

# Carmarthenshire County Council Panel Performance Assessment (PPA) Report

June 2025



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## **1. Introduction and Background**

- 1.1 In accordance with the performance duties under the Local Government & Elections (Wales) Act 2021, Carmarthenshire County Council (Cyngor Sir Gâr) commissioned a Panel Performance Assessment (PPA) via the Welsh Local Government Association (WLGA).
- 1.2 The onsite assessment was completed over a four-day period concluding on 13<sup>th</sup> June 2025 with a feedback presentation provided to the Council outlining the key findings detailed within this report.
- 1.3 The assessment was undertaken based on the Council's agreed scoping document and the WLGA's PPA methodology, which was developed with the sector. The PPA methodology provides an overarching framework: the lines of enquiry are not prescriptive but provide guidance to the Panel on the areas that could be explored to meet the statutory duty. However, the extent to which the Panel explores those areas should be proportionate to the Council's scope but sufficient to enable the Panel to form a conclusion.
- 1.4 In accordance with the statutory guidance the PPA is not an audit or an inspection and does not seek to duplicate work undertaken by regulators and other bodies. Whilst the Panel has undertaken a corporate assessment, this assessment was not in-depth and should be considered alongside other sources of assurance such as the Council's own self-assessment, internal audit reviews, external audit, and regulatory reviews.
- 1.5 In preparing for the PPA, the Council scoped their requirements to maximise the value and impact of the assessment to the Council. The specific areas of focus identified by the Council are reflected in paragraph 3.2.
- 1.6 This report provides a summary overview of the conclusions of the Panel reported by exception.

## **2. Peer Team**

- 2.1 The following peers were commissioned by the WLGA to undertake the assessment. Selection of the peers was agreed and at the discretion of the Council, based on suitability of skills and experience:
  - Independent Chair: Fiona Lees - Former Chief Executive, East Ayrshire Council and Returning Officer.
  - Senior Member Peer: Cllr Gwyneth Ellis - Serving Councillor and former Cabinet Member with responsibility for finance, assets, and performance at Denbighshire County Council.
  - Senior Officer Peer: Rob Thomas - Vale of Glamorgan Council Chief Executive.
  - Wider Public, Private, or Voluntary Sector Peer: David Powell – Consultant, former section 151 officer at Powys County Council and Herefordshire Council and former interim Chief Executive at Powys County Council.
- 2.2 The Panel was supported by, Cerith Thomas, Senior Policy Officer (Improvement – Democratic Services) and, Emily Griffiths (Senior Support Officer), both from the WLGA's Improvement Team.

### 3. Scope and Approach

- 3.1 The Panel is required to assess the extent to which the Council:
- Is exercising its functions effectively.
  - Is using its resources economically, efficiently, and effectively; and
  - Has effective governance in place for securing the above.
- 3.2 The Council identified the following area within its Children's Services where peer insight would be valued as part of the Panel assessment:
- What further preventative actions could the Council explore in order to reduce future demand for services and enable improved de-escalation of care needs to lower-level support services; and,
  - What additional actions could the Council take to improve the balance between providing safe and effective models of care and the cost of provision in order to develop a sustainable business model for the service going forward?

A single recommendation, presented in two parts, will be provided for this additional local area, identified by the Council.

- 3.3 To prepare for the onsite assessment, the Panel first conducted a desktop review of Council documentation, data, external reports, and other relevant intelligence. The peers also participated in preliminary online meetings and observed various Council meetings online.
- 3.4 The Panel spent approximately 240 hours plus, during onsite stage of the review involving a series of individual meetings and focus groups with the following stakeholders:
- Leader of the Council.
  - Chief Executive.
  - The Cabinet – Focus Group.
  - Cabinet Member for Resources.
  - Cabinet Member for Organisation & Workforce.
  - Cabinet Member for Health and Social Services.
  - Elected Members - non-executive and opposition Members – Focus Group.
  - Leader of the Opposition Group.
  - Chair & Vice Chair of Corporate Performance & Resources Scrutiny Committee.
  - Chair of Health & Social Services Scrutiny Committee.
  - Chair of Democratic Services Committee.
  - Independent Chair of the Governance & Audit Committee.
  - Corporate Management Team (CMT)
  - Director of Communities (including Adult Social Services)
  - Assistant Chief Executive – People, Policy & Digital.
  - Director of Corporate Services & Section 151 Officer.

