

Economy, Residents and Communities Scrutiny Committee

Meeting Venue
By Teams

Meeting Date
Monday, 18 October 2021

Meeting Time
2.00 pm



County Hall
Llandrindod Wells
Powys
LD1 5LG

For further information please contact
**Wyn Richards, Scrutiny Manager and
Head of Democratic Services**
wyn.richards@powys.gov.uk

12-10-2021

Mae croeso i chi siarad yn Gymraeg neu yn Saesneg yn y cyfarfod. Rhwch wybod pa iaith rydych am ei defnyddio erbyn hanner dydd, ddau ddiwrnod gwaith cyn y cyfarfod.

You are welcome to speak Welsh or English in the meeting. Please inform us of which language you wish to use by noon, two working days before the meeting.

AGENDA

1.	APOLOGIES
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To receive apologies for absence.

2.	DISCLOSURES OF INTEREST
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To receive any disclosures of interests by Members relating to items to be considered at the meeting.

3.	DECLARATION OF PARTY WHIPS
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To receive disclosures of prohibited party whips which a Member has been given in relation to the meeting in accordance with Section 78(3) of the Local Government Measure 2011.

(NB: Members are reminded that under Section 78 Members having been given a prohibited party whip cannot vote on a matter before the Committee.)

4.	REVENUE AND CAPITAL FORECAST AS AT 30TH JUNE 2021.
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To receive and consider the Revenue and Capital Forecast as at 30th June, 2021 together with an update from Heads of Service.

(Pages 3 - 42)

5.	ACCOMMODATION IN POWYS FOR ASYLUM SEEKERS
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To receive and consider the report of the Portfolio Holders for Adult Social Care and Welsh Language and Economic Development, Housing and Planning and to make recommendations / observations to the Cabinet.

(Pages 43 - 66)

6.	SCRUTINY WORK PROGRAMME
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To note that future meetings of the Committee will be held as follows:

29-11-21 10.00 - 12.00 Teams Live	<ul style="list-style-type: none">• Performance Q2 + Risk• Crime and Disorder / Community Safety Review / Community Safety Partnership
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Committee Reflection

Once the meeting has closed, the Committee is asked to take 5 to 10 minutes to reflect on today's meeting.

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

27th July 2021

REPORT AUTHOR: County Councillor Cllr Aled Davies
Portfolio Holder for Finance

REPORT TITLE: Financial Forecast for the year ended 31st March 2022
(as at 30th June 2021)

REPORT FOR: Decision

1. Purpose

- 1.1 To provide Cabinet with the revenue budget outturn forecast for the 2021-22 financial year. This includes information on the additional hardship funding received from Welsh Government and the impact on the projected position.

2. Background

- 2.1 The pandemic continues to have a financial impact upon the Council, and this will continue through 2021/22. The support from Welsh Government during 2020/21 was fundamental in securing the Council's financial position. This support continues but it is not expected to be at the level seen last year. Likewise, the reduced level of restriction imposed will not impact as severely on Council services, however, there will continue to be some additional costs and income levels may not return to pre pandemic levels for a while.
- 2.2 We must continue to monitor our financial position carefully as we progress through this year and ensure that we react quickly if the position changes, redirecting resources as necessary to maintain our priority services for our residents and businesses.
- 2.3 Table 1 below summarises the projected full year position across the Council's services including HRA and delegated schools a £0.730 million surplus is forecast.

Table 1 – Forecast Position

Revenue Budget	£'000
Base Budget	279,808
Cost Pressures	5,287
Cost Underspends	(7,633)
Cost Reductions Shortfall	2,601
WG Support	(985)
Forecast Outturn	279,078
Surplus	730

- 2.4 Appendix A provides a breakdown of the financial position for each service, broken down into categories covering cost pressures, cost underspends, service reductions and covid hardship funding from Welsh Government expected to date.
- 2.5 Further detail about each service area is provided in Appendix B, with Heads of Service setting out their individual narrative that explains their financial position. This includes their activities being undertaken to deliver cost reductions and mitigate shortfalls, the level of pressures and if any that are being managed “at risk” are likely to materialise significantly.

