

**MINUTES OF A MEETING OF THE CABINET HELD AT COUNCIL CHAMBER -
COUNTY HALL, LLANDRINDOD WELLS, POWYS ON TUESDAY, 12 FEBRUARY
2019**

PRESENT

County Councillor AW Davies (Chair)

County Councillors MC Alexander, J Evans, S M Hayes, R Powell and M Weale

In attendance: County Councillors B Baynham, M Dorrance, J Morris, P Roberts and Mr J Brautigam.

1. APOLOGIES

Apologies for absence were received from County Councillors Rosemarie Harris and Phyl Davies.

2. MINUTES

The Chair was authorised to sign the minutes of the last meeting held on 15th January 2019 as a correct record.

3. DECLARATIONS OF INTEREST

There were no declarations of interest reported.

4. BUDGET FOR 2019-20, MEDIUM TERM FINANCIAL STRATEGY 2019-2024 AND CAPITAL PROGRAMME FOR 2019-2024
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Cabinet considered the budget for 2019 - 2020, the medium term financial strategy for 2019 – 2024 and the capital programme for 2019 – 2024 (copy filed with the signed minutes).

The Portfolio Holder for Finance advised that the budget attempted to protect the services valued by residents and prioritised the council's Vision 2025. An additional £1m would be passed on to schools delegated budgets and the budget protected the investment made in Children's and Adults services. It maintained the funding for developing key priorities within Vision 2025 such as the mid-Wales Growth Deal, building 250 extra homes and using the council's considerable spend to support county businesses with greater use of the Powys pound.

It was recognised that the council of the past was no longer affordable and transformational changes to the council's operating model were being implemented and significant savings made. The budget did not rely on reserves or one-off sources of funding. The level of reserves was assessed as being at an acceptable level and in line with the Council's policy of maintaining a 3%

minimum general fund reserves. The Portfolio Holder for Finance referred to the CIPFA independent assessment which found that the council had appropriate procedures in place to set a robust budget and which had noted risks particularly the achievement of savings.

County Councillor John Morris presented the findings of the Finance Scrutiny Panel. The Panel viewed the proposed budget as the highest risk they had looked at and had concerns over its deliverability. The Panel was concerned that the role of the Improvement and Assurance Board and its focus on social care had led to enormous pressure on other services. The Panel considered that the lack of pace of transformation was a risk and that not enough use had been made of capital receipts to fund transformation. The Panel considered that schools budget deficits presented the largest risk going forward.

In response, Cabinet was advised that an additional £2.5m was being put into reserves to meet potential challenges next year. There were tight rules on the use of capital receipts which could only be used for existing budgets. Transformation had started and the Council would be significantly smaller.

RECOMMENDED to Council	Reason for Recommendation:
1. That the Medium Term Financial Strategy for 2019 to 2024 as set out in Appendix 1 to the report be agreed in principle.	To aid business planning and development of the budget over a three year period
2. That the proposed Revenue Budget for 2019/20 shown in the Financial Resource Model in Appendix 2 is accepted and recommended to full Council on the 21st February 2019.	Statutory Requirement
3. That the Fees and Charges proposed within the Fees and Charges Register are accepted and recommended to Full Council on the 21st February 2019. (Appendix 4 and 5)	To comply with Powys County Council Income Policy
4. The proposed Capital Strategy for 2019/20 shown in Appendix 6 including the revised Capital Receipts Policy is accepted and recommended to Full Council on 21st February 2019.	Statutory Requirement
5. That a Council Tax increase of 9.5% is included in the budget that goes to full council on the 21st February 2019.	There is a Statutory Requirement to set Council Tax but the level is a matter for local determination.
6. The authorised borrowing limit for 2019/20 as required under section	Statutory Requirement

3(1) of the Local Government Act 2003 be approved at £497m as set out in section 11.6 of the report.	
7. The Prudential Indicators for 2019/20 are approved as set out in section 10 of the report and Appendix 7.	Statutory Requirement

5.	HOUSING REVENUE ACCOUNT RENT AND RELATED CHARGES INCREASE FOR 2019/20
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Cabinet considered Council Housing Rents, Garage Rents and all property and tenancy related service charges. It was proposed that with effect from April 2019 the average rent in Powys increase by 2.4% + £1.30. The effect of this is that rent increase for:

- 3518 homes the increase is greater than 2.4% but less than 2.4% + £1.30 per week
- 174 homes the increase is greater than 2.4% + £1.30 but less than 2.4% + £2.00 per week
- 1608 homes the increase will be 2.4% plus £2.00 a week.

RESOLVED	Reason for Decision:
<p>1. The rent increase for HRA rents in 2019-20, as set out in paragraphs 2.8 and 2.9 are agreed</p> <p>2. The proposed service charge regime for 2019-20, as set out in Table 2 is agreed.</p> <p>3. The proposed HRA garage rent and garage plot rents for 2019-20, as set out in Table 3, is agreed.</p> <p>4. The proposed weekly occupancy charge and service charge for a plot on council run Gypsy & Traveller sites for 2019-20, as set out in Table 4 is agreed.</p> <p>5. The weekly occupancy charge for temporary homelessness accommodation for 2019-20, as set out in Table 5, is agreed.</p> <p>6. The weekly charge for community alarms is excluded from an increase, pending the outcome of a review.</p> <p>7. Other housing related charges are increased by 2.4% for</p>	<p>To maintain a viable Housing Service and Business Plan and remain compliant with legislation (Part IV Housing (Wales) Act 2014)</p>

2019/20.