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- Head of Financial Services.
- Head of Revenues and Financial Compliance.
- Head of Law Governance & Civil Services (Monitoring Officer).
- Director of Education & Children's Services.
- Head of Children & Families.
- Director of Place, Infrastructure & Economic Development.
- Head of Economic Development & Property.
- Transformation Manager & staff from the Transformation Team.
- Chief Digital Officer.
- Media & Marketing Manager (Customer Services).
- Corporate Policy, Performance & Partnership Manager.
- Head of Democratic Services.
- Children's Services - Staff Focus Group.
- Heads of Service - Focus Group.
- Headteachers - Focus Group.
- 3rd Tier/Middle Managers – Focus Group.
- The Youth Council – Focus Group.
- Leader and Chief Executive of Ceredigion County Council.
- Leader and Chief Executive of Swansea City & County Council.
- Chief Executive of Hywel Dda University Health Board.
- Dyfed Powys Police – Temporary Detective Chief Superintendent.
- Town and Community Councils – Focus Group.
- Trade Unions – Focus Group.
- Business Community – Focus Group.
- Ageing Well Network – Focus Group.
- Cost of Living – Partner Event Visit.

#### 4. Overall Conclusion

**Carmarthenshire is a well-run and values-based organisation with strong and visible leadership at political and Officer level and has an awareness of its key challenges.**

- 4.1 Carmarthenshire County Council is characterised by an open and supportive culture that is highly valued by both Officers and Members. This positive environment fosters a clear ambition to deliver effectively for the communities of Carmarthenshire, alongside a demonstrable sense of pride in working for the organisation.
- 4.2 The Council's strategic direction is clearly defined by its corporate strategy, which offers a solid foundation for prioritising work around both people and places. Furthermore, the Council possesses a sound understanding of its current position, including its financial standing and service demand pressures. This comprehensive awareness provides a robust basis for continued progress and effective decision-making.

#### 5. Local Context

Profile of the County of Carmarthenshire (source: extracts from Carmarthenshire PPA scoping document).

- 5.1 Carmarthenshire, the third-largest county in Wales by geographical area, is home to approximately 188,000 people, making it the fourth most populous. The County's principal towns are Carmarthen, Llanelli, and Ammanford. It is largely rural, with 61% of the population living in rural areas, and has a low population density of 79 people per square kilometre. The county faces an aging population, with 24% of residents aged over 65, projected to rise to 29% by 2035, leading to challenges in health, social care, and labour.
- 5.2 The population is predominantly White (97.2%), with 94.0% identifying as English/Welsh/Scottish/Northern Irish/British. While ethnic diversity is low, it is gradually increasing with more residents from Romania, Poland, the Middle East, and Asia.
- 5.3 The Welsh language is a key part of Carmarthenshire's identity, with 72,838 Welsh speakers (39.9% of the population). Despite a 4.0% decrease since 2011, it still has the second-highest number of Welsh speakers among Welsh local authorities.
- 5.4 Poverty affects 34.6% of all households (28,695 households), an increase of 0.8% since 2020. Over 11,000 children (29.5%) live in poverty. Five areas in Llanelli are among the 10% most deprived in Wales.
- 5.5 Health and well-being are generally good (64% of residents agree), but the county has an above-average number of individuals with disabilities (23%) and households with two or more disabled people (9.4%).
- 5.6 Economically, Carmarthenshire has a higher-than-average economic inactivity rate (26%), and a lower employment rate (72.1%) compared to the Welsh average. Weekly pay for full-time workers in Carmarthenshire is £623, about 96% of the UK average. The county's business base is expanding, dominated by micro and small

enterprises (98.7% of all businesses), which employ 36,000 people. Public sector employment, primarily in health, education, and public administration, accounts for 36% of all jobs.

- 5.7 The county boasts a large highways network of over 3,500km and good east-west road and rail links. However, public transportation satisfaction is low, with 56% of residents disagreeing about good transportation links. The vast majority of public roads within the County are the responsibility of the Council as the local Highway Authority. The South Wales Trunk Road Agent (SWTRA) on behalf of the Welsh Government is responsible for the major roads such as parts of the M4, A40, A48, A477 and A483. Transport for Wales (TfW), a company owned by the Welsh Government, oversees and operates the rail services in Wales and Network Rail is responsible for the rail infrastructure e.g., the tracks, signalling systems and tunnels. Network Rail is a public sector company funded by the UK Government. Bus services in the County are a combination of publicly funded and private commercial provision and the Council plays a key role in the overall management and support of the network.
- 5.8 Carmarthenshire is proactive in addressing climate change, aiming to be a carbon net-zero local authority by 2030. Flooding is a concern, with over 15,000 businesses and homes at risk. The county has also seen increased recycling (70.49% in 2023/24, already exceeding the national target of 70% due by the end of March 2025) and reduced waste sent to landfill (down to 2.01% and on course to meet the national target of zero waste to landfill by 2025).
- 5.9 The Council operates 1 nursery, 94 primary, 12 secondary, and 1 special school, educating over 27,000 pupils. While educational provision is strong, attendance rates need improvement, and GCSE and A-level results remain below pre-pandemic levels.
- 5.10 In housing, affordability is positive compared to national averages, and efforts are focused on providing affordable homes and preventing homelessness. The Council will be charging a premium on second homes and long-term empty properties.

