

Public Document Pack



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CABINET

Tuesday, 2nd November, 2021

The use of Welsh by participants is welcomed. If you wish to use Welsh please inform us by noon, two working days before the meeting

SUPPLEMENTARY PACK

1.	ACCOMMODATION IN POWYS FOR ASYLUM SEEKERS
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To consider a report by County Councillor Myfanwy Alexander, Portfolio Holder for Adult Social Care and Welsh Language and County Councillor Iain McIntosh, Portfolio Holder for Economic Development, Housing and Planning.

(Pages 1 - 20)

2.	CAPITAL FORECAST AS AT 30TH SEPTEMBER 2021
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To consider a report by County Councillor Aled Davies, Portfolio Holder for Finance and Transport.

(Pages 21 - 32)

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Impact Assessment

Asylum Seekers Resettlement



Powys

DRAFT

26/10/2021

Reference: 6750-0212-9835-9051

Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author name	Megan Lewis, Resettlement Project Officer
Head of service	Nina Davies, Head of Housing and Community Development
Portfolio holder	Myfanwy Alexander, Portfolio Holder for Adult Social Care and Welsh Language
Proposal title	Asylum Seekers Resettlement
Description of proposal	<p>Powys County Council is being asked to support The Home Office in accommodating asylum seekers across Powys. The Home Office's specialist contractor, Clearsprings Ready Homes, would be leading and managing delivery of the project. The Council's involvement would be limited to consultation on potential areas for housing, liaison during the settlement (including community cohesion) and, possibly, a duty to assist potentially homeless individuals/families following the determination of their claim.</p>

2. Savings and Consultation requirements

Profile of savings delivery

None

Consultation requirements

Consultation required?	No
Justification	<p>Not applicable. Accommodating asylum seekers in Powys is something that the Council is offering to do in response to a request for assistance from the Home Office. The Home Office have indicated that assistance would be mandated should insufficient offers of accommodation be forthcoming. Whilst there will be no public 'consultation' PCC are preparing a communications campaign to ensure that the wider Powys communities are aware of the proposals.</p>

3. Impact on other service areas, geographical areas and data protection

3a. Impact on other service areas

- Childrens Services
- Adult Services
- Housing and Community Development
- Legal & Democratic Services
- other

3b. Impact on geographical locations

The entire county

3c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	Yes
Is Powys County Council the data controller?	No
Further information	The Home Office's official contractor, Clearsprings Ready Homes, will be the data controller with PCC only having access to very basic information, limited to name, address, dates of birth and family composition.

4. Impact on Vision 2025

4a. The economy

Impact	<p>This project provides an opportunity for private landlords to establish settled tenancies across the county, thus improving their letting businesses.</p> <p>Should asylum seekers, with a positive outcome, decide to stay in the county, they would be able to work and contribute to the local and wider economy, their presence would help to balance an ageing demographic across Powys and they would likely bring much needed skills and expertise to the workforce.</p>
Impact rating	Good
Mitigation	<p>Support would be provided, if needed, to boost English language skills, and also assist able individuals back into work.</p> <p>General integration support would be provided to help individuals and families to settle into their local communities, make good social connections and hopefully settle permanently.</p>
Mitigated impact rating	Very good

4b. Health and care

Impact	<p>Asylum seekers who receive a positive outcome may wish to remain in the county; In this instance they would require accommodation and may need assistance securing this. Prior to this they will reside in accommodation sourced by the Home Office's agent, Clearsprings Ready Homes. Integration support will be provided for the duration of their stay, facilitating access to all necessary service including GP's, dentist, education and any other required services. Move on services are provided once asylum seekers are required to leave their accommodation to prevent homelessness once asylum claims are determined.</p>
Impact rating	Unknown
Mitigation	<p>A range of integration and support services would be accessed or put in place to support potentially homeless individuals and families to ensure they are able to secure suitable accommodation and prevent homelessness. Asylum seekers will be consulted on the services they receive to ensure their voices are heard. IT equipment can be provided if needed via third sector and voluntary agencies to ensure digital connectivity. Multi-agency meetings will ensure key stakeholders are able to contribute to the success of the project.</p>

Mitigated impact rating	Neutral
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4c. Learning and skills

Impact	Asylum seekers, with successful or failed claims, are at risk of poverty if they cannot work, and this may include children.
Impact rating	Poor
Mitigation	A range of support services will be made available to families to ensure they are able to access relevant benefits, have support with English language classes and also to access employment. This will lessen the chances of families falling into poverty.
Mitigated impact rating	Neutral

