

**MINUTES OF A MEETING OF THE CABINET HELD AT COUNCIL CHAMBER -  
COUNTY HALL, LLANDRINDOD WELLS, POWYS ON TUESDAY, 21 JANUARY  
2020**

PRESENT

County Councillor M R Harris (Chair)

County Councillors MC Alexander, A W Davies, P Davies, J Evans, H Hulme and R Powell

In attendance: County Councillors K Lewis, P Roberts, G Thomas and G Williams

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| <b>1.</b> | <b>APOLOGIES</b> |
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Apologies for absence were received from County Councillor G Breeze.

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| <b>2.</b> | <b>MINUTES</b> |
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The Leader was authorised to sign the minutes of the meetings held on 17<sup>th</sup> December 2019 and 7<sup>th</sup> January 2020 as correct records.

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| <b>3.</b> | <b>DECLARATIONS OF INTEREST</b> |
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There were no apologies for absence reported.

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| <b>4.</b> | <b>DRAFT MEDIUM-TERM FINANCIAL STRATEGY 2020-2025 AND DRAFT<br/>2020-21 BUDGET AND CAPITAL PROGRAMME FOR 2020-2030</b> |
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Cabinet considered the draft Medium Term Financial Strategy 2020-2025, draft Budget 2020-21 and draft Capital Programme 2020-2030. (Copy filed with signed minutes).

The Portfolio Holder for Finance set out the Cabinet's approach to developing the budget. The Council continues to face significant challenges arising from increasing demands, and rising costs, meeting these pressures has to be balanced by prioritising resources and reducing the cost of delivery, whilst considering the impact on residents and affordability for Council Tax payers. He explained that over the last 12 months the Cabinet and Executive Management Team (EMT) had placed a greater focus on longer term financial, service and workforce planning to help provide sustainable solutions to these challenges. The Medium Term Financial Strategy (MTFS) had been aligned with the Council's corporate priorities identifying the resources required to deliver them.

The MTFS provided a set of clear principles which would drive the Council's budget and spending decisions over 2020-25 which Members and others could judge the Council's financial performance against. The MTFS incorporated

- principles that will govern the strategy and a five-year Financial Resource Model (FRM), comprising detailed proposals for 2020-21 and outline proposals for 2021-22 to 2024-25.
- The Capital Financing Strategy and the Treasury Management Strategy; and
- The Capital Programme for 2020-21 to 2029-30 which totalled £532 million.

The budget setting process had been informed by the consultation exercise, with almost 600 people completing the budget simulator. The Portfolio Holder noted that services continued to perform well with Powys ranking 5<sup>th</sup> in Wales in terms of overall performance using Public Accountability Measures.

The Portfolio Holder for Finance acknowledged the additional funding received from Welsh Government. The 2020-21 provisional settlement gave Powys a cash increase of £9.5 million (5.4%) on 2019-20 which when adjusted for transfers into the formula of specific grants (schools' pay and pensions £2.06 million, and Funded Nursing Care £99,000) becomes 4.2% for Powys against the Welsh average of 4.3%. Overall Powys was ranked 14<sup>th</sup> of 22 councils in terms of its increase which represented a significant improvement compared to previous years, considerable lobbying has taken place to raise the issues facing rural authorities and this has been supported with the evidence provided through the Rural Cost Analysis.

The Council has also secured £900,000 additional funding from Welsh Government to support digital transformation.

The Portfolio Holder set out the details of the draft budget for 2020-21, which includes £6.6 million for the Education Service and Schools; £5.68 million to realign the Children's Service base budget; and £500,000 new growth in roads' maintenance. Cost reductions of £10.79 million are also proposed and Impact Assessments are provided for these.

The Council's proposed budget will be financed in part through the generation of income and the updated fees and charges register forms part of the budget documentation. The remaining net budget is financed through the Welsh Government settlement and Council Tax income which is proposed to be increased by 5%. In proposing this increase, the Portfolio Holder stressed that Cabinet have had to balance affordability for Powys residents with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services.

The council's forward financial projections identify a further budget gap between 2021 and 2025 of £49 million, this is based on the worst case scenario. Officers are developing cost reduction proposals to bridge this gap and so far have identified a potential £16 million of proposals that are still in development, leaving a further £32.8 million still to identify.