#### Political and Organisational Leadership.

- 5.11 The Council has 75 elected Members representing 51 electoral wards from a range of political groups. They normally meet as a full Council monthly, and the political composition of the Council is as follows.
- Plaid Cymru - 37 Members
  - Independent - 12 Members
  - Labour - 19 Members
  - Independent and unaffiliated - 7 Members
- 5.12 The administration is formed from a coalition of Plaid Cymru Members and Independent Members and these Councillors make up the Cabinet of 10 Members (7 Plaid Cymru and 3 Independent Members) including the Leader of the Council, Councillor Darren Price, Plaid Cymru Group Leader.

5.13 The Council has 5 scrutiny committees:

- Corporate Performance and Resources.
- Communities, Homes & Regeneration.
- Education, Young People & the Welsh Language.
- Health and Social Services.
- Place, Sustainability & Climate Change.

5.14 The Corporate Management Team (CMT), led by the Chief Executive Wendy Walters. As Head of Paid Service, she is the Council's principal advisor and responsible for overseeing the day-to-day operation of the Council's services.

5.15 There are 5 directorates: Chief Executive; Education, Children and Family Services; Corporate Services; Communities and; Place, Infrastructure and Economic Development. Within each Directorate there are a series of divisional services led by a Head of Service or service lead. The Panel is aware that this structure is about to be revised following the imminent departure of the Deputy Chief Executive to become the Chief Executive of another principal Council in Wales.

## **6. Strengths and Areas of Innovation**

- 6.1 Carmarthenshire County Council demonstrates a strong internal culture built on shared values and mutual respect. There is significant pride within the organisation, with staff expressing a desire to perform well for the benefit of Carmarthenshire. This positive sentiment is reinforced by a values-based culture that is deeply embedded at Chief Officer and Cabinet levels. Notably, trusting, and respectful relationships characterise the interactions between the Cabinet and the Corporate Management Team (CMT), with Cabinet Members expressing high confidence in their working relationships with Officers.
- 6.2 The Council also places a strong emphasis on effective governance and strategic foresight. Scrutiny is highly valued and seen as crucial to effective decision making and for ensuring the inclusivity of the Council's work.
- 6.3 The establishment of a social partnership has been well-received by Trade Unions, who view it as a valuable opportunity to redefine and strengthen collaborative working.
- 6.4 The Council's proactive approach is evident in its robust early thinking on prevention, particularly within Children's Services. This forward-thinking approach is clearly articulated in the Corporate Strategy, which effectively recognises key challenges and opportunities related to both people and place.
- 6.5 These internal strengths are further reinforced by the strong support staff feel from the corporate management team, empowering them to tackle complex tasks with a sense of possibility rather than impossibility - *“Makes a task feel possible rather than impossible.”*

## 7. Local and National Challenges

- 7.1 Carmarthenshire, like all councils in Wales, is facing significant financial sustainability challenges despite the current year forecast which shows a potential revenue budget underspend of £942k after adjustments and the receipt of additional funding. Children's Services and Schools are the areas of most financial pressure.
- 7.2 Children & Family Services are forecasting a net overspend of £4.037m with pressures across several areas.
- 7.3 Schools are projected to have an overall £2.9m net deficit in the current year despite relative protection for school budgets since the start of austerity. Balances started the year at £5.2m meaning an overspend of £8.1m. One secondary school has a £1.7m projected deficit (£1.3m in 2023/24). It is noted that the 2025/26 budget included a 7% cash increase for schools.
- 7.4 The Council demonstrates understanding of the pressure it faces but has a gap in its medium-term financial planning that will need to be addressed.
- 7.5 The 2025/26 budget was set with an 8.9% council tax increase (6<sup>th</sup> highest in Wales) and £8.14m of revenue savings. The budget was amended after public consultation that saw key groups engaged and the receipt of 2,900 responses. The Council is to be commended on making adjustments in response to what it heard.
- 7.6 The following information is also relevant for additional context:
- Carmarthenshire County Council is the accountable body for the Swansea Bay City Region. This is a partnership between the local authorities of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea and other businesses and organisations in the South West Wales region.
  - Carmarthenshire County Council's Chief Executive is currently the lead Chief Executive for the South West Wales Corporate Joint Committee (CJC). This is a regional corporate body established by Welsh Ministers and membership consists of the executive leaders of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea councils, along with a member of Bannau Brycheiniog National Park Authority and Pembrokeshire Coast National Park Authority. The CJC's functions and responsibilities focus on economic well-being, energy, transport, and strategic planning.
  - The Council has a Housing Revenue Account (HRA) with budgeted expenditure of £54m in 2025/26.
  - The 2025/26 capital programme totals £94.7m.
  - The recent Audit Wales Financial Sustainability Audit concluded that *"the Council's embedded transformation approach provides a strategic framework to positively support its financial resilience."*