4d. Residents and communities

Impact	There is a risk of a negative response to new families/individuals being settled from outside the county/UK; Experiences in West Wales (Penally Camp being used to house asylum seekers with a lack of local consultation) show the need for good community cohesion support and a positive communications strategy to avoid any vacuum/negative media /press. As settled families will be living initially on benefits, lack of income could lead to individuals/families not having access to digital services and thus missing out on essential services and support.
Impact rating	Very poor
Mitigation	Work is already underway to develop a positive narrative across the county in respect of asylum and resettlement; Powys' Communications team are working on a bespoke PR campaign to set a positive tone for resettlement in Powys; We will ensure the public are aware of the proposed resettlement by the issuing of appropriate press releases and using social media to put out positive messages relating to resettlement. Community Cohesion teams are part of the working group and are able to offer advice and examples of best practice for Powys to follow in respect of local engagement with residents and key stakeholders (eg. Police, youth services, third sector groups, voluntary groups).
Mitigated impact rating	Neutral

4e. Evidence

Service standards and KPIs from Clearsprings Ready Homes

Advice received from Community Cohesion team.

Bespoke PR/Communications plan produced by PCC

Limiting numbers to be settled in any one location so that it is proportionate to the local area.

Learn from best practice in other parts of Wales/UK.

5. Impact on well-being goals including Welsh language and equalities

5a. A prosperous Wales

Impact	New skills and younger people will be brought into the community who might, following determination of their asylum claims, decide to settle and contribute to the local economy.
Impact rating	Good
Mitigation	Full integration and employment support, together with English classes, will be provided in order to increase the chances of skilled individuals and families remaining in the county to make a positive contribution.
Mitigated impact rating	Very good

5b. A resilient Wales

Impact	None
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5c. A healthier Wales

Impact	Offering refuge/sanctuary to asylum seekers will provide them with a safe home and a period of stability which should have a positive impact upon their mental health and physical health. Key partners (PTHB) have been advised of potential resettlement of individuals with possibly enhanced mental health or physical health needs, albeit in small numbers.
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Impact rating	Unknown
Mitigation	Ensuring adequate liaison with key health partners, and adequate integration support for asylum seekers should mitigate any negative impacts upon the general health of the county.
Mitigated impact rating	Neutral

5d. A Wales of cohesive communities

Impact	There is a risk of a negative reaction to settlement of asylum seekers into local communities due to perceived 'difference', fear, lack of resources.
Impact rating	Unknown
Mitigation	<p>Mitigating steps include:-</p> <ul style="list-style-type: none"> • Early engagement with the Community Cohesion team across Powys • Learning best practice from other settlement experiences (eg. Penally) • Putting in place a bespoke communications/PR strategy to set 'the tone' and avoid 'vacuums' which can be filled by the far right. • Establishing mechanisms for local community discussions /engagement.
Mitigated impact rating	Neutral

5e. A globally responsible Wales

Impact	Offering sanctuary to asylum seekers will assist the global need for settlement places for the increasing numbers of displaced people across the world. This support will be of benefit to all sectors of society regardless of status. This proposal will have a direct and positive impact in respect of human rights and the UN Convention on the Rights of the Child.
Impact rating	Good
Mitigation	Additional integration support and support to move back into employment will be provided to families and individuals, further enhancing their life chances and protecting them from harm and poverty.
Mitigated impact rating	Very good

5f. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	It is possible some families and individuals may chose to settle in Wales and learn the Welsh language.
Impact rating	Unknown
Mitigation	Not specified

Promoting Welsh

Impact	Welsh language lessons will be made available to newly settled individuals and families.
Impact rating	Neutral
Mitigation	Not specified

Sports, Art & Recreation

Impact	Opportunities and support to integrate locally will increase the likelihood that some individuals may take part in or even excel in sporting activity or artistic endeavours.
Impact rating	Neutral
Mitigation	Not specified

5g. A more equal Wales

Age

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.

Mitigated impact rating	Unknown
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Disability

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Gender Reassignment

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Marriage or Civil Partnership

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
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Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Race

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Religion or Belief

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Sex

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Sexual Orientation

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Pregnancy and Maternity

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown

Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

Socio-economic Duty

Impact	We do not yet have any demographic data on the families or individuals to be accommodated across Powys. However, accommodating asylum seekers from across the globe will increase diversity within our communities and therefore have a positive impact upon the goal of creating a more equal Wales.
Impact rating	Unknown
Mitigation	All those being accommodated will receive a full integration support package, delivered by Clearsprings Ready Homes, to ensure that all of their diverse needs are catered for. This will ensure equality of service delivery to new families and individuals, thus supporting the wider goal of a more equal Wales.
Mitigated impact rating	Unknown

5h. Evidence

Project would be largely neutral or no impact.

