

Public Document Pack



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Os yn galw gofynnwch am - If calling please ask for

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COUNTY COUNCIL
Thursday, 23rd February, 2017

S U P P L E M E N T A R Y P A C K

1.	BUDGET FOR 2017-18, MEDIUM TERM FINANCIAL STRATEGY 2017-2020 AND CAPITAL PROGRAMME FOR 2017-2021	CC22- 2017
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To consider the Budget for 2017-18, Medium Term Financial Strategy 2017-2020 and Capital Programme for 2017-2021.

(Pages 3 - 6)

2.	QUESTIONS IN ACCORDANCE WITH THE CONSTITUTION	CC25- 2017
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Question to the Leader from County Councillor Gwynfor Thomas

In June 2014 a report was commissioned by the education department into secondary school financial viability. This report was compiled by PWC.

Appendix 1 – Individual school commentary – contains tables outlining specific financial information on each school from 2011/12 through to 2017/18.

There is a clear line showing transport costs and the use of school budget by each school in providing transport for pupils attending the school.

It is very clear what each school was currently and predicted to spend their budgets on.

As Leader you read and understood this report I am sure.

With the appendix outlining how school budgets were being used by each school on transport why did you not raise concerns about Llanfyllin High schools use of their budget on school transport post 2011/2012 - post full implementation of Regulation 5.2?

(Pages 7 - 10)

Council 23rd February 2017

Notification of change to Budget Proposal

The Cabinet have agreed a revised Council Tax proposal and therefore give notice of the amended proposal of a 3.9% increase.

Minor Changes to the budget proposal have been made to accommodate this change and are included in the revised Financial Resource Model attached.

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Financial Resource Model 2017/18 to 2019/20

	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Net Budget	237,117	240,192	238,420
Total Inflation	909	987	999
	238,027	241,179	239,419
Grant Transfers/Other Changes			
Blue Badge Additional funding	0.4	0	0
Current Teachers' Registration Subsidy	(43)	0	0
Food Hygiene Rating Scheme	2	0	0
School Transport	43	0	0
New Reponsibilities			
External Pressures (Must Do's)			
Auto Enrolment into Pension Fund in 2017/18	374	374	0
Pension Liability	300	100	100
Actuarial Revaluation of Pension Fund	750	750	750
Fire Levy	111	50	50
Apprenticeship Levy	600	0	0
Homelessness Prevention	207	0	0
Corporate and Service Pressures (Must Haves)			
Coroners	11	11	0
Management of Change	(120)	0	(10)
Valuations	80	0	0
Resource Plan	747	0	0
ICT	125	0	0
JV Property Income Target	300	0	0
Union Facility Support	29	(29)	0
Income and Awards Software	64	0	0
Increase in School Roll	0	50	280
Reduction in School Roll	(340)	(180)	(88)
Landfill Sites	50	0	0
Schools Out of County Placements	827	0	0
Leisure Contract Savings	0	(49)	(25)
Policy Decisions			
<u>Social Care</u>			
Delivering Transformation Grant	113	0	0
Deprivation of Liberty Standards	10	0	0
Increased Capital Limits for Residential Care	222	0	0
War Disablement Pension Disregard	12	0	0
Adult Social Care	3,989	2,006	1,453
Day Centres	1,100	426	0
LATC - Social Care	0	79	96
TIC	70	(100)	0
Queens Baton	9	(9)	0
Living Wage	450	400	300
Additional Funding For Schools	1,000	1,000	1,000
Single Environment Grant	240	0	0
Household Waste Recycling Centres (HWRC)	200	0	0
Household Waste Recycling Centres (HWRC)	300	(300)	0
Leisure Savings	200	(130)	0
Poverty Champion	10	0	0
Saving Re Cabinet Member	(20)	0	0

	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
Reduce Contingency Budget	(50)		
Capital Financing Costs			
New Capital Funding	0	272	965
New Capital Funding - County Farms	0	23	34
New Capital Funding - Social Care	0	55	48
Additional Savings Identified			
People			
Adult	(2,208)	(1,428)	(453)
Children	(1,082)	(1,197)	0
Housing	0	(80)	0
Place			
Highways, Transport and Recycling	(2,339)	(1,952)	0
Regeneration, Property and Commissioning	(525)	(200)	0
Leisure & Recreation	(927)	(432)	0
Resources			
ICT	(232)	(323)	0
Business Services	(278)	(612)	0
Professional Services	(215)	(300)	0
Schools	(1,269)	(1,233)	0
Chief Executive	(250)	(157)	0
Law and Governance	(28)	(45)	0
Other Corporate	(573)	(400)	0
Total Savings	(9,926)	(8,357)	(453)
Reserves			
Repayment of Windfarm Costs	420	0	(140)
Contribution to General Fund delayed	(500)	500	0
Budget Management Reserve	500	0	0
Budget Management Reserve for HWRC	(300)	300	0
Total Budget	240,192	238,420	243,779
Funded by			
AEF	-0.5% 170,028	-2.5% 165,777	-2.5% 161,633
Council Tax	3.90% 70,164	3.75% 72,576	3.75% 75,297
Total Funding	240,192	238,352	236,929
(Shortfall) / Balance	0	(68)	(6,850)

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
23 February 2017

REPORT AUTHOR: County Councillor Barry Thomas, Leader

SUBJECT: Question from County Councillor Gwynfor Thomas
Submitted at the Council meeting on 19 October 2016

In June 2014 a report was commissioned by the education department into secondary school financial viability.