## 8. Overview of Findings.

**Local areas, as identified by the Council, where peer insight would be valued as part of the Panel assessment:**

### 8.1 What further preventative actions could the Council explore in order to reduce future demand for services and enable improved de-escalation of care needs to lower-level support services.

8.1.1 Carmarthenshire County Council demonstrates an effective approach to safeguarding children and improving their lives, driven by a committed and highly motivated cohort of Officers. These Officers are not only creative and resourceful but also have a clear focus on transforming their working methods. This dedication is evident in powerful examples of a whole-Council response to prevention and early intervention, encapsulated by the “*Get in early*” initiative. Furthermore, there are excellent instances of support workers preventing escalation and reducing demand for statutory provisions.

8.1.2 The Panel considered what further preventative actions the Council could take to reduce the demand for Children’s Social Work Services and the need for escalation. The Panel concluded that the Council has strong foundations upon which to build but considered that greater programming is needed and at pace.

<b>1.1</b>	<p>The Panel recommends the Council should:</p> <ul style="list-style-type: none"> <li>• Maximise funding streams to roll out best practice to support prevention and community development.</li> <li>• Build upon existing partnerships to integrate further with public service partners to deliver community-based services.</li> <li>• Incorporate important early work on prevention within the broader Transformation Programme for Children’s Services.</li> <li>• Further develop partnership work with the voluntary sector and community organisations across Carmarthenshire to build community power.</li> <li>• Work with the Hywel Dda University Health Board and build upon the highly effective integration established for Adult Services to explore if a similar model can be put in place for Children’s Services.</li> </ul>
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### 8.2 What additional action could the Council take to improve the balance between providing safe and effective models of care and the cost of provision in order to develop a sustainable business model for the service going forward.

8.2.1 Managing costs in Carmarthenshire’s Children’s Services while ensuring high safeguarding standards requires a strategic approach and there is some evidence of this emerging through the work of the service and the Children’s Transformation Board. Success relies on early intervention, smarter commissioning, organisational reform, and integrated service delivery. Some UK local authorities have shown that

targeted measures can reduce costs without affecting the quality or safety of services for vulnerable children and families.

- 8.2.2 The Council is aware that investing in early intervention and preventative services is one of the most effective strategies for any Council. By providing support to families before issues escalate, Councils can substantially decrease the need for services to be required or for more expensive statutory interventions to be needed. Practical examples of such initiatives include the establishment of family hubs, parenting support programmes, and community-based volunteer schemes. These measures have proven successful in lowering the rate at which children enter care, leading to long-term savings and improved outcomes. The Panel heard about many excellent examples of such initiatives in Carmarthenshire.
- 8.2.3 Another critical area of focus is the reduction of high-cost residential placements. These placements, while necessary, are among the most expensive forms of care. The Panel heard that Carmarthenshire is demonstrating a sound approach by developing in-house residential capacity and it also heard of this being supported by a whole council approach.
- 8.2.4 Improving placement stability and sufficiency is also essential. Recruiting and retaining local Foster Carers enables Councils to avoid expensive agency placements and keeps children within their communities, which is often in their best interest. When the Panel was on site it was noted that the Council was undertaking a campaign to encourage people to become Foster Carers. Effective commissioning tools can be used to monitor and manage placement costs more effectively. When children are placed closer to home, local authorities also reduce associated costs such as transportation and specialist out-of-area provision.
- 8.2.5 Integrating Children's and Adult services presents another opportunity for transformation. Many families that come into contact with Children's Services are also involved with Adult services, particularly where issues such as substance misuse or mental health are present. Integrated service models ensure that support is holistic and reduces duplication of effort across services. This model promotes efficiency and delivers better support for families experiencing complex challenges. The forthcoming changes to the corporate structure will strengthen and embed integration between Children's and Adult services.
- 8.2.6 Carmarthenshire's Artificial Intelligence (AI) and Data Strategy will help harness the power of data and predictive analytics to enhance cost-effective service delivery. These tools not only improve decision-making and case tracking but also free up valuable staff time and ensure resources are used where they have the most impact.
- 8.2.7 Transforming service delivery through collaboration with other Councils or third-sector organisations can also help secure better outcomes and lead to meaningful savings. These collaborative arrangements allow Councils to retain strategic control while benefiting from shared capacity and economies of scale.
- 8.2.8 The Panel did not examine commissioning practices, but Carmarthenshire will want to continue assessing its capacity and capability through its improvement programme. Joint commissioning arrangements with health partners, coupled with the use of outcome-based contracts and smarter procurement, can drive better value for money.