The draft Capital and Treasury Management Strategy which includes the Minimum Revenue Provision Policy Statement and Annual Investment Statement is also proposed. This provides a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the

provision of services, whilst considering the risks how these will be managed and the implications for future financial sustainability. The strategy is supported by the draft Capital Programme for 2020-30 totalling £532 million. The document also includes a draft Treasury Management Strategy which sets out how the Council will ensure that it has enough funding available to fund its revenue and capital requirements and an appropriate strategy for borrowing and investing for the financial year 2020-21.

| <b>RECOMMENDED to Council to approve the:</b>   | <b>Reason for recommendation:</b>  |
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| <b>1. MTFS for 2020-2025 as set out in Appendix A to the report be agreed in principle.</b>   | <b>To aid business planning and development of the budget over a three-year period</b> |
| <b>2. Draft Revenue Budget for 2020-2021 with the inclusion of a 5% increase in Council Tax shown in the Financial Resource Model in Appendix B and Table 2 of this report.</b> | <b>Statutory Requirement</b>   |
| <b>3. Fees and Charges Register in Appendices D and E.</b>  | <b>To comply with Powys County Council Income Policy</b>                               |
| <b>4. Capital Strategy and Capital Programme for 2020-30 shown in Appendix F.</b>   | <b>Statutory Requirement</b>   |
| <b>5. Minimum Revenue Provision Statement as set out on Appendix F.</b>   | <b>Statutory Requirement</b>   |
| <b>6. Treasury Management Strategy and the Annual Investment Strategy in Appendix F.</b>  | <b>Statutory Requirement</b>   |
| <b>7. Authorised borrowing limit for 2020-21 as required under section 3(1) of the Local Government Act 2003 at £429 million as set out in section 3.58 of this report.</b>     | <b>Statutory Requirement</b>   |
| <b>8. Prudential Indicators for 2020-21 as set out in section 3.54 to 3.61 of the report and Appendix F.</b>  | <b>Statutory Requirement</b>   |

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| <b>5.</b> | <b>SUPPLEMENTARY PLANNING GUIDANCE - CONSERVATION AREAS, RESIDENTIAL DESIGN</b> |
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Cabinet considered the Supplementary Planning Guidance (SPG) prepared in support of the Powys Local Development Plan (LDP) for Conservation Areas and Residential Design and the updated SPG Consultation Statement. The draft SPGs had been published for a six week period of public consultation and the issues raised during the consultation had been considered by the LDP Working Group who had recommended the SPGs to Cabinet for approval.

| <b>RESOLVED</b>  | <b>Reason for Decision</b>   |
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| <p><b>To approve</b></p> <p><b>(a) Supplementary Planning Guidance for:</b></p> <p><b>Conservation Areas, January 2020 (Appendix 1)</b></p> <p><b>Residential Design, January 2020 (Appendix 2) including accompanying Town Character Appraisal (Appendix 2B)</b></p> <p><b>(b) The Supplementary Planning Guidance Consultation Statement, January 2020 (Appendix 3).</b></p> | <p><b>To meet the commitment and programme for Supplementary Planning Guidance preparation in the adopted Powys LDP.</b></p> |

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| <b>6.</b> | <b>STRATEGIC REVIEW OF SCHOOLS</b> |
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The Portfolio Holder explained that in order to meet the challenges facing education in the county as outlined in the recent Estyn inspection, there needed to be a thorough review of education provision in the county to shape a vision for education in Powys for the future. The Schools Service had been engaging with a range of key stakeholders and feedback from those meetings was presented to Cabinet (Appendices A, B, C) along with a draft document outlining an emerging vision for education in the county (Appendix D to the report). Approval was sought to go out to consultation on the emerging vision document before coming back to Cabinet in April. The Chair of the Learning and Skills Scrutiny Committee welcomed the breadth of what was being proposed and the revised timetable for engagement.

| <b>RESOLVED</b>                                      | <b>Reason for Decision:</b>  |
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| <p><b>i) To receive Appendices A, B, C and D</b></p> | <ul style="list-style-type: none"> <li><b>- To understand the issues raised during Stage 1 of the Engagement exercise</b></li> <li><b>- To understand the challenges facing education in Powys</b></li> <li><b>- To understand the emerging</b></li> </ul> |

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|   | <b>vision for education in Powys</b>  |
| <b>ii) To approve carrying out Stage 2 Engagement on the 'Transforming Education in Powys' document (Appendix D)</b>  | - To provide an opportunity for stakeholders to inform the development of the vision for education in Powys.  |
| <b>iii) To approve officers engaging in discussions with neighbouring authorities and key partners as part of the development of a new vision for education in Powys</b>  | - To ensure that opportunities for learners are maximised   |
| <b>iv) Following the engagement exercise, to approve that officers bring forward to Cabinet in April 2020:</b><br><br><ul style="list-style-type: none"> <li>- A revised vision and guiding principles that will underpin future transformation for schools in Powys; and</li> <li>- An implementation plan to begin the journey to realise that vision.</li> </ul> | - To ensure that the vision for education in Powys takes account of stakeholder feedback<br><ul style="list-style-type: none"> <li>- To ensure sufficient pace to transform education in Powys, in accordance with Estyn's recommendation.</li> </ul> |

