

PEMBROKESHIRE COUNTY COUNCIL - INTEGRATED IMPACT ASSESSMENT



Please refer to the corresponding detailed guidance document before/during completion. An IIA MUST be Completed for ALL Council / Cabinet reports that recommend a formal decision relating to;

- Significant changes to service provision
- Significant expenditure or savings
- Any course of action which is significant in terms of its effects on local communities

Lead Officer	Director / Head of Service	Service / Department	Date
Jon Haswell	Jon Haswell	Resources	24 Nov 2025

Title of report / project:	Budget saving proposals for 2026-27 and beyond
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What is the proposal being assessed?
<p>Proposals for consultation as part of the 2026-27 budget. Budget proposals are ranked and categorised according to their probable impact in the budget modeller. The level of budget savings required (or how far down the ranked list) the council will need to go is subject to uncertainty and is also dependent on the level of council tax increase chosen by Members. The budget papers for December Cabinet will set our best estimates of the level of Welsh government funding, funding pressures and the assumptions that underpin these.</p> <p>Based on working assumptions in the Medium Term Financial Plan and a council tax increase of 7.5% then the size of the funding gap compared with the cumulative value of savings mean it is highly probable all savings proposals from Green to Red 1 will be taken with many of the Red 2 savings being taken as well.</p>

This document is divided as follows;

Section 1 Consultation and Engagement

Section 2 Data and Evidence

The following sections ask you to assess the impact of your proposal in view of;

Section 3 Well-being of Future Generations (Wales) Act 2015

Section 4 Pembrokeshire County Council's Well-being Objectives

Section 5 Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011
and the Socio-economic Duty (Sections 1 – 3 of the Equality Act 2010)

Section 6 Welsh Language (Wales) Measure 2011

Section 7 Environment (Wales) Act 2016 – Section 6 Duty

Section 8 Decarbonisation and Climate Change – Pembrokeshire County Council Net Zero Carbon by 2030

Section 9 Armed Forces Covenant Duty

Section 1 – Consultation and Engagement

Please provide details of consultation and engagement undertaken to support the proposal, taking into account the Gunning Principles of public consultation which state that a consultation is only legitimate when the following principles are met;

1. Proposals are at a formative stage - decisions must not have been made or pre-determined
2. There is sufficient information to give 'intelligent consideration' - information relating to the consultation must be available, accessible and easily interpreted so that consultees are able to provide an informed response
3. There is adequate time for consideration and response – the consultation period must be long enough to provide sufficient opportunity for consultees to take part
4. Consideration must be given to consultation responses before a decision is made – can you provide evidence of this?

Proposals will be consulted on from late Nov 2025 to 4 Jan 2026. Due to committee deadlines for the 2026-27 budget and the need to report the results of the consultation to them, we are unable to extend the consultation's closing date beyond 4 January 2026.

In order to avoid pre-determination, some proposals for 2026-27 which have either been subject to a decision (eg decision to acquire a site for use as a Children's Home) or are on the agenda for decision making prior to the close of the consultation have not been included as proposals for consultation. Council tax premiums for both empty homes and second homes were set at October 2025's Council meeting along with a decision on how any funding from the premiums should be used. The financial implications of this have been built into the calculation of the projected funding gap.

Proposals with a limited impact on the public, or where residents have little influence over whether they go ahead (eg balance of the council and health board funding for packages of care) have not been included in the consultation but are listed in the accompanying budget modeller.

A question on council tax levels is also included and asks about the balance between using council tax and savings to balance the budget. From this, an estimate of the preferred level of council tax can be calculated. We have asked the question in this way as we consider (based on using this in the 2025-26 budget consultation) that it better reflects the choices that need to be made as the preferred level of council tax inevitably have an impact on service savings proposals and vice versa.

Section 2 – Data and Evidence

Please provide details of data and evidence that has been used in the development of the proposal, e.g. reports, local or national data, service user feedback, outcomes of previous consultations, business plans etc. (Specific evidence relating to legislative requirements should be added to the relevant sections 3-9 below.)

Proposals originate with a requirement for services to identify a 5% net revenue budget saving for 2026-27 (and 5% for each of the 2027-28 and 2028-29 years) or 15% by 2028-29.

Budget proposals have been developed through production of service plans (from Feb 2025). In some cases, budget proposals are an extension of previous years' budget savings and/or have been identified in previous years but not progressed, often because of their impact.