6. Impact on key guiding principles & workforce

6a. Sustainable development principles

Long-term

Impact	None
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Collaboration

Impact	This is a multi agency project. It will involve the individuals being assisted with accommodation, Clearsprings Ready Homes (The Government's agent), Powys County Council and possibly local third sector organisations and volunteer support groups. Clearsprings lead on the programme but will rely upon partnership working with key stakeholders as above.
Impact rating	Neutral
Mitigation	Powys CC will actively engage with Clearsprings Readyhomes and other key partners such as Police, support agencies, third sector partners and the asylum seekers being accommodated to ensure needs are met, communities kept advised and community cohesion maintained.
Mitigated impact rating	Good

Involvement (including Communication and Engagement)

Impact	New families/individuals will be accommodated in our communities who are both from outside the County, and also outside the UK. This will impact upon our communities, albeit in a measured and proportionate way. There is a possibility of a negative reaction. The new residents will require access to services such as health and education. This needs to be planned for.
Impact rating	Poor
Mitigation	Clearsprings Ready Homes are tasked with ensuring adequate community engagement/consultation and information. They will also carry out liaison with Police and the Local Authority prior to accepting any property. This will be assisted by an appropriate PR campaign headed up by PCC, and taking contribution from key local stakeholders such as PAVO. PTHB (NHS/Health) and Education Departments have been advised of the project and will be kept updated on numbers and location of new arrivals.
Mitigated impact rating	Neutral

Prevention

<p>Impact</p>	<p>The key issue is identified as a possible threat to community cohesion; ie. a possible 'right wing' response to any asylum resettlement as occurred at Penally Barracks in West Wales. In this case the right wing groups had a high and very negative physical and social media presence which was highly damaging to the cause and promoted much false information and negative press.</p> <p>As Penally demonstrated, negative press and an unwelcoming atmosphere can easily be caused where the right take control of the narrative around resettlement. It is inevitable that those being resettled will feel unwelcome at best, and even physically threatened. Steps need to be taken to minimise this type of response and it's negative affect upon the mental health of those being accommodated.</p> <p>Safeguarding; Adults and children may be vulnerable due to culture shock, language limitations or other physical or mental health conditions. Steps will need to be taken to ensure adequate safeguarding for all.</p>
<p>Impact rating</p>	<p>Very poor</p>
<p>Mitigation</p>	<p>Mitigating action includes:-</p> <ul style="list-style-type: none"> • Ensuring accommodation is for much smaller numbers across a range of communities in Wales/Powys. • Clearsprings will lead on community engagement and liaison with the Police to understand the dynamics of possible host communities, and the potential for anti-social behaviour or xenophobic reaction from the community, as far as this is possible. • PCC will lead on a PR campaign setting the context for resettlement and sharing positive stories of resettlement already across Powys to ensure local communities are kept informed and see and hear positive reactions to resettlement. • PCC Communications team will also keep a close eye on local press /social media reaction and address any negative responses in a robust manner, in line with 'Hate Crime' legislation. <p>Safeguarding</p> <ul style="list-style-type: none"> • Individuals/families being resettled will receive support from The Refugee Council via a phone line, and will have a dedicated 'Housing Officer' provided by Clearsprings Ready Homes who will visit every property a minimum of fortnightly. • Powys' Resettlement Project Officer will liaise with Clearsprings Ready Homes and local voluntary and third sector support agencies to ensure additional community support on an informal level, to complement the formal support package. • Social Services will be kept updated about the location of households in case safeguarding issues are raised directly with them.
<p>Mitigated impact rating</p>	<p>Neutral</p>

Integration

Impact	Those individuals and families being resettled will come from a different cultural background and have to adjust to a new way of life. They will also need to access mainstream services such as health, education and welfare benefits. This project depends upon accessing appropriate services in these sectors to ensure asylum seekers are fully supported. There could be tensions due to scarce resources including access to housing, health and education which could, potentially, be reflected in community cohesion issues.
Impact rating	Poor
Mitigation	PCC will ensure key stakeholders are fully informed about the location and extent of settlement. Settlement will be in small numbers across the County to mitigate any negative impact upon supporting services. Individuals and families will be supported to access relevant services and support, including language support. A PR campaign will serve to inform the local community and set a positive tone for resettlement. Key stakeholders will be invited to be part of a regular multi-agency forum to discuss any challenges and to share best practice for the mutual benefit of all concerned.
Mitigated impact rating	Good

6b. Impact on the workforce

Impact	None
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6c. Impact on payroll

Impact	None
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6d. Welsh language impact on staff

Impact	None
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6e. Impact on apprenticeships

Impact	None
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6f. Evidence

Written statement from Clearsprings outlining their approach to asylum resettlement.

PR campaign and plan for monitoring media from PCC.