3. Cost Reductions

- 3.1 Cost reductions of £13.397 million were approved as part of the Councils budget for this year and the delivery of these is required to achieve a balanced budget in year. These include undelivered reductions from 2020-21 of £1.569 million that have been carried forward.
- 3.2 The summary at Table 2 shows that 30% or £3.977 million have been delivered and a further 51% £6.820 million are assured of delivery by Services. £2.601 million, 19% are unachieved and are at risk of delivery in this year. Services are being challenged as to why the position for some proposals has changed and will be required to consider mitigating action to ensure that they can deliver within the budget allocated.

Table 2 – Cost Reductions

	To Be Achieved	Actually Achieved	Assured	Un-achieved	% Achieved
Adult Services	5,091	1,040	3,951	100	20%
Childrens Services	3,184	1,523	1,661	-	48%
Commissioning - Adults & Children	-	-	-	-	-
Economy and Digital Services	1,167	33	165	969	3%
Education	381	381	-	-	100%
Schools Delegated	39	-	39	-	-
Finance	324	246	78	(0)	76%
Central Activities	(175)	-	-	(175)	-
Highways Transport & Recycling	1,745	230	411	1,104	13%
Housing & Community Development	310	106	129	75	34%
Legal & Democratic Services	298	47	21	230	16%
Transformation and Communications	57	57	-	-	100%
Property, Planning & Public Protection	818	304	366	148	37%
Transformation and Communication	-	-	-	-	-
Workforce & OD	160	10	-	150	6%
Total	13,397	3,977	6,820	2,601	30%
		30%	51%	19%	

- 3.3 The budget set by Council included the provision of a risk budget to manage this risk together with potential additional service pressures and this will be drawn upon to support the budget

4. Welsh Government Support

- 4.1 The Welsh Government budget confirmed that the Hardship fund would receive an additional £206.5 million and has been extended until 30th September 2021. Welsh Government have now provided assurance that funding will remain in place until

31st March 2022 but expect the value of claims to reduce as councils bear the cost of new working and customer practices that become the norm. This fund continues to support additional costs arising from the pandemic associated with Social Care, Homelessness, PPE, Free School Meals, limited general additional expenses, and the Mortuary Facility. The fund also continues to support the net effect of lost income.

- 4.2 Thus far the council has submitted cost claims for the quarter totalling £1.30 million, of which £0.44 million directly supports the adult care providers through temporary fee increases.
- 4.3 Claims totalling £183,080 were made for staff on furlough from the Governments' Job Retention Scheme for the first quarter of the year. The furlough scheme is due to come to an end on the 30th September 2021, at which point staff will be required to return to work. Recognising that a number of the staff concerned have health conditions, steps are being taken to support their safe return to work. This involves seeking and considering up to date medical advice from occupational health, risk assessing their return to work in line with current governmental advice and in making adjustments where reasonable. The continued absence of any employees who are unable to return to work at that stage will be managed in line with the Council's normal absence management process.

5. Reserves

- 5.1 The Reserves position at Table 3 sets out the reserve forecast as at 30th June 2021. The opening reserves stand at £52.258 million, with the general reserve £13.634 million representing 6.9% of total net revenue budget (excluding Schools and the HRA).
- 5.2 Council agreed a virement request on the 15th July to set up three specific reserves utilising the 2020/21 outturn underspend, totalling £4.241 million. These specific reserves will now be established with a transfer of funds from the general reserve, reducing this reserve to £9.393 million, representing 4.7% of total net budget (excluding Schools and the HRA).

Table 3 – Reserves Table

Summary	Opening Balance (1st April 21) Surplus / (Deficit)	Planned Addition / (Use) of Reserves	Forecast (Over) / Under change to the plan	Projected Balance (31st March 22) Surplus/ (Deficit)
General Fund	13,634	0	0	13,634
Budget Management Reserve	4,330	0	0	4,330
Specific Reserves	15,651	(1,454)	(58)	14,139
Transport & Equipment Funding Reserve	11,282	(8,710)	0	2,572
Schools Delegated Reserves	3,251	(52)	226	3,425
School Loans & Other Items	(371)	7	0	(364)
Housing Revenue Account	4,481	(2,404)	863	2,940
TOTAL	52,258	(12,613)	1,031	40,676

- 5.3 The transport reserve is forecast to have a significant call on it due to a delay in delivery of replacement fleet last year. The lead times for these recycling vehicles have slipped the costing circa £5.80 million into this year.