Budget proposals have been tested through a number of budget discussions with managers and with members throughout the autumn. Managers and members have often been able to draw on their experiences of making similar savings in previous years which has helped inform their assessment of likely impact, timescales and ease of delivery.

Section 3 – Well-being of Future Generations (Wales) Act 2015

The following guidance provides more information on the Well-being Goals and Sustainable Development

<https://www.gov.wales/well-being-future-generations-act-essentials>

Which of the following National Well-being Goals does the proposal have an impact on or contribute to delivering?

National Well-being Goal	Positive – please describe the positive impacts	Negative – please explain any negative impacts	No impact – please provide an explanation
A prosperous Wales	Given that the proposals will reduce resources, positive impacts are limited.	Assuming Deep Red options are not taken then services with a strong link to the economy (planning and regeneration) will not be expected to find substantial savings but the proposals will make the Council more reliant on grant funding to deliver regeneration.	
A resilient Wales		Proposals to reduce spending on road maintenance and street cleansing will impact on this objective	Most savings proposals will have a neutral impact on this goal including proposals for income generation from sale of material collected for recycling.
A healthier Wales	Some adult social care proposals will tend to promote independent and living.	<ul style="list-style-type: none"> The budget will find the majority of savings in two broad areas: schools budgets (a saving of around 2%, about £2 million but with the potential for this to be higher) and social care (approximately £5 million for adults and £1.1 million for children). The majority of savings for adult care result from commissioning work and/or reviewing packages of care with an emphasis on maintaining people within the community as far as possible. Savings within children's care come from use of preventative models. <p>Savings in social care come with the proviso that statutory needs will be met, providing a safety net. Welsh Govt regulations on charging remain in place and the maximum weekly contribution remains unchanged at £100 pw since 2020 (approximately £123 at 2025 prices based on CPI inflation).</p>	

A more equal Wales		The budget setting process will balance raising funding from council tax (which tends to be regressive and impacts hardest on low income families) and reducing spending on services and increasing fees and charges which tends to hit a wider range of people on low incomes.	
A Wales of cohesive communities			Proposals are unlikely to impact on housing (council house funding is separate).
A Wales of vibrant culture and thriving Welsh language		Proposals to reduce resources for the music service will have a negative impact. Proposals for libraries, if partnerships with communities are successful, will safeguard access to libraries and Welsh language books. See separate section on Welsh language.	
A globally responsible Wales		The proposals are unlikely to directly impact on carbon reduction but will stretch capacity to deliver invest to save schemes.	

What will be done to minimise or mitigate any negative impacts identified above?

The purpose of the consultation is to determine appetite for council tax rises and to gain further insight on the impact of proposed changes. Where appropriate, mitigation will be considered as part of the full impact assessment of the budget.

Sustainable Development Principle

The Sustainable Development Principle means that when making decisions, the Council needs to take account of the impact these decisions could have on people living in Wales in the future, by considering the following 5 ways of working;

- Long-term
- Prevention
- Integration
- Collaboration
- Involvement

Please outline how you have considered each of these when developing your proposal.

Ways of Working	How has this been considered when developing your proposal?
Long-term	The Council essentially works to annual funding rounds from Welsh which frustrates long term planning. Financial planning tends to be over the medium term and services' saving proposals are over a three year period. Longer term planning processes, for instance for school reorganisation or encouraging

	prevention/demand reduction in social care are used in parallel to the budget planning process and these are key to tackling budget pressures. Capital financing affordability is undertaken over a much longer period, typically at least 15 years.
Prevention	A two year prevention programme, focussing on social care but also allocating some resource to regeneration was agreed in April 2025. This was funded from the initiative fund reserve, funding that would not have been available if previous years' budgets had overspent. Given the size of the budget savings required, some proposals that are inconsistent with prevention are being considered, such as reductions to highway maintenance budgets. Whilst higher levels of education savings may be able to be avoided, even a 2% reduction to school budgets would make it more difficult to pursue prevention projects within schools.
Integration	The budget proposals have been developed and prioritised by looking for proposals that save money through more efficient processes rather than impacting on customers and do not look at the impact of individual service changes in isolation.
Collaboration	A number of proposals rely on good working relationships with other organisations such as Hywel Dda University Health Board.
Involvement	This consultation, along with face to face events two Facebook Live budget sessions and seminars with Members will inform the proposals considered by Council for the final 2026-27 budget.
Please outline any specific sources of data or evidence to support the information above	
The text above has been developed using information provided by services on budget saving proposals.	