Feedback and comment from stakeholders via the multi-agency forum

Feedback from community cohesion teams regarding community activity

Regular feedback from asylum seekers via Clearsprings consultation

7. Likelihood and risks

Risk 1

Description	Risk of negative PR for supporting asylum seeker accommodation				
Likelihood score	4	Impact score	3	Risk rating	12.0
Mitigation	PCC to develop a PR campaign to inform the public of plans to support asylum seeker accommodation. Settlement will be in small numbers spread across the County proportionate to local communities. Community Cohesion teams engaged/advising on process.				
Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0

Risk 2

Description	Risk of being mandated to provide asylum seeker accommodation by Home Office if no 'offer' of accommodation voluntarily made by PCC.				
Likelihood score	4	Impact score	2	Risk rating	8.0
Mitigation	Work with Clearsprings to identify suitable accommodation proportionate to local communities and affordable to the target group.				
Residual likelihood score	2	Residual impact score	2	Residual risk rating	4.0

Risk 3

Description	Risk of unrest in communities and a negative response to asylum seeker resettlement.				
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Likelihood score	3	Impact score	3	Risk rating	9.0
Mitigation	Work closely with Clearsprings, Community Cohesion teams and PCC Comms team to ensure adequate community engagement and provision of honest and open communications. Respond immediately and robustly to negative comment and press.				
Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0

Risk 4

Description	Risk of increased homelessness should asylum claims fail, leaving applicants without accommodation or recourse to public funds and not permitted to work. Evidence suggests a high percentage of those whose applications fail quickly migrate to larger cities				
Likelihood score	3	Impact score	2	Risk rating	6.0
Mitigation	Liaison with CRH in advance of application outcomes, and at the time of determination, for forward planning. Limit numbers being accommodated and spread throughout the County. Liaise with support agencies to ensure support network exists for applicants.				
Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0

Risk 5

Description	Risk of harm or serious harm to individuals or families being accommodated across Powys, either due to poor mental health, or by hostility within the community.				
Likelihood score	3	Impact score	4	Risk rating	12.0
Mitigation	Police checks on properties, liaison with Council and Community Cohesion teams. Maximise support via formal and informal sources to ensure any mental health issues are identified and addressed. CRH ensure regular contact with those accommodated.				
Residual likelihood score	3	Residual impact score	3	Residual risk rating	9.0

Risk 6

Description	Risk of increased homelessness should asylum claims fail, leaving applicants without accommodation or recourse to public funds and not permitted to work. Evidence suggests a high percentage of those whose applications fail quickly migrate to larger cities				
Likelihood score	3	Impact score	2	Risk rating	6.0
Mitigation	Liaison with CRH in advance of application outcomes, and at the time of determination. Limit numbers being accommodated and spread throughout the County. Liaise with support agencies to ensure support network exists for applicants.				
Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0

8. Overall summary and judgement

Outline assessment

Powys County Council will be required to assist with accommodating asylum seekers in the near future. The arrangement proposed is that Clearsprings Ready Homes (CRH), the Government's agent, will take the lead in property procurement, management and integration support. This means that the Council's involvement will be minimal, but the potential impact upon communities and the Council's reputation could be significant if not managed closely. The plan to engage with the local Community Cohesion team, and also to develop a bespoke PR/Communications campaign, should help to mitigate any negative outcomes. The Council will work very closely with CRH who will also be responsible for community engagement and community cohesion.

This impact assessment considers the wider impact of accommodating asylum seekers in Powys. Whilst there are risks identified, there is also potential for this to be a positive experience for Powys, bringing in younger families, new skills and enhancing cultural diversity across the county. Appropriate planning will ensure:-

- Good advance PR/Comms for the wider Powys community
- Good support networks/services for asylum seeking families, both during and after their claims are determined
- Regular liaison with Community Cohesion teams who can guide, advise and offer best practice from elsewhere
- Wider distribution of asylum seeker accommodation in small numbers, proportionate to local communities

If the Government feels it is necessary, there will be a mandate for all Local Authorities to accept asylum seekers as current dispersal areas are now at or over capacity. It is felt the best course of action is to be proactive in working with the Government agent (CRH) to secure a small number of properties in the first instance, whilst working to mitigate the inherent risks.

Cabinet reference

9. Additional evidence

Once this draft is finalised additional evidence could include:

Written agreement with CRH clarifying lines of responsibility.

Sight of CRH key policies and procedures in relation to asylum seeker support

Written overview from Community Cohesion team summarising any areas of concern in Powys

Brief report on key lessons learned by other Local Authorities in the accommodation of asylum seekers

Demographic data for Powys illustrating the ageing demographic and skills shortages

Presentation of the Council's PR strategy

10. Ongoing monitoring arrangements and governance

Monitoring arrangements

CRH will convene a multi-agency group to meet at least quarterly to monitor progress and share any issues of concern.