6. Transformation

- 6.1 The transformation fund is funded from capital receipts, under a capitalisation directive from Welsh Government. Qualifying expenditure is expenditure that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery in a way that reduces costs or demand for services in future years for the Authority or any of the delivery partners. This includes investment which supports economic growth projects which are also designed to reduce revenue costs or pressures over the longer term. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.
- 6.2 Transformation funding under the capitalisation directive funds both transformational projects and redundancy costs across all services within the authority.
- 6.3 Welsh Government recommend that a separate disclosure note listing the individual transformation projects that have been funded or part funded through the capital receipts flexibility. Appendix C represents the disclosure note required. Setting out the transformational spend and the cashable and non-cashable savings realised.
- 6.4 The total budget allocated to transformational funding in 2021-22 is £4.013m, of which £3.013m was allocated to 16 projects. Thus far the projected outturn is £2.946mm. £1m was allocated to redundancy costs and actual expenditure to the end of June 2021 is £0.165m.

7. Virements and Grants

- 7.1 There have been three additional grants received this quarter:
 - 7.1.1 Grant has been awarded by Welsh Government for the Regional Skills Partnership of £165,000 for the 2021-22 financial year.
 - 7.1.2 Grant has been awarded by Welsh Government for the Communities for Work plus programme of £316,000 in total with allocations of £150,000 and £166,000.
 - 7.1.3 Grant has been awarded by Welsh Government in relation to the All Wales Play Opportunities Grant – Summer of Fun of £174,000.

8. Financial Risks

- 8.1 The Council was able to achieve an underspend in last year's outturn, and at this point in the year, the current forecast predicts a break even position. The course of the pandemic and measures instigated by government will continue to impact on the Council and we must retain flexibility in our budget this year to react to a changing situation.
- 8.2 The greatest financial risk remains in our ability to deliver a balanced budget over the medium and longer term. On current modelling we project a £38 million budget gap up to 2026. We continue to plan in a challenging and uncertain time and will update our projections as more information becomes available.
- 8.3 Treasury Management, maintaining the Councils cash flow to meet liabilities, is also under scrutiny and continues to be monitored daily. We must ensure that the Council has sufficient liquidity to meet its immediate costs such as salaries and

wages, HMRC taxation, and maintaining payment to suppliers and precepting authorities. The current position remains stable.

- 8.4 The Council remains under borrowed as we continue to utilise our cash reserves to underpin our cashflow. We can borrow both in the short to medium or long term, our approach is regularly updated and explained as part of the Treasury Management update to Audit Committee.

9. Resource Implications

The Head of Finance (Section 151 Officer) has provided the following comment:

- 9.1 The outturn for 2020/21 was extremely welcome and we have used the opportunity this provided to support one of costs that will aid recovery, meet short term additional demand and start to provide support for our longer term financial resilience. This funding was not recurring and we cannot assume that we will get the same level of support from Welsh Government this year.
- 9.2 We must consider the continuing implications of the pandemic and how these impact on the Council and embed this into our planning and new ways of working. The additional costs and reductions in our income have to be considered and factored into our service budgets on an ongoing basis and we will have to rebalance our resources to maintain a balanced position.
- 9.3 Our planning must now focus on the medium and longer term as we develop the budget over the coming months, bridging the budget gap, transforming our services and building on the opportunities shown over the last year, whilst also maintaining an appropriate level of reserves will improve our financial resilience.

10. Legal implications

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

11. Data Protection

- 11.1 There are no data protection issues within this report.

12. Comment from local member(s)

- 12.1 This report relates to all service areas across the whole County.

13. Impact Assessment

- 12.1 No impact assessment required.

14. Recommendation

- 14.1 That Cabinet note the current budget position and the projected full year forecast to the end of March 2022.
- 14.2 That the grants set out in section 7 of the report are noted.

contact Officer: Jane Thomas Email: jane.thomas@powys.gov.uk Head of Service: Jane Thomas

