 196,006 | -81,655 | 114,351 | 99,212 | -48,014 | 51,198 | -63,153 | |

Mae'r dudalen hon yn wag yn fwiadol