By aligning incentives and focusing on results, Councils can reduce demand on services while ensuring that spending is directed towards interventions that have the greatest positive impact.

8.2.9 Carmarthenshire is showing a clear commitment to developing greater capacity and resilience in its social care workforce. This is key as managing the workforce effectively is fundamental to maintaining service quality and controlling costs. Reducing reliance on agency staff and investing in the development and retention of permanent social work staff creates a more stable and experienced workforce. The Council's approach shows that it has taken steps that will support increased workforce stability, leading to better continuity for children and lower recruitment costs over time.

8.2.10 Carmarthenshire is not alone in facing challenges in its Children's Services. Shared service models, predictive analytics, and targeted workforce strategies can all contribute to delivering better services at lower cost. The Council is already doing some of these and it must ensure it has sufficient capacity to ensure these measures form a comprehensive and adaptable framework for reducing Children's Services expenditure while continuing to prioritise the safety, wellbeing, and life chances of children.

8.2.11 Moving forward, a core focus will be on building organisational capacity across both human and financial resources to support change. This will involve further implementation of the "grow your own" strategy through apprenticeships and supporting staff in gaining relevant qualifications, ensuring that essential skills are cultivated internally.

8.2.12 The Panel in considering what additional action the Council could take to improve the balance between providing safe and effective models of care and the cost of provision in order to develop sustainable future services, concluded that the key components are already in place. However, activities in support of transformation require to be strengthened and extended.

1.2	<p>The Panel recommends the Council should:</p> <ul style="list-style-type: none"> <li>• Increase project management capacity to enhance programming and accelerate the delivery of transformation.</li> <li>• Put in place the appropriate resources necessary to achieving transformation (including the establishment of a Council Transformation Reserve referred to in Recommendation 3).</li> <li>• Establish robust monitoring arrangements for all pilot work including gateway reviews and move at pace to scale-up when desired outcomes have been achieved.</li> <li>• Ensure that data informs and underpins decision making and that this is delivered within the framework of the new Artificial Intelligence and Data Strategy.</li> </ul>
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## 9. Opportunities for Improvement: Recommendations

9.1 The Panel, after undertaking a review of the pre-read materials, preliminary meetings, and the valuable feedback received whilst onsite, has identified opportunities for improvement in 3 additional areas which are detailed within the tables below under: Financial Planning, Transformation and Innovation and Education and Schools.

### 9.2 Financial Planning.

9.2.1 This section sets out actions in relation to a crucial aspect for any local authority. They should be considered along with section 7 where we highlight some of the significant financial sustainability challenges faced by Carmarthenshire and all Councils in Wales. We also say more about this in section 12 which assesses the extent to which the Council is using its resources economically, efficiently and effectively.

2.	<p>The Panel recommends the Council should:</p> <ul style="list-style-type: none"> <li>• Put in place a Medium-Term Financial Strategy to support delivery of organisational resilience, financial balance, and the Corporate Strategy.</li> <li>• Utilise the departmental reserves policy to create a specific reserve to support delivery of the Transformation Strategy.</li> <li>• Review the Medium-Term Financial Strategy in-year and align with the Transformation Strategy, to provide assurance on the achievement of efficiencies and expenditure reductions.</li> </ul>
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### 9.3 Transformation and Innovation.

9.3.1 An important overarching theme for the Council and the PPA has been Transformation and Innovation. This theme has been referenced across the report and the specific actions for improvement have been gathered together below as recommendations. They are also supported with additional information on the importance of linking a Council Transformation Reserve with the Council's Transformation Strategy.

9.3.2 The Council operates a policy of departmental reserves and the first call on these is to offset any current year overspend; any proposed use of retained balances is to be approved by the relevant Corporate Director, the Director of Corporate Services and the Cabinet Member for the Service.

9.3.3 The amounts in these reserves are monitored and reported to the Council as part of the budget process. However, the policy emphasises that departments should be aware that the Council, in reviewing the position, may, if necessary, decide to draw on these funds for the corporate good.