The multi-agency group will include Council departments, Police, Community Cohesion and Community Safety Partnerships.

CRH are responsible for monitoring wellbeing and safety of those accommodated across Powys via telephone support and personal visits at least fortnightly.

PCC Communications team will continuously monitor social media and press activity for issues of concern.

Review date	31/08/2022
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CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE 2nd November 2021

REPORT AUTHOR: County Councillor Aled Davies
Portfolio Holder for Finance and Transport

REPORT TITLE: Capital Forecast as at 30th September 2021

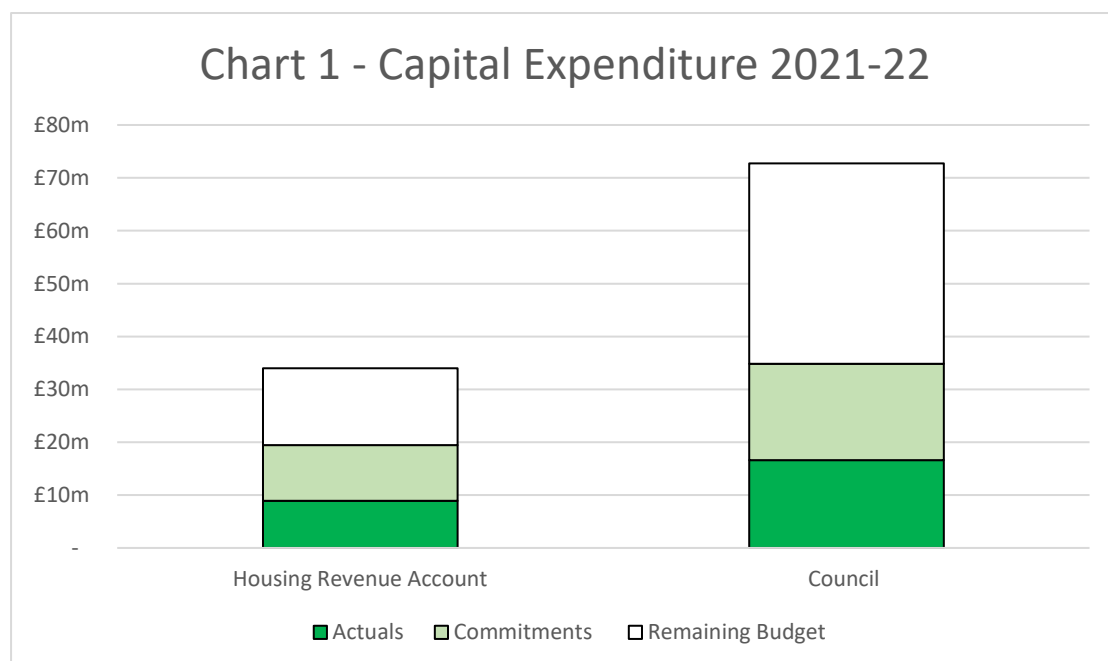
REPORT FOR: Decision / Information

1. Purpose

- 1.1 This report provides an update on the financial position of the Council's capital programme for 2021/22 as at 30th September 2021.

2. Background

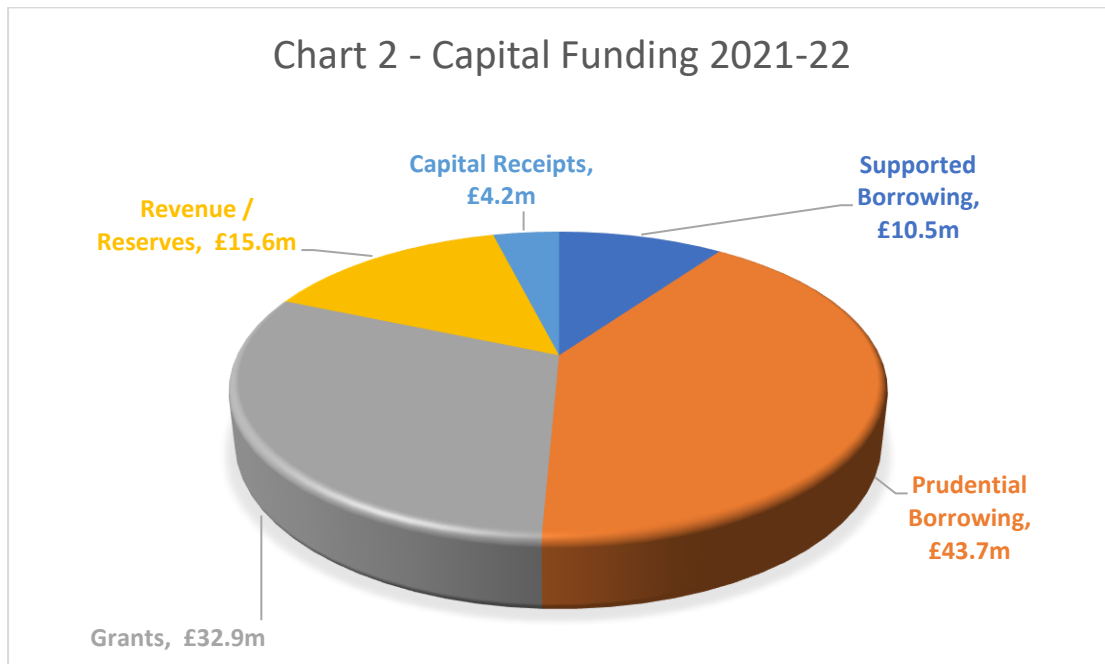
- 2.1 The revised programme at the 30th September 2021 stands at £106.75 million following the successful award of additional grants and the reprofiling of budgets between financial years.
- 2.2 Actual spend amounts to £25.48 million, representing 24% of the total budget. Chart 1 below summarises the financial position. A full breakdown for each service area can be found in Appendix A.