Appendix A – Forecast to year end as at 30th June 2021

	£'000	FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				Revised	FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS		Final	Variance
		Add	+ / -	Less	Add		+ / -	Less		
	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Outturn Position 2020/21	
Adult Services	67,266	816	18	(399)	4,051	71,752	(390)	(3,951)	67,411	(145)
Children's Services	25,960	1,374	0	(158)	1,661	28,837		(1,661)	27,176	(1,216)
Commissioning	3,292		0	(14)	0	3,278		0	3,278	14
Education	10,749	481	0	(196)		11,034		0	11,034	(285)
Highways Transport & Recycling + Director	28,106	1,182	(8)	(736)	1,515	30,058	(533)	(411)	29,114	(1,008)
Property, Planning & Public Protection	4,845	93	(71)	(236)	514	5,145		(366)	4,779	66
Housing & Community Development	5,305	593	(24)	(603)	204	5,475	(50)	(129)	5,296	9
Economy and Digital Services	4,259	60	0	(480)	1,133	4,972		(165)	4,808	(549)
Transformation & Communication	1,512		0	(36)	0	1,476		0	1,476	36
Workforce & OD	2,039	17	(11)	(142)	150	2,053		0	2,053	(14)
Legal & Democratic Services	3,087	77	(15)	(194)	251	3,206	(12)	(21)	3,173	(86)
Finance	6,081	28	0	(93)	78	6,094		(78)	6,016	65
Corporate Activities	35,546	567	111	(3,257)	(175)	32,792		0	32,792	2,754
Total	198,047	5,287	0	(6,544)	9,382	206,172	(985)	(6,781)	198,406	(359)
Housing Revenue Account	0			(863)		(863)			(863)	863
Schools Delegated	81,761			(226)		81,535		0	81,535	226
Total	81,761	0	0	(1,089)	0	80,672	0	0	80,672	1,089
Total	279,808	5,287	0	(7,633)	9,382	286,844	(985)	(6,781)	279,078	730
						(7,036)			730	

Appendix B

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Adult Services	67,266	816	18	(399)	4,051	71,752	(390)	(3,951)		67,411	(145)

Head of Service Commentary

Adult Social Care Overview

Cost Pressures

(a) Current Pressures - Included in the forecast outturn

- £390k in regard to loss of income and additional agency staff to manage the increase in the number of presentations at the Front door/ASSIST, Older Peoples Team and Mental Health referrals, which is anticipated will be reclaimed from the Welsh Government Covid 19 Hardship fund.
- £200k to cover the increase in 'Carer' breakdown following the lockdown and the need for additional 'Home Based' respite.
- £40k re increase in demand on the Community Equipment Store to date, partly due to increased community referrals and due to Covid 19 the restrictions on collections and recycling following repair/sanitation.
- £186k in relation to community based services following the risk assessment to not open Older Day Centres and Day Bases and alternative community based service delivery.

(b) Future pressures - Not included in the forecast outturn

- Following a revised risk assessment, Older People & Disability centre/services remain closed. Future need will be based on what matters conversations that are currently occurring which may result in increased costs/double running costs in the short term due to potential increase in bespoke 1:1 sessions which will be over and above current budgeted staffing levels.
- Unknown future impact of Covid 19 on services, are not included in the forecast and only clarity from Welsh Government (WG) re Hardship funding to September 2021 in the current format. This relates to support to local authorities to maintain their commissioned and in-house adult social care placements.
- Winter pressures and potential demand on home-based care and interim bed options, future demand is unknown and so further cost pressures may arise.
- Stability of commissioned providers, particularly the care home sector. There is currently 2+ providers who may be at risk of failure.
- Future demography.

- Additional and backdated costs for “Sleep-ins” following the outcome of the judicial review, possibly backdated to November 2011. Awaiting judgement and liability to be calculated by the payroll team for the in-house service and legal direction.
- Risk in regard to ‘Furlough’ ending on 30th September and currently some frontline staff unable to deliver care within a 2 metre radius.

Cost Underspends

- £234k as the service has only been recruiting in respect of frontline services, which has resulted in staff slippage due to vacancies and also a reduction in travel as face to face meetings have reduced.
- £165k in regards to services not occurring due to Covid 19 restrictions and contract reductions following outcomes of mini UK Government Policy note PPN02/20 & PPN04/20, undertaken in line with guidelines.

Cost Reductions

- **Assured**

The original target of £5.091 million is currently on target to achieve delivery, of which £1.040 million of the original target to date achieved and included in the forecast outturn. There is assurance of delivery of a further £3.951 million, with £0.100 million of the original target set being unachievable due to business continuity being invoked. The budget pressure will be carried forward to 2022/23 and be part of Finance Resource Model (FRM).