9.3.4 The Panel noted the ambition to transform the Council and has recommended that Carmarthenshire considers updating its Transformation Strategy, which has been in place since 2022. Funding will be needed to support this initiative, and a Transformation Reserve should be established from the departmental reserves. This will require a careful approach, but the scale of corporate ambition demonstrated by the Leader and Cabinet necessitates a suitable reserve aligned with the refreshed Transformation Strategy.

3.	<p>The Panel recommends the Council should:</p> <ul style="list-style-type: none"> <li>• Review, refresh, and relaunch its approach to transformation and the new Transformation Strategy should be resourced to ensure that it is fit for purpose for current challenges.</li> <li>• Ensure the new Strategy is high-level and cross-cutting to drive a target operating model for the Council and focus on service specific objectives.</li> <li>• Bring together supporting strategies e.g., workforce and digital strategies, to explain and support the direction of travel.</li> <li>• Keep communities at the heart of the strategy – engage with them on what matters to them and find new ways of working together.</li> <li>• Communicate and engage across the Council to underpin implementation.</li> <li>• Work with partners collaboratively and explore sharing services and what you can do together.</li> <li>• Look beyond its boundaries, build on existing networks, and learn from others.</li> </ul>
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#### 9.4 Education and Schools

9.4.1 While education and schools were not a specific additional local area for consideration within the terms of reference, this important aspect of the Council’s services featured prominently in the assessment. This was due to a number of factors including certain ongoing decisions the Council was dealing with, and these are reflected in the recommendations shown below. For a more complete understanding they should be read in conjunction with section 7 which considers some of the significant sustainability challenges impacting on Carmarthenshire and all Welsh Councils and section 12 which considers the extent to which the Council is using its resources economically, efficiently, and effectively.

4.	<p>The Panel recommends the Council should:</p> <ul style="list-style-type: none"> <li>• Take action to address the number of school budget deficits. Where necessary and appropriate, the Council should strategically employ the “licence deficit” policy.</li> <li>• Continue to focus on site specific issues and challenges affecting individual schools.</li> <li>• Implement the “Modernising Education Programme” to address issues of excessive capacity and optimise the overall footprint of the school estate. This programme should inform capital programme investment and decisions on the “sustainable communities for learning programme.”</li> <li>• Maintain momentum on the review of school catchment areas which is important.</li> <li>• Build upon the early yet positive discussions concerning post-16 education.</li> </ul>
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## 10. Observations from the Panel.

- 10.1 Beyond the improvement opportunities in sections 8 and 9, the Panel compiled the following suggestions - rather than formal recommendations for improvement -, that it believes could benefit the Council, going forward.
- 10.2 The Council has a **compelling story** to tell but it is not shouting about it! While a strong narrative exists, it is not being communicated to its full potential thereby missing an opportunity to proactively showcase achievements and impact.
- 10.3 The Panel noted the excellent arrangements for **Member Support** and whilst the Council is meeting its statutory requirements, it should keep the Member Enquiries Service, Member Development, and the role of Democratic Services Committee under review to ensure continued effectiveness.
- 10.4 In terms of **workforce strategy** and support for transformation, the Council should fully utilise its competency framework, further develop succession planning, support career transitions and in the event of any employee reductions, ensure appropriate arrangements are in place.
- 10.5 On **prevention**, helpful work has started and this can be put into action. The Council may wish to think about how it can embed prevention naturally within existing arrangements rather than developing an additional separate strategy.
- 10.6 **The business community** regarded its engagement with the Council as being Positive. Businesses value this relationship and want to increase their engagement with the Council but on a more informal basis. The Council may wish to explore how this can be achieved to further strengthen ties.
- 10.7 **Youth Council** – Young people appreciate the relationship they have with the Council and value the help they receive from support workers. Strong foundations exist to take the current work with young people to the next level.
- 10.8 The County has a rich and vibrant **Voluntary Sector** to support locality working, and the Council should think about new partnerships and how it can increase volunteering and the potential of the sector.
- 10.9 **Town and Community Councils** – The Council has great examples of local work and working together with the sector and the Panel believe the Council should build on this to support local communities across Carmarthenshire.

### Statutory areas considered by the Panel.

#### 11.0 The extent to which the Council is exercising its functions effectively.

- 11.1 The Council operates with a sound understanding of the distinct roles of Members and Officers, contributing to clear lines of accountability and efficient decision making. This clarity is further evidenced by positive outcomes from inspections and audits by regulators, including, but not limited to, the statement of accounts. These favourable assessments reflect the robustness of the Council's financial management and operational integrity.