- 2.3 Significant cost pressures are materialising due to the increasing costs of materials, this together with the limited numbers of contractors tendering

for schemes and the rurality of Powys is impacting on the cost of schemes. This may lead to some schemes being paused or stopped until additional funding is secured, or schemes being changed to deliver them in line with the funding available.

- 2.4 Chart 2 below sets out how the 2021/22 capital programme is funded, 51% is funded through borrowing, the interest cost for this is charged to the revenue account.



- 2.5 The revenue expenditure to cover the borrowing for past and present capital schemes is which includes the Minimum Revenue Provision (MRP) is estimated at £18.16 million. The Housing Revenue Account (HRA) proportion of these costs is expected to be £5.75 million. This includes an over provision of MRP of £2.72 million (of which £1.02 million relates to the HRA) following the change of the MRP policy. This will allow the council to repay its debt earlier. The council retains the option to claw back an overprovision in future years to support the ongoing MRP provision limiting the impact on revenue in the short term should it be required.
- 2.6 Based on the estimates above, 4.4% of our net revenue budget of £279.80 million is supporting the past and present capital spend. It is essential that the investment in our capital programme is affordable over the short, medium, and longer term and can demonstrate tangible benefits linked to the council's priorities.

3. Advice

3.1 Grants Received.

- 3.2 The following grants have been received since the last report and are included for information.

3.3 Highways, Transport and Recycling

3.4 Welsh Government (WG) have awarded a £0.03 million Allotment Support Grant to increase the availability of good quality allotment plots.

3.5 The Wales Council for Voluntary Action have awarded £0.08 million funding for a Local Places for Nature programme. The grant will be used to develop a community wildlife and sensory garden in Knighton and improve road verge management, increasing grassland connectivity and biodiversity on verges.

3.6 The Welsh Local Government Association have awarded £0.30 million in grant funding for electric vehicle charging infrastructure. The purpose of the funding is to accelerate transition to an ultra-low emission fleet and is to be used to install infrastructure in depots. Any surplus funding may be used to fund the purchase of ultra-low emission vehicles.

3.7 The North and Mid Wales Trunk Road Agency (NMWTRA) have contributed £0.30 million in relation to matched funding for an Active Travel Scheme from Llandrindod Wells to Howey.

3.8 WG have awarded £0.53 million additional Active Travel Grant taking the total award to £1.85 million. The additional funding will be used to develop schemes in Newtown and to improve the current route between Rhayader and Elan Valley.

3.9 WG have awarded £0.19 million additional Local Transport Fund grant bringing the total amount of funding up to £1.14 million. The additional funding will be used to refurbish T9 bus service vehicles and to continue the development of the Machynlleth bus/rail interchange scheme.

3.8 Regeneration

3.9 WG have granted £0.16 million in additional funding for the Riverside Venue in Newtown.

3.10 Property, Planning and Public Protection

3.11 £0.19 million in grant funding has been approved as part of the Salix funding programme. The funding is to be used for roof mounted solar installations at six high schools in Powys. Estimated energy cost savings are £0.03 million per annum.

3.12 Housing and Community Development

3.13 WG have awarded £0.19 million funding through the Enable – Support for Independent Living Grant. The purpose of the funding is to support the delivery of adaptations, preventing unnecessary hospital admissions and facilitating earlier discharge.

3.14 **Virements**

3.15 In order to comply with recently updated environmental permit conditions, additional fire management measures are required at the North Powys Bulking Site. The project has also seen additional costs due to ongoing COVID-19 measures and increased material and plant costs. A virement of £0.17 million from the South Powys Bulking Site Project is recommended in order to fund these works. The South Powys project has been paused while a new business case is developed to ensure that the site is fully compliant with updated NRW permitting requirements and has the capacity to deal with additional recyclable materials in the future.