Section 4 – Pembrokeshire County Council's Well-being Objectives

Under the Well-being of Future Generations (Wales) Act 2015, the Council also has a duty to publish Well-being Objectives. Our [Corporate Strategy](#) outlines the Council's Well-being Objectives.

Does your proposal help to deliver against any of the Council's Well-being Objectives? Will it have a positive or negative impact?

Well-being Objective	Positive – please describe the positive impacts	Negative – please explain any negative impacts	No impact – please provide an explanation
Our Future - enabling the best start in life for our children and young people, equipping them with skills for the future		The proposal to reduce schools budgets is likely to have an impact.	The Council's preventative programme is funded through reserve and will not be directly affected by proposals
Our Place – prosperous places, with clean, safe and sustainable environments, where people can live well and thrive		Proposals to reduce cleaning and road maintenance spending are likely to have a negative impact	Comparatively few proposals will have a direct impact on this objective. Likely savings requirements for regeneration will increase reliance on grant funding.
Our Communities - caring for people, and enabling active, resourceful and connected communities	Some potential to support independent living	As outlined in the healthier Wales section, there will be pressure on social care budgets (mainly adults). The impact of these is likely to be broadly neutral but may result in a change in how some people's care is delivered	
Our Council - a financially sustainable, well-governed Council, with a workforce equipped to support the people we serve	The goal is setting a balanced budget in order to ensure future financial sustainability. Without the discipline in previous years, it is likely that the council would be in a much more serious position.	Proposals that take significant amounts of resources out of key corporate processes e.g. Information technology and digital support teams finance teams, HR and internal audit are rated Red 2 Deep Red but it is possible that they will need to be considered depending on possible movements in the size of the projected funding gap and decisions on council tax levels. This will make it more difficult to sustain the improvements made in corporate governance as well as making it more difficult to plan future years' budgets.	

What will be done to minimise or mitigate any negative impacts identified above?

The consultation will seek views on proposals and whether council tax should be increased to avoid taking them.

Please outline any specific sources of data or evidence to support the information above

The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.

Section 5 – Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 and the Socio-economic Duty (Sections 1 – 3 of the Equality Act 2010)

The Equality Act 2010 requires the Council to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between different groups; and foster good relations between different groups. Individuals may have more than one protected characteristic.

Please describe any impacts on the following groups;

Protected Characteristic	Positive – please describe	Negative – please explain any negative impacts	No impact – please provide an explanation
Age	As commented elsewhere proposals are unlikely to have a positive impact	Some of the proposals such as reductions in school budget or for adult social care are likely to impact on different age groups	
Disability		There are a number of proposals for adult care that rely on reviewing care packages that support disabled people. Whilst the overall impact may be positive in that changes will promote independence but some service users may see changes to their support, the consultation is an opportunity for them to express views.	
Gender reassignment			Based on previous years' budget consultations, unlikely to be an impact.
Marriage and civil partnership			Based on previous years' budget consultations, unlikely to be an impact.
Pregnancy and maternity		Changes are planned for Flying Start (early years) which will become a universal service rather than geographically targeted initiative, allowing greater use of this grant	

		and a subsequent reduction in pressure on PCC funding. Views will be sought. Unlikely to be any reduction in ability to deliver children's social care.
Race		Based on previous years' budget consultations, unlikely to be an impact
Religion or belief		Based on previous years' budget consultations, unlikely to be an impact
Sex		Based on previous years' budget consultations, unlikely to be an impact. However, there are also slight differences in the proportions of men and women for different age groups.
Sexual orientation		Based on previous years' budget consultations, unlikely to be an impact

What will be done to minimise or mitigate any negative impacts identified above?

The consultation will help identify negative impacts for the groups above

Please outline any specific sources of data or evidence to support the information above

The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.

The Socio-economic Duty requires Councils to consider the need to reduce inequalities of outcome which result from socio-economic disadvantage when making decisions.

Socio-economic disadvantage refers to those who live in less favourable social and economic circumstances than others in society. Inequality of outcome relates to measurable differences in outcome between those who have experienced socio-economic disadvantage and the rest of the population. Detailed [guidance](#) can be found on the Welsh Government website.

Please describe the impact the proposal will have.