This report was compiled by PWC.

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There is a clear line showing transport costs and the use of school budget by each school in providing transport for pupils attending the school.

It is very clear what each school was currently and predicted to spend their budgets on.

As Leader you read and understood this report I am sure.

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Answer from the Leader for Council 19 October 2016

In light of issues raised at the LEA Governor Appeal Hearings in connection with the PWC report, I have arranged for Mr Jonathan Walters, the Independent Investigator, to consider the relevance to his investigation, if any, of the PWC report. In the circumstances, I do not consider that it is appropriate to provide you with a response to your question until such time as the item of further investigations by Mr Walters are to hand.

I shall arrange for your question to be incorporated to the Agenda for the first Full Council meeting after the further report from Mr Walters is available.

Answer from the Leader for Council 23 February 2017

I received the report, as did all County Councillors, via e-mail in October 2014. This was for information.

I attach a copy of page 23 of the PWC report which states:-

“Home to school transport for all pupils is funded directly by the Council, with schools only funding in-school transport for educational and extra-curricular trips. However, there is an inconsistent cost recovery of school trips amongst the schools. Some schools do not charge pupils, whilst others ask for donations”.

At that time I did not appreciate the implications of the line in the PWC showing increased transport costs in Llanfyllin High School. The report from Jonathan Walters concludes that no-one picked the matter up at the time, not even yourself or the other LEA Governors at the school. Neither did you or the other LEA Governors become aware of the potential significance of the PWC report until after the date of his first report, even though you and your fellow LEA Governors were fully aware of the breach of regulation 5.2.

To answer your questions directly, I did not raise concerns about Llanfyllin High School's use of their budget on school transport because I, like everyone else did not appreciate the potential significance of the PWC report until it was brought to my attention at the LEA Governor appeal hearing.

In any event, the PWC report was looking at the financial viability of Secondary Schools in Powys and not on school transport and I would say that there is a very big difference between missing something and actually knowing it has happened.

I find it interesting that you have tabled this question to me whilst you were a Governor of the school and would have known by approving the budget that the school was not complying with 5.2 of the schools policy. Also, two other Governors, one being Chair at one stage of the Audit Committee which you serve on as well. I am extremely surprised that you did not raise it as an item to be discussed at Audit Committee. There was a Cabinet member who also had the opportunity to raise this issue and at no time did he inform us as I am aware in our discussion concerning budget issues.

One must get into perspective that the PWC report came in October 2014 and I was made aware of the breach in 5.2 policy just before Christmas 2015. So if someone had picked up as you suggest this knowledge would have come to the rest of us Councillors who were not Governors at Llanfyllin High School information some 14 months earlier as the school had not been compliant with policy since its introduction in 2010.

The PWC report was not focussing on school transport.

I am sure you also read and understood this report.

d) 6th form and transport

Across the County, there is a large variation in the size of sixth forms, in terms of pupil numbers and range of courses offered. There are learning partnerships in place between the schools, which have resulted in additional choice offered to pupils who are willing to travel, and all schools spoke positively about these arrangements. However, due to the geographically dispersed nature of the County, this is not always a viable or sustainable option for all pupils and it was acknowledged that the travel time for some pupils in certain areas of the County is significant. Whilst all Head Teachers were positive about the family of schools arrangements, they felt that this may inadvertently stifle discussions with neighbouring authorities, which may bring greater benefit to pupils in terms of their choice and travelling distances.

Schools located close to the borders of other counties and England stated that there were other schools, very close, which could offer increased course choice for their pupils, posing a risk of pupil drift, with the funding following the pupil out of Powys. One school in particular, faces significant competition from an English Academy school, which enjoys higher funding per pupil than those schools in Powys. However as transport isn't funded if pupils travel outside of the Council borders, this may restrict pupil's ability to access schools from Powys.

There is a significant variation in 6th form class sizes across the schools. Maes-y-dderwen for example, mentioned that it only has one pupil in two of its 6th form classes, whilst Crickhowell has class sizes of 30. We understand that, to manage the financial pressures, Maes-y-dderwen and Builth Wells are looking to manage costs by teaching years 12 and 13 back to back in some courses.

Home to school transport for all pupils is funded directly by the Council, with schools only funding in-school transport for educational and extra-curricular trips. However, there is an inconsistent cost recovery of school trips amongst the schools. Some schools do not charge pupils, whilst others ask for donations.

e) School conditions and facilities

Under the current financial pressures, maintenance and repair budgets have been scrutinised, and 50% of schools are planning to reduce their budgeted spend over coming years. The actual picture is as follows:

- Maes-y-Dderwn - no change
- Bro-Ddfyi - £10k decrease over the next three years;
- Welshpool - £30k decrease over the next three years;
- Newtown / JB - £15k decrease over the next three years;
- Llanidloes - no change;
- Llanfyllin - £20k decrease in the next three years;
- Llandrindod - £45k decrease in the next three years;
- Gwernyfed - £5k decrease in the next three years;
- Crickhowell - no change;
- Caereinion - no change;
- Builth Wells - £1k increase over the next three years
- Brecon - £10k increase over the next three years

The net change in maintenance and repairs over the next three years is a £104k reduction in budgeted spend across the schools. Despite these plans, schools state that there were improvements which they would like to

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