3.16 **Reprofiling Budgets Across Financial Years.**

3.17 As a result of an adjustment made to the 2020/21 accounts discovered as part of the audit process a change has been made to the Highways, Transport & Recycling budgets carried forward from 2020/21 resulting in a reduction of £0.09 million budget in 2021/22.

3.18 In order to align with the timetable of other works at Kirkhamsfield Depot, Newtown, the planned construction of the Strategic Salt Reserve has been postponed by a year. £0.03 million budget will be rolled forward from 2021/22 into 2022/23 and the construction budget of £750,000 will be rolled forward from 2022/23 into 2023/24. The project budget will be reviewed to ensure it remains adequate given the recent rises in material costs.

3.19 Digital Services have reviewed their budgets and £0.48 million has been rolled forward into 2022/23 to reflect the anticipated spend profile.

3.20 Following a review of the budgets in Housing for works to existing council houses, £0.85 million has been reprofiled into future years.

3.21 Following a review of the pipeline schemes held under the Corporate capital heading a total of £2.85 million has been reprofiled into future years. This funding will be released to the relevant projects when they have reached the relevant stage of approval under the capital governance process.

3.22 **Capital Receipts**

3.23 The Council's transformation programme is currently funded through a capitalisation directive that allows capital receipts to fund revenue transformation spend and transformation redundancies. This directive is due to end on the 31st March 2022.

- 3.24 This year the budget requirement is £3.60 million, following the decision to fund the Transformation costs in 2020/21 from the revenue budget there is sufficient capital receipts already held to cover this year's requirement.
- 3.25 There are currently sales agreed to the value of £1.88 million which are at the legal stage of the process and will generate future capital receipts. The year-end forecast is estimated at £2.12 million.
- 3.26 The year-end forecast is very much reliant on being able to market property in a timely way to allow acceptable offers to be received and sales being completed. Any increase in the Covid restrictions in Wales will clearly increase the risk that the completion of some agreed sales will be delayed or indeed lost. There is clearly increased market uncertainty which may lead to a reduction on demand and offers.
- 3.27 At the end of 2020/21 there is £4.54 million of capital receipts already in hand. Any capital receipts above those required to cover Transformation costs, will be used to support the Capital Strategy in future years.

4. Resource Implications

- 4.1 The Head of Finance (Section 151 Officer) notes the content of the report and can support the recommendation to approve the virements. Expenditure on the Capital Programme needs to be monitored carefully as the year progresses. The re-profiling of schemes is essential to enable us to more accurately project expenditure, the consequential need to borrow and the impact on the revenue budget. Project Managers and Service leads will be supported to improve financial monitoring and forecasting of expenditure. Our capital financing strategy must look to utilise all sources of funding before committing to borrowing and we must take every opportunity to maximise the use of resources to support projects already approved in the Programme. Prioritisation of resources at a corporate level ensures that the council can effectively meet its objectives whilst maintaining an affordable level of investment.

5. Legal implications

- 5.1 The Monitoring Officer has no specific concerns with this report.

6. Data Protection

- 6.1 This report does not involve the processing of personal data.

7. Comment from local member(s)

- 7.1 This report relates to service areas across the whole county.

8. Impact Assessment

8.1 No impact assessment is required.

9. Recommendation

- That the contents of this report are noted.
- That Cabinet approves the virement proposed in section 3.15.

9.1 Reason for Recommendation

- To report on the projected Capital Outturn position for the 2021/22 financial year.
- To ensure appropriate virements, are carried out to align budgets and manage financing requirements.

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Appendix A:

Table 2 - Capital Table as at 30th September 2021

Service	Original Budget	Virements Approved	Revised Budget	Actuals & Commitments	Remaining Budget £	Remaining Budget %
	£,000	£,000	£,000	£,000	£,000	%
Adult Services	300	883	1,183	(27)	1,210	102.3%
Childrens Services	1,092	80	1,172	132	1,040	88.7%
Education	34,949	(18,463)	16,486	10,731	5,755	34.9%
Highways Transport & Recycling	13,771	16,144	29,915	14,934	14,981	50.1%
Property, Planning & Public Protection	1,525	1,771	3,296	2,579	717	21.8%
Housing & Community Development	10,419	(2,900)	7,519	3,586	3,933	52.3%
Regeneration	0	5,389	5,389	1,007	4,382	81.3%
Digital Services	1,130	34	1,164	1,056	108	9.3%
Legal & Democratic Services	0	0	0	25	(25)	
Finance	10,440	(3,817)	6,623	791	5,832	88.1%
Total Capital	73,626	(879)	72,747	34,814	37,933	52.1%
Housing Revenue Account	27,903	6,102	34,005	19,465	14,540	42.8%
TOTAL	101,529	5,223	106,752	54,279	52,473	49.2%