- 11.2 At the leadership level, there is an open and engaging culture underpinned by a “can do” approach, fostering an environment where challenges are met with proactive solutions. This is particularly visible in the very effective budget consultation process that led to meaningful amendments to the budget, demonstrating a clear “you said, we did” ethos.
- 11.3 Furthermore, the Council consistently showcases many examples of effective partnership working, leveraging external collaborations to achieve shared objectives for Carmarthenshire.
- 11.4 Moving forward, it is crucial that Members and Officers maintain a clear understanding of the significant pressures and demands in key areas. This heightened awareness must directly inform timely and effective decision making, particularly concerning education and schools which face unique and pressing challenges.
- 11.5 The Council needs to ensure the organisation has the necessary capacity to deliver key initiatives. This involves not only sufficient staffing and resources but also the right skill sets and operational frameworks to translate strategic plans into tangible outcomes for the community.

**12. The extent to which the Council is using its resources economically, efficiently, and effectively.**

- 12.1 The Council benefits from significant financial expertise around the Corporate Management Team (CMT) table, ensuring robust oversight and strategic guidance. This is complemented by highly committed and competent Members who possess a deep understanding of their respective portfolios. The collegiate arrangements within the Cabinet on budget setting, foster a collaborative approach to financial planning, while a very open and honest culture at both political and officer levels, characterised by a willingness to “*speak truth to power*” - promotes transparency and accountability. The budget planning process itself is thorough, layered, and detailed, with inclusive discussions involving both political and officer stakeholders.
- 12.2 In addition, performance management and review arrangements are comprehensive and rigorous, with remedial action taken when required, ensuring that objectives are met and any deviations are promptly addressed.
- 12.3 Moving forward, it is crucial that a medium-term financial strategy is firmly in place to support the delivery of the corporate plan and secure financial viability for the future. This strategic document will be the cornerstone of the Council's long-term financial health. There is also an increasing need for decisive action to address school budgets and deficits, a challenge that requires sustained attention and creative solutions.
- 12.4 Momentum must be maintained on the transformation, and the overarching Transformation Strategy should be aligned with the Medium-Term Financial Plan and be regularly reviewed to ensure its continued relevance and effectiveness.
- 12.5 The Council should give careful consideration to a revised approach to reserves, optimising their use to support strategic initiatives and build greater financial resilience.

- 12.6 Delivering value for money (VfM) is important to any Council. One element supporting any assessment is that Carmarthenshire has a very good record meeting its statutory accounts requirements. However, VfM is wider than just the accounts performance and touches on governance and scrutiny.
- 12.7 In Carmarthenshire there is a high-level understanding of the need to deliver VfM, and there is now an opportunity to embed how this relates to individuals, their roles, and day-to-day operations. Further work to define what VfM means for the Council should be undertaken so that this understanding is integral to the Corporate Strategy, the refreshed Transformation Strategy, the new Medium Term Financial Strategy (MTFS), scrutiny work programmes and operational practices across all levels of the organisation.
- 12.8 An effective independent Governance and Audit Committee plays a key role helping any council determine if it is providing value for money for its residents. The Panel found that Carmarthenshire's Governance and Audit Committee has a proactive approach to its role and is to be commended for having commissioned internal audit to carry out in-depth reviews into the key areas of Children's Services and Schools as these are areas of financial risk. It is important that any conclusions are given appropriate consideration by the organisation as the Committee brings to bear external skills and scrutiny to the Council's activities. The in-depth reviews by the Committee have been undertaken with the full support of the Council and this is evidence of a robust approach.

### **13. The extent to which the Council has effective Governance in place.**

- 13.1 The Council defines Corporate Governance as "doing the right things in the right way for the right people in a timely, inclusive, open, honest and accountable manner."
- 13.2 There is evident mutual trust and respect between Members and Officers, fostering an environment that allows for open and robust discussions, crucial for effective governance. Beyond this, strong and productive relationships exist across the board between Members and senior Officers, facilitating collaborative working.
- 13.3 The coalition agreement is functioning well, demonstrating effective political alignment and Member to Member relations are respectful and constructive, contributing to a cohesive decision-making body. These robust practises are also reflected in positive reports from regulators, affirming the Council's commitment to high standards.
- 13.4 Scrutiny is valued within the Council with clear mechanisms in place and actively utilised for pre-decision scrutiny. This proactive approach ensures thorough review before key decisions are finalised. The Cabinet is proactive in seeking the views of scrutiny, and portfolio holders consistently demonstrate strong leadership when scrutiny is conducted, highlighting a commitment to transparent and accountable governance.
- 13.5 The Governance and Audit Committee is robust and operates effectively, playing a vital role in upholding financial integrity and good practise.