- **Undeliverable**

At this point due to business continuity and capacity to deliver the management of change there is a risk on the delivery of £0.100 million, but will be included in the 2022/23 FRM.

WG Funding not yet claimed

£390k in regard to loss of income and additional agency staff to manage the increase in the number of presentations at the Front door/ASSIST, Older Peoples Team and Mental Health referrals, which is anticipated will be reclaimed from the Welsh Government Covid 19 Hardship fund.

Other mitigating actions to deliver a balanced budget.

Maximisation/utilising any grant underspends, if within the grant terms and conditions for previously budgeted and funded baseline costs.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Children's Services	25,960	1,374	0	(158)	1,661	28,837		(1,661)		27,176	(1,216)

Children's Services Overview

Cost Pressures

a) Current Pressures

- £1.2m – increased costs for children in care part year effect
- £200k – increased demand for short breaks
- £60k – s21 support for families in need of care and support

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- b) **Future pressures** - Not included in the forecast outturn - The situation for families due to the pandemic makes predicting future pressures even more uncertain. We are working hard to keep children with their families wherever it is safe and in their best interests and have so far brought into care fewer children than in the same period last year. This may change. The national shortage of placements is making it more difficult to find suitable placements that meet children's needs – this is particularly for children with the most complex needs. There is likely to be a further pressure on placement costs, but it is impossible to forecast at this point. The sustained demand at Front Door and Early Help means additional staff have been required. This has been covered by the covid recovery fund and WG. If demand continues to grow this will create a budgetary pressure going forward. It is critical to respond as early as possible to prevent escalating need and avoid the accompanying costs.

Cost Underspends

Cost Reductions

a) Assured

- £1.5m – delivered
- £1.7m – assured

b) Undeliverable

Work to ensure shared costs for continuing care for children and young people continues with very limited success.

c) Mitigations being delivered

We expect to over-deliver on our 'closer to home' work

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

Children's Services usually receives additional grant funding later in the year and we always try to maximise this to deliver a balanced budget.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Commissioning	3,292		0	(14)	0	3,278		0		3,278	14

Commissioning Overview

It is anticipated that the Commissioning Service for Social Services will return a balanced budget. The service is working with children's services and adults' services to deliver efficiencies within those areas.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Education	10,749	481	0	(196)		11,034		0		11,034	(285)

Education overview

Commissioning Overview

Cost Pressures

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- a) **Current Pressures** - The Schools Service (excluding Schools Delegated Budgets) has a forecasted outturn overspend at the year-end of £286k. There are five main budget lines within the school service budget with senior managers accountable for each one. At the end of June 2021, most budget lines are on track to the forecast with a reasonable variance. The Schools' operational costs budget continues to be an area that is difficult to forecast. With the ageing school estate across Powys, the forecast outturn for this area is a £250k overspend. However this has increased by £219k since last month.

The main reasons for this are:

- £115k overspend Property plus - The Property Plus budget is forecasted to be 25% overspent during 2021/22 due to insufficient budget allowance for repairs and maintenance in school budgets. In order to minimise the overspend, works are prioritised to undertake emergency, urgent, statutory compliance remedial works and environmental health works only. This has been the case since October 2019 and the effects of the spending restriction will have an ongoing detrimental impact on the backlog maintenance costs of the school estate. The forecast is subject to review and may increase if inclement weather is experienced during the winter months.
- £149k overspend Asset Management – This is due to a reduction in budget allowance in recent years and the discontinuation of funding the Schools R&M Central budget. This has left a funding gap for larger maintenance works and programmed maintenance works and essential surveys and investigation works which do not meet the criteria for capital funding with the following commitments:
 - £24.2k electrical remedial works to school which need to be journaled to the critical safety remedial works fund in 2021/22.

- £46.7k asbestos monitoring, new boiler and boiler encapsulation works, a condition survey, feasibility for new mobile staff accommodation at a CP School, various schools BMS controls surveys, electrical remedial works, asbestos management handovers to new Head Teachers.
- £10k flood prevention investigations and works to part of the former school site.
- £25k of flood prevention works to the school playing field at CP School

Other mitigating actions to deliver a balanced budget.