Positive – please describe the positive impacts	Negative – please explain any negative impacts	No impact – please provide an explanation
<p>Given that the proposals aim to reduce spending, it is unlikely that any proposal will have a positive impact on reducing socio economic disadvantage.</p>	<p>Education is often described as the best long term solution to poverty. There is a risk that larger reductions to school budgets will negatively impact on poverty.</p> <p>Both the school music service and sports service have a good track record of being inclusive and extending access to young people on low incomes. Significant reductions in these services is likely to impact on young people in low-income families.</p> <p>A reduction in staff in Revenues and Benefits may impact on the ability to process benefits or Council Tax reductions in a timely way. However, the future impact depends on the way in which digitisation can reduce administrative costs.</p> <p>Proposals to increase the cost of a community alarm and car park charges may also impact.</p>	<p>Relatively few of the proposals will result in additional charges to users but there is a budget strategy policy that all fees and charges will increase by September 2024's rate of the Consumer Prices Index (see negative impact section).</p>
What will be done to minimise or mitigate any negative impacts identified above?		
<p>The consultation will help identify negative impacts.</p>		
Please outline any specific sources of data or evidence to support the information above		
<p>The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.</p>		

Section 6 – Welsh Language (Wales) Measure 2011

The Welsh Language (Wales) Measure 2011 and the Welsh Language Standards require the Council to consider the positive or negative impact a proposal may have on opportunities to use and promote the Welsh language, and to ensure that the Welsh language is treated no less favourably than English. Please describe the impact the proposal will have.

Positive –	Negative – please explain any negative impacts	No impact
<p>Given that the proposals aim to reduce spending, it is unlikely that any proposal will have a positive impact on the Welsh language or that they could be reformulated to give a positive impact.</p> <p>It is worth noting that planned 2026-27 initiatives that will have a positive impact on the Welsh language such as Eisteddfod Y Garreg Las 2026 are not dependent on the Council's 2026-27 budget.</p>	<p>Reduction in resources for the Contact Centre of £250k. Whilst there is no intention to reduce the ability to take Welsh language calls, a reduction in staffing (or the threat of reduced resources prompting unplanned staff turnover) will make it more difficult to ensure that all Welsh language calls are answered within a similar time to English language calls. Currently average answer time for all calls is at around 9 minutes compared to a 2 minutes target.</p> <p>Proposals to reduce schools' budgets will tend to make it more difficult to deliver the Welsh Education Strategic Plan. Savings will need to be made by schools themselves and whilst we are not aware of any evidence that Welsh medium schools will be impacted more severely than English medium ones, given the importance of education to the future of the Welsh language this needs to be flagged up. It is worth noting that the formula used in Pembrokeshire gives the same weight to Welsh medium schools as it does to English medium schools in allocating resources per pupil. However, a higher allocation is given to bi-lingual schools in recognition of the higher costs these schools encounter. The size of the savings required for schools (this may well still result in an increase in cash-terms) is, based on current information very unlikely to exceed 2.5% and may well be lower than this. This contrasts with the saving requirement for most council services of 5%.</p> <p>The following proposal will impact on Welsh language teaching but it is worth noting that the core elements of these courses will continue to be delivered at no cost to the learner: <i>E10. Welsh for Adults Grant will focus on core subject delivery with discretionary elements either ended or subject to learner fee as part of the general adult education offer. The impact is that some learners will pay towards their course. Estimated saving: £25400</i></p>	<p>Our view is that the vast majority of budget savings will impact on people who speak the Welsh language in the same way that they impact on English language speakers.</p> <p>The Council's Welsh language standards remain in force and services will continue to be offered in Welsh and English depending on service users' choice.</p> <p>Welsh language classes in the community and at PCC are funded through Welsh government grant and this is outside of PCC's budget process.</p>

What will be done to minimise or mitigate any negative impacts identified above?		
<p>Work is on-going to use digital and AI technology to reduce the demand on the contact centre which will help reduce telephone answering times. The need to meet the Welsh language standards is a part of the specification for this work. Based on the 2024-25, the average time a customer waits for the telephone to be answered in the Welsh queue was 31 seconds compared with 45 in the Welsh queue.</p> <p>It is probable that, on average, the budget will require a smaller budget saving from schools than it does from other council services and this will provide some mitigation. The Welsh Education Strategic Plan will continue to be delivered. Whilst capital funding is not covered in the consultation, it is worth noting that Welsh Government capital contributions to new or refurbished school buildings have been more generous for Welsh rather than English medium schools.</p> <p>Bursaries are available to help meet the costs of any additional fees that may be charged for Welsh language courses. The consultation will ask for views on the following which will assist any negative impacts to be identified along with any missed opportunities to promote Welsh language</p> <p><i>What effects do you feel the proposal(s) would have on</i></p> <ul style="list-style-type: none"> <i>opportunities for persons to use the Welsh language</i> <i>treating the Welsh language no less favourably than the English language.</i> <p><i>Please consider if the proposal can be changed so as to have positive effects (or more positive effects), and to avoid or reduce negative effects, on:</i></p> <p><i>(i) people's opportunities to use Welsh?</i></p> <p><i>(ii) the need to treat the Welsh Language no less favourably than English?</i></p> <p><i>If yes - How? If no - Why not?</i></p>		
Please outline any specific sources of data or evidence to support the information above		
<p>The final impact assessment will draw on data from the consultation. If negative impacts are identified options for mitigation will be considered.</p>		