- 13.6 The Council maintains very comprehensive risk register arrangements, which are currently being streamlined and prioritised to enhance their effectiveness and focus on the most critical risks.
- 13.7 Moving forward, it is important that the pace of decision-making increases. This acceleration is crucial to enable the Council to respond effectively to address challenges, drive necessary transformation, and ensure future sustainability. Timely and decisive action will be key to navigating the evolving landscape and securing the long-term well-being of the community.

#### **14. Improvement Support**

If you would like to discuss any further improvement support, please contact Jo Hendy, WLGA Head of Improvement.

#### **15. Acknowledgements**

The Panel and the WLGA would like to extend their thanks to the Council for its engagement throughout the PPA and we especially appreciate the support and openness from the Leader, Councillor Darren Price and Chief Executive, Wendy Walters. Our thanks and appreciation also go to the following Council Officers for their invaluable support in coordinating documentation requests, responding to queries, arranging meetings and workshops, and providing onsite assistance:

Gwyneth Ayres - Corporate Policy, Performance & Partnership Manager.

Rachel Clegg - Data Insight & Performance Manager.

Abigail Cole, Data Insight & Performance Officer.

Julia Harries, Assistant Information Officer.

Lesley Rees, Data Research Officer.

Lisa Lewis, Policy Officer.

Llinos Evans, Policy & Involvement Manager.

Luke Howells, Strategic Performance Manager.

Mandy Rogers, Data Insight Officer.

Sioned Raymond, Policy Officer & Partnership Officer.

## **Appendix: Recommended areas for improvement**

1. Additional Local Area for Consideration – (A single recommendation, presented in two parts (1.1 and 1.2), is provided for this additional local area for consideration).

1.1 *“What further preventative actions could the Council explore in order to reduce future demand for services and enable improved de-escalation of care needs to lower-level support services.”*

The Panel recommends the Council should:

- Maximise funding streams to roll out best practice to support prevention and community development.
- Build upon existing partnerships to integrate further with public service partners to deliver community-based services.
- Incorporate important early work on prevention within the broader Transformation Programme for Children’s Services.
- Further develop partnership work with the voluntary sector and community organisations across Carmarthenshire to build community power.
- Work with the Hywel Dda University Health Board and build upon the highly effective integration established for Adult Services to explore if a similar model can be put in place for Children’s Services.

1.2 *“What additional action could the Council take to improve the balance between providing safe and effective models of care and the cost of provision in order to develop a sustainable business model for the service going forward.”*

The Panel recommends the Council should:

- Increase project management capacity to enhance programming and accelerate the delivery of transformation.
- Put in place the appropriate resources necessary to achieving transformation (including the establishment of a Council Transformation Reserve referred to in Recommendation 3).
- Establish robust monitoring arrangements for all pilot work including gateway reviews and move at pace to scale-up when desired outcomes have been achieved.
- Ensure that data informs and underpins decision making and that this is delivered within the framework of the new Artificial Intelligence and Data Strategy.

## 2. Financial Planning.

The Panel Recommends the Council should:

- Put in place a Medium-Term Financial Strategy to support delivery of organisational resilience, financial balance, and the Corporate Strategy.
- Utilise the departmental reserves policy to create a specific reserve to deliver the Transformation Strategy.
- Review the Medium-Term Financial Strategy in-year and align with the Transformation Strategy, to provide assurance on the achievement of efficiencies and expenditure reductions.

## 3. Transformation and Innovation.

The Panel Recommends the Council should:

- Review, refresh, and relaunch its approach to transformation and the new Transformation Strategy should be resourced to ensure that it is fit for purpose for current challenges.
- Ensure the new Strategy is high-level and cross-cutting to drive a target operating model for the Council and focus on service specific objectives.
- Bring together supporting strategies e.g., workforce and digital strategies, to explain and support the direction of travel.
- Keep communities at the heart of the strategy – engage with them on what matters to them and find new ways of working together.
- Communicate and engage across the Council to underpin implementation.
- Work with partners collaboratively and explore sharing services and what you can do together.
- Look beyond its boundaries, build on existing networks, and learn from others.

## 4. Education and Schools

The Panel recommends the Council should:

- Take action to address the number of school budget deficits. Where necessary and appropriate, the Council should strategically employ the “licence deficit” policy.
- Continue to focus on site specific issues and challenges affecting individual schools.
- Implement the “Modernising Education Programme.” to address issues of excessive capacity and optimise the overall footprint of the school estate. This programme should inform capital programme investment and decisions on the “sustainable communities for learning programme.”
- Maintain momentum on the review of school catchment areas which is important.
- Build upon the early yet positive discussions concerning post-16 education.