Schools' transformation programme needs to be delivered to ensure our schools' estate is fit for purpose for the 21st Century and the National Mission.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
Page	£'000	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Schools Delegated	81,761			(226)		81,535		0		81,535	226

Schools Delegated Overview

As at 31st March 2021 there were eighty one (81) schools in a surplus position, with a combined cumulative surplus balance of £6.9 million. Given the extraordinary circumstances of the last financial year and the significant amount of additional funding received during March 2021 which resulted in more schools having significant surpluses it was agreed that there should not be a blanket policy of requesting spend plans from those schools that have significant balances at 31st March 2021, which would be normal practice. This is due to the continued uncertainty around the impact of the pandemic and that schools will be planning to utilise these surpluses over the next academic year and beyond to provide appropriate support to learners as they return to school following the disruption caused by the COVID-19 pandemic, which will be reflected in schools' development plans.

As at 31st March 2021, there were fourteen schools in a deficit balance position, with a combined cumulative deficit of £3.7 million. A reduction of 9 schools holding a deficit from the twenty three schools with combined deficits of £4.9 million as at 31 March 2020.

Of the budgets submitted, eighty schools were budgeting to be in a cumulative surplus position at 31st March 2022, meeting the criteria to be approved under the Scheme (this compares to seventy one schools in May 2020). Eleven schools are budgeting to be in a cumulative deficit position at 31st March 2022 (this compares to twenty two schools in May 2020). Four of these meet the criteria within the Scheme to be a licensed deficit, while seven did not meet the criteria and are therefore unlicensed according to the Scheme (comparative numbers for May 2020 are nine and thirteen respectively).

The seven schools that have submitted budgets that are in unlicensed positions are listed below, along with commentary on actions in place. Brynhafren CP School Warning notice remains in place; deficit recovery agreement in place.

- Llanfechain CinW School Recovery plan requested
- Brecon High School Budgeted in-year surpluses throughout budget plan. Warning notice remains in place, to be reviewed Autumn term 2021.
- Crickhowell High School Budgeted in-year surpluses throughout budget plan. Warning notice to be removed.
- Welshpool High School Budgeted in-year surpluses throughout budget plan. Warning notice to be removed.
- Ysgol Calon Cymru Budgeted in-year deficits throughout budget plan, although significantly reduced. Recovery plan requested. Warning notice remains in place.
- Ysgol Maesydderwen Budgeted in-year deficits in later years of budget plan. Recovery plan requested. Warning notice remains in place.
- Cumulative balances remain a concern and a significant risk to the authority, but schools are working well with Council officers to bring in-year budgets into balance and halt the growth of cumulative deficits. Once this position is achieved and consolidated, work begins on reducing the cumulative deficits.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Highways Transport & Recycling + Director	28,106	1,182	(8)	(736)	1,515	30,058	(533)	(411)		29,114	(1,008)

Highways Transport & Recycling Overview

Current Pressures

- **Highways Operations**

A forecast over-spend of £90k against budget is reported at end of May, principally due to £130k unachieved savings for the reduction in winter maintenance service, £14k for street lighting and £67k for the transfer of public conveniences.

- **Waste Collection**

Forecasting £765k overspend, predominantly through a lack of income, which is estimated to be around £354k. Domestic waste is forecasting £232k overspend. Savings around reducing agency staff and rationalising rounds to the sum of £200k has proven to be difficult due to the social distancing and only allowing two per cab. Once three in a cab is allowed the department will be able to reduce its agency numbers.

- **Transport**

Home to School Transport is reporting a £455k overspend against budget at the end of May 2021, predominantly arising from the unachieved savings target of £549k for efficiencies within the Public and School Transport provision not yet delivered.

- **Car Parks**

£588k over-spend on Car Parks, £418k resulting from the reduced opportunity to earn income from on/off street parking and enforcement, arising from the impact of COVID-19. Last financial year the service received grant support from Welsh Government to mitigate the loss of income. If the service is successful at securing funding from Welsh Government to support lost income for the period April to September 2021, this forecast position will improve by circa £233k.

Cost Underspends

- **Transport**

Public Transport is reporting an underspend of £57k against budget at the end of May.

- **Highways Technical**

- £15k underspend on Traffic management resulting from underspend contractors.
- £73k underspend on Street Works which results from a £16k underspend on staffing, £49k overachievement of income associated with traffic regulations offset by a reduced income of £7.5k associated with penalties. Thy forecast assumes that £350k income will be generated from traffic management activities, it is noted that last financial year the service generated £683k of income.