Section 7 – Environment (Wales) Act 2016 – Section 6 Duty

Under Section 6 of the Environment (Wales) Act 2016 the Council must seek to maintain and enhance Biodiversity and in doing so, we must also seek to promote the resilience of Ecosystems.

Does the proposal impact on Biodiversity and the resilience of Ecosystems?	Yes		No	
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If yes, what is the expected impact of the proposal on biodiversity? Please provide an explanation

Maintained	Enhanced
The proposals which are being considered take into account the deliverability constraints imposed by the need for nutrient neutrality. Proposals to reduce cleansing would tend to result in more stress being put on the environment.	We do not anticipate any of the proposals will result in enhancements to the bio-diversity or the environment.

What will be done to minimise or mitigate any negative impacts identified above?

The consultation will help identify negative impacts.

Please outline any specific sources of data or evidence to support the information above

The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.

Section 8 – Decarbonisation and Climate Change – Pembrokeshire County Council Net Zero Carbon by 2030

In May 2019 the Council voted to declare a climate emergency and in July of the same year voted to develop an action plan to steer Pembrokeshire County Council towards becoming a net zero carbon local authority by 2030. More information about the [action plan](#) is available on the Council's website.

What impacts will the proposal have on the Council's commitment towards becoming a net zero carbon local authority by 2030?

Positive – please describe the positive impacts	Negative – please explain any negative impacts	No impact – please provide an explanation
		The action plan is in the process of being revised. Whilst reducing resources in real terms is unlikely to have a positive impact, based on the existing plan and current proposals, the impact is likely to be broadly neutral.
What will be done to minimise or mitigate any negative impacts identified above?		
The consultation will help identify negative impacts.		
Please outline any specific sources of data or evidence to support the information above		
The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.		

Section 9 – Armed Forces Covenant Duty

The Council has a legal obligation under the above duty to consider the impact of decisions that impact on serving or former members of the armed forces when delivering functions relating to Health, Housing and Education. In September 2024 Pembrokeshire County Council was awarded the Defence Employer Recognition Scheme Gold Award, underlining the Authority's commitment to support those who keep our nation safe, as well as their families and veterans. Statutory [guidance](#) is available on the Gov.uk website. Please describe the impacts of the proposal on the armed forces community in relation to;

Relevant functions	Positive –	Negative –	No impact – please provide an explanation
Health <ul style="list-style-type: none"> Provision of services Planning and funding 			The demographic questions on whether a respondent is a member of the armed forces community is included in the response form.

<ul style="list-style-type: none"> Co-operation between bodies and professionals 			<p>Results from last year's consultation were that members of the armed forces community were more likely to low or no increase in council tax.</p> <p>Based on initial information, it is unlikely that proposals will impact differently on members of the armed forces community compared with the general population. It is worth noting that younger veterans are more at risk of becoming homeless and these services remain stretched (and nutrient neutrality regulatory constraints on developing additional in-house temporary accommodation).</p>
Housing <ul style="list-style-type: none"> Allocations policy for social housing Homelessness Disabled Facilities Grants 			
Education <ul style="list-style-type: none"> Admissions Educational attainment and curriculum Child wellbeing Transport Attendance Additional needs support 			
What will be done to minimise or mitigate any negative impacts identified above?			
The consultation will help identify negative impacts.			
Please outline any specific sources of data or evidence to support the information above			
The consultation will generate evidence on likely impacts and, based on previous years' consultations, ideas on how proposals might be mitigated.			

Director / Head of Service Approval			
Name:	Jon Haswell		
Job Title:	Director of Resources		
Signature:		Date:	24 Nov 2025