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| <b>7. WELSH PUBLIC LIBRARY STANDARDS REPORT FOR 2018/19</b> |
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Cabinet considered the Annual Report from the Welsh Government on the Library Service, for the year 2018/19. Cabinet was pleased to note the findings of the report that the Powys library service continues to deliver well for its dispersed communities, with improvements across a number of areas, opening hours maintained, and the service extending its provision in terms of training, events and activities, and in the development of shared reading services. Members paid tribute to the Portfolio Holder for Young People and Culture and the Principal Librarian and the Portfolio Holder in turn acknowledged the contribution of partners and volunteers.

| <b>RESOLVED</b>  | <b>Reason for Decision</b>   |
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| <b>That the outcomes in the Welsh Public Library Standards Annual Report from Welsh Government on Powys Library Service 2018/19 are duly noted and considered in forward planning.</b> | <b>In order that Powys Library Service continues to provide a quality service to residents, maintains its performance under the 6<sup>th</sup> 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.</b> |

**8. APPROVAL OF ENFORCEMENT POLICY**

Cabinet considered the adoption of an enforcement policy for Trading Standards, Environmental Health and Licensing and a guidance note covering proceeds of crime.

| <b>RESOLVED</b>  | <b>Reason for Decision</b>   |
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| <b>That the Enforcement Policy covering Trading Standards, Environmental Health and Licensing in Appendix A to the report and guidance note covering the proceeds of crime Appendix B be approved.</b> | <b>The policy defines how Trading Standards, Environmental Health and Licensing deal with alleged breaches of legislation in a fair and proportionate way.</b> |

**9. BRECON AND NEWTOWN BUSINESS IMPROVEMENT DISTRICTS - PROGRESS REPORT**

This item was deferred to the next meeting.

**10. CORPORATE SAFEGUARDING 6 MONTHLY UPDATE AS AT 31 DECEMBER 2019**

Cabinet received the 6 monthly report from the Corporate Safeguarding Group which set out updates on the key safeguarding areas being kept under review by the group.

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

**11. IMPROVEMENT AND ASSURANCE BOARD MINUTES**

Cabinet received the minutes of the Improvement and Assurance Board meetings held on 27<sup>th</sup> November and 19<sup>th</sup> December 2019.

**12. CORRESPONDENCE**

There were no items of correspondence.

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| <b>13.</b> | <b>DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING</b> |
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Cabinet noted the delegated decisions taken since the last meeting.

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| <b>14.</b> | <b>FORWARD WORK PROGRAMME</b> |
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The Leader reminded Portfolio Holders to ensure that the forward work programme was kept up to date.

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| <b>15.</b> | <b>TRANSFER OF ASSETS TO THE HOUSING SERVICE TO ENABLE THE PROVISION OF AFFORDABLE HOUSING IN POWYS</b> |
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Cabinet considered proposals to transfer a number of surplus property sites in the ownership of the Council to the Housing Service to enable it to deliver on its objective of providing affordable housing.

| <b>RESOLVED</b>  | <b>Reason for Decision</b>   |
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| That the sites listed in Appendix 1 to the report are transferred to the Housing Revenue Account at Market Value, such value having been determined by the independent District Valuer Services (DVS). | <p>The reason for the recommendation is to ensure that the Housing Service is able to progress its objective of delivering new affordable housing to residents of Powys in a timely manner, in accordance with the Vision 2025.</p> <p>The transfer of the sites at the independently assessed Market Value will ensure that the Council is receiving maximum value for its land holdings without the need for lengthy marketing to be undertaken.</p> |
| That the New Build budget profile is amended to increase the budget in 2019/20 by £1m.   |  |

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| <b>16.</b> | <b>ACCESS TO INFORMATION</b> |
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**RESOLVED** to exclude the public for the following item of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

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| <b>17. CHILDREN'S SERVICES PLACEMENTS AND ACCOMMODATION</b> |
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Cabinet considered proposals for Children's Services to provide a suite of Care Homes (Therapeutic, Residential and Short-Breaks) and Semi-independent Living Accommodation within the county for children and young people in Powys. Cabinet were supportive of the proposals.

| <b>RESOLVED</b>  | <b>Reason for Decisions:</b>   |
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| <p>1. That Cabinet consider, approve and endorse the content of the report and the direction of travel of Children's Services Placements and Accommodation.</p> <p>2. That a final decision on each of the provisions set out in Section 3 of the report is taken after consideration of the business case for each provision.</p> | <p>In order to progress the proposed Children's Services model for Placements and Accommodation and provide a suite of Care Homes (Therapeutic, Residential and Short-Breaks)/Semi-independent Living Accommodation in Powys for Powys Children Looked After closer to home.</p> |

County Councillor M R Harris (Chair)