Cost Reductions

The impact of the savings target not expected to be achieved for 21/22 is £1.74m, we have achieved £226k to date, and are expecting to achieve a further £394.5k, which results in an unachieved savings target of £1.12m which accounts for the majority of the reported forecast overspend.

a) Assured

We have achieved £226k to date and are expecting to achieve a further £394.5k.

b) Undeliverable

- £1.12 in undeliverable, predominantly within Transport where a saving target of £549k has been set, alongside £207k in Waste Services, and £200k in Highways Operations.

c) Mitigations being delivered

- All options are being explored to ensure savings targets are maximised. However, further mitigations are being explored in the event the full saving is not achieved.

WG Funding not yet claimed

This position does not take into account income support from the Welsh Government Hardship fund for the April to September period (estimated at £543k)

Other mitigating actions to deliver a balanced budget.

Proposed Mitigation	Actions	Value
Q2/Q3 / Q4 support of lost income by WG (or income levels return to normal)	WG continue to support lost income for the rest of the financial year	£543K
Reduce or temporarily postpone the permanent adjustment to highways budget increase for 21/22.	Do not undertake targeted increase in programmed works (sweeping / Street Cleansing) £500,000 for full year.	£250,000 (based on 6 mths)
	Net Total	£793k

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Property, Planning & Public Protection	4,845	93	(71)	(236)	514	5,145		(366)		4,779	66

PPPP Overview

Cost Pressures

a) **Current Pressures:**

Trading Standards are forecasting an overspend of £102K. This is because of unachievable income targets. Work is ongoing to identify ways to address this forecast overspend.

Cost Underspends

Cost Reductions

a) **Assured:**

Savings of £818k are targeted for this financial year with £304k achieved to date and £366k of savings assured.

b) **Undeliverable:**

The full savings identified by PCC exiting building (£141K) is not achievable given the costs of running alternative buildings. This has resulted in a shortfall of £51K.

c) **Mitigations being delivered**

Strategic Property are currently not on target to achieve income targets related to commercial buildings and offices. New tenants are however in the process of signing leases and salary underspends and better than expected results from other Strategic Property savings exercises (Business rate reviews) are likely to offset any shortcomings.

Other mitigating actions to deliver a balanced budget.

FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21						FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				Variance
		Add	+ / -	Less	Add	Revised	+ / -	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Outturn Position 2020/21	
Housing & Community Development	5,305	593	(24)	(603)	204	5,475	(50)	(129)	5,296	9

Housing and Community Development Overview

- a) **Assured** - Savings delivered/income generation on track across Arts, the Housing General Fund, Archives and Information Management, Sport Powys and the Cleaning Service.
- b) **Undeliverable** - Officers to meet with Finance Business Partners to discuss the deliverability of part of the savings targets for the Library service. Delays have been caused due to the focus on business-critical work.
- c) **Mitigations being delivered** - Continue to take action to reduce void times in order to minimise rent lost as a consequence of empty properties.

Other mitigating actions to deliver a balanced budget.

Officers continue to apply for available grants and funding to support the services wherever appropriate. This does have an impact on staff capacity to deliver other work.

WG Funding not yet claimed

The Catering service are forecasting an overspend of £203,000. The cost of Free School Meal payments in relation to COVID-19 are continuing to be supported by Welsh Government. Until the end of September the expectation is that the income lost as a result of COVID-19 will still be recovered through the lost income hardship claim. Some furlough income has been received which offsets the lost income. The Service hopes to return to normal meal delivery in High Schools from September, which would have a significant impact on income, however this will be dependant on covid restrictions at the time and decisions made by individual schools. Income will continue to be monitored carefully by the Service and Finance Business Partners.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Housing Revenue Account	0			(863)		(863)				(863)	863

HRA – The HRA is ring fenced and forms part of its own trading account, any surpluses and deficits are contained within a ring fenced reserve.

- a) **Current Pressures**
- b) **Future pressures** - Not included in the forecast outturn.