6. LOCAL AUTHORITY TRADING COMPANY (LATC)

Cabinet considered a proposal to establish a Local Authority Trading Company to allow the commercial trading of council activities within the public and private sectors. The Articles of Association would be broadly drafted to give flexibility in the services that could be included. Approval was also being sought to complete a business case to establish if the current activity within the Heart of Wales Business Solutions (HWBS) is the first area to transfer into the LATC.

RESOLVED	Reason for Decision:
<p>To approve the establishment of a Local Authority Trading Company in accordance with the attached Business Case.</p> <p>To seek approval to complete a business case to establish if the current activity within the Heart of Wales Business Solutions (HWBS) is the first area to transfer into the LATC.</p>	<p>To enable the council to trade commercially within the public and private sectors.</p> <p>To provide additional flexibility for the Heart of Wales Business Solutions (HWBS) to trade with private organisations.</p>

7. FINANCIAL OVERVIEW AND FORECAST AS AT 31ST DECEMBER 2018

Cabinet considered the financial outturn report for the period ended 31st December 2018.

The Chair of the Finance Panel advised that part of the role of the Panel would be to monitor these reports to look at how overspends were being tackled.

RESOLVED	Reason for Decision
<ol style="list-style-type: none"> 1. That the contents of the report are noted. 2. That given the pressure on the revenue budget the Cabinet supports the S151 Officer's requirement to control discretionary expenditure until the end of the financial year. 	<p>To monitor the council's financial performance and ensure that spending remains within approved limits and that the 3% minimum general fund reserve is maintained.</p>

8.	CAPITAL PROGRAMME UPDATE FOR THE PERIOD TO 31ST DECEMBER 2018
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Cabinet considered the Capital Programme update for the period ended 31st December 2018.

RESOLVED	Reason for decision
1. That the contents of the report are noted.	To outline the capital budget position as at 30 th November 2018.
2. That the virements proposed in section 2 of the report are approved.	To ensure appropriate virements, are carried out to align budgets with spending plans.

9.	TREASURY MANAGEMENT QTR 3 REPORT
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Cabinet considered the Treasury Management report for Quarter 3.

RESOLVED	Reason for Decision:
That the Treasury Management Quarterly Report be received	To ensure Cabinet remains informed about current Treasury Management performance

10.	WELSH PUBLIC LIBRARY STANDARDS REPORT FOR 2017/18
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Cabinet considered the Annual Report from the Welsh Government on the Library Service, for the year 2017-18, as required under the Welsh Public Library Standards. Powys Library Service had met 11 of the 12 core entitlements in full, and partially achieved the 12th. The service had met 5 of the quality indicators in full, 1 in part, and failed to meet four.

County Councillor Pete Roberts outlined the three recommendations from the Scrutiny review. A written response was required within 2 months.

RESOLVED	Reason for Decision
That the outcomes in the Welsh Public Library Standards Annual Report from Welsh Government on Powys Library Service 2017/18 are duly noted and considered in forward planning.	In order that Powys Library Service continues to provide a quality service to residents, maintains and improves its performance under the 6 th Framework of Welsh Public Library Standards, and seeks to address as far as possible those areas which do not currently meet Welsh Government's standard.

11.	UPDATE: REVIEW OF DAY TIME ACTIVITIES FOR OLDER PEOPLE (INCLUDING DAY CENTRES)
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Cabinet considered an update report on day time activities for older people. The report outlined the work undertaken to date and the planned future work to ensure that the service was provided and sustainable at a reduced cost. The report also described work undertaken with 3rd sector day services for older people. The Portfolio Holder for Adult Social Care acknowledged the importance of the centres in providing respite for carers. He noted that some of the changes outlined in the report depended on the Capital budget being approved by Council.

RESOLVED	Reason for Decision
That the contents of the report are noted.	The report is for information and enables the development work to continue.

12.	CORPORATE SAFEGUARDING 6 MONTHLY UPDATE AS AT 31 DECEMBER 2018
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Cabinet considered the 6 monthly report from the Chair of the Corporate Safeguarding Group.

RESOLVED:	Reason for Decision:
Cabinet receives the 6 monthly briefing update from the Chair of the Corporate Safeguarding Group.	To ensure Cabinet are fully sighted on work to date.

13.	REPORT FROM THE CHAIR OF THE IMPROVEMENT AND ASSURANCE BOARD
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Cabinet considered the report of the Chair of the Improvement and Assurance Board.

14.	IMPROVEMENT AND ASSURANCE BOARD MINUTES
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The Cabinet received the minutes of the Improvement and Assurance Board held on 29th November 2018 and 9th January 2019.

15.	CORRESPONDENCE
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There were no items of correspondence.

16.	DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING
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Cabinet noted the delegated decisions taken since the last meeting.

17.	FORWARD WORK PROGRAMME
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Cabinet received the forward work programme. The Chair reminded Portfolio Holders and officers of keeping the programme up to date to assist Scrutiny with its work.

18.	EXEMPT ITEMS
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Cabinet was advised that the confidential report was being withdrawn so there was no need to pass the resolution.

19.	MANAGEMENT OF THE POWYS COUNTY COUNCIL OWNED RESIDENTIAL HOMES
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This item was deferred.

**County Councillor AW Davies
(Chair)**