Table 3 - Funding of the Capital Budget as at 30th September 2021

Service	Supported Borrowing	Prudential Borrowing	Grants	Revenue Contribution	Capital Receipts	Total
	£,000	£,000	£,000	£,000	£,000	£,000
Capital	10,453	26,886	22,461	8,771	4,176	72,747
HRA	0	16,784	10,390	6,831	0	34,005
Total	10,453	43,670	32,851	15,602	4,176	106,752

Head of Service Commentary

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Adult Services	1,183	(27)	1,210	102
<u>HOS Comment</u>				
With the exception of £500k (£100k for staff-plan system for domiciliary care and £400k on advanced robotics, delayed due to business continuity) the budget will be spent in full.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Childrens Services	1,172	132	1,040	89
<u>HOS Comment</u>				
The anticipated spend during this financial year of £820k in Brecon for Flying Start childcare provision at Priory Church in Wales primary school and £293k at Oldford Primary School, as well as £60k at Bannau/Camlas will ensure that this capital budget will be fully spent.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Education	16,486	10,731	5,755	35
<u>HOS Comment</u>				
21st Century Schools Programme				
Delivery is progressing well for the 21 st C Schools Programme projects. Ysgol Gymraeg y Trallwng demolition works are now complete with construction work for the new-build element due to start imminently. Design work for Ysgol Cedewain is progressing well and the Full Business Case is due to be submitted for Cabinet and Welsh government final approval in the new year. Brynllwarch tender package is also due to be issued in the coming months.				

The remaining 21st C Schools budget for the year will be to progress with construction works at Ysgol Gymraeg y Trallwng and Cedewain, and to continue with the Brynllwarch, Bro Hyddgen Community Campus, and Ysgol Calon y Dderwen RIBA design processes.

Schools Major Improvements Capital programme 2021/22

The Schools Major Improvements Programme supports the improvement of education facilities and infrastructure for pupils. In this financial year, 104 projects are planned to be completed.

There are 6 schemes to commission, 13 schemes commissioned, 9 at the design stage, 13 at the tender stage, 20 at the construction stage and 43 schemes are practically completed on site.

The improvements include the installation of roof refurbishment works, new classroom extension, new staff accommodation, new windows, replacement of fire doors, installation of new boilers and controls, disability alterations, resurfacing of road, playground and pathways, upgrading of accommodation for early years, flood prevention schemes, upgrading and installing new electrical, gas, water and foul/waste infrastructure and safeguarding (fencing/gates/school reception) works to meet legislative, compliance and Estyn requirements.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Highways, Transport and Recycling	29,915	14,934	14,981	50
<u>HOS Comment</u>				
Highways – Delivery on-going with many projects completed or programmed Q3/Q4, and on target to meet spend by end of year W&R Infrastructure – Some project delays need to monitor Q3 and liaison with the finance team continues regarding spend profiles.				
Risks – material supply and contractor availability remain				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Property, Planning and Public Protection	3,296	2,579	717	22
<u>HOS Comment</u>				
Projects are progressing and the budget remaining as a percentage of budget is expected to reduce.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Housing and Community Development	7,519	3,586	3,933	52
Housing Revenue Account	34,005	19,465	14,540	43
<u>HOS Comment</u>				
Projects are progressing with works on site in many cases. Majority of culture projects complete and awaiting final invoices. One project no longer required, and Finance informed. Leisure capital looking on track, a couple of projects will straddle two financial years so working with Finance partners to profile accordingly. HRA - Some concerns over delays to construction projects due to the supply and cost of materials, and shortage of labour. Clauses have been included in contracts and are being monitored.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Regeneration	5,389	1,007	4,382	81

HOS Comment
Capital funding supports specific projects approved by WG. Current projects are progressing, and it is anticipated full spend against all of the remaining budget available.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Digital Services	1,164	1,056	108	9

HOS Comment
A review of capital expenditure against current and future project for 21/22 has taken place with £0.48 million of capital projects rolled forward into 2022/23 to reflect the anticipated project delivery. Against this 91% of spend has already been committed. The final 9% of capital projects are being progressed with anticipated delivery in early 2022.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Corporate	6,623	791	5,832	88

HOS Comment
£4 million of the budget relates to Transformation schemes which under the Welsh Government Capitalisation Directive are funded from Capital Receipts. At this point the majority is forecast to be utilised by the year end.

The remaining budget relates to capital bids that have yet to complete the Capital Governance process, if the schemes are approved the budgets will be released to the service area.

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