Cost Underspends

Cost Reductions

- a) **Assured**
- b) **Undeliverable**
- c) **Mitigations being delivered**

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Economy and Digital Services	4,259	60	0	(480)	1,133	4,972		(165)		4,808	(549)

Economy & Digital Overview

a) **Current Pressures** – The service work over the past year has focussed on supporting innovative solutions to aid the Council's response to Covid. This has meant delays in delivery of digital transformation savings from last year added to further savings this year.

b) **Future pressures** - Not included in the forecast outturn.

Cost Underspends

No underspends are currently identified

Cost Reductions

- a) **Assured** - only a small proportion of savings have been assured due to the delays with transformational change.
- b) **Undeliverable** - the savings for Regeneration remain very challenging and have been covered in the previous year by grant income. The service will continue to look for these opportunities in the current year, but this puts a strain on limited resources and effects the organisations' ability to maximise economic recovery.
- c) **Mitigations being delivered** - a review of the regeneration service is being undertaken to ensure future establishment is in line with Vision 2025 priorities.

WG Funding not yet claimed

All grant funding for Regeneration is currently unknown as many initiatives are launched throughout the financial year.

Other mitigating actions to deliver a balanced budget.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Transformation & Communication	1,512		0	(36)	0	1,476		0		1,476	36

Transformation and Communication Overview

a) Current Pressures

b) **Future pressures** - Not included in the forecast outturn. Future pressures are emerging around the potential cessation of external funding to support Communications. Work to continue with finance and a discussion ensued with Executive Management Team in respect to of the operating model.

Cost Underspends – additional income received rather than a cost underspend and vacancies attribute to the £36k.

Cost Reductions

a) **Assured – 100% of savings for 2021/22 are achieved.**

b) Undeliverable

c) Mitigations being delivered

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS			
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21
Workforce & OD	2,039	17	(11)	(142)	150	2,053		0		2,053

Variance
(14)

Workforce and OD Overview

- a) **Current Pressures** – minimal cost pressures have been identified which will be more than offset by cost underspends
- b) **Future pressures** - not included in the forecast outturn.

Cost Underspends

The service is underspending £142k against other budgetary lines (mainly staffing costs), which will help to largely mitigate the undeliverable costs reductions identified below.

Cost Reductions

- d) **Assured** - £10k of the cost reductions have been achieved and are therefore assured
- e) **Undeliverable** – the balance of cost reductions of £150k are being reviewed and will not be fully deliverable. This comprises £120k in relation to an apprenticeship programme which are not achievable and £30k in lieu of a salary sacrifice additional voluntary contribution pension arrangement which will be introduced this year. This is currently being reviewed and whilst it is evident that the full £30k cannot be achieved this year, the expectation is that it will be part achieved - the figure will be confirmed and factored in, in due course.
- f) **Mitigations being delivered** – as can be seen from the above analysis, we are helping to mitigate the costs reductions not achieved, through underspending £142k against other budgetary lines (mainly staffing costs), providing for an overall forecast variance of (£14k).

WG Funding not yet claimed - not applicable

Other mitigating actions to deliver a balanced budget - the net budget is close to balance.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Legal & Democratic Services	3,087	77	(15)	(194)	251	3,206	(12)	(21)		3,173	(86)

Legal Overview

- a) Current Pressures
- b) Future pressures - Not included in the forecast outturn.

Cost Underspends

Cost Reductions

- a) Assured
- b) Undeliverable
- c) Mitigations being delivered

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

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		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21					FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS				
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Finance	6,081	28	0	(93)	78	6,094		(78)		6,016	65

Finance Overview

- a) **Current Pressures** – £12k relates to procuring expert insurance analysis in readiness for the insurance tender, the balance is from additional resource required to support Pensions work, and gets funded by the pension scheme.
- b) **Future pressures** - Not included in the forecast outturn.

Cost Underspends

There are some savings from unused budgets such as travel

Cost Reductions

- a) **Assured** – all savings are expected to be achieved
- b) **Undeliverable**
- c) **Mitigations being delivered**

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

		FORECAST FOR THE YEAR ENDED 31ST MARCH 2022 AS PER CP/LEDGER JUNE 21				FINAL ADJUSTMENTS FROM HEADS FOR OUTSIDE LEDGER ASSUMPTIONS					
		Add	+ / -	Less	Add	Revised	+ / -	Less	Less	Final	
£'000	2021/22 Base Budget	Cost Pressures	Staff Redeployment	Cost Underspends	Cost Reductions not delivered (unachieved)	Outturn	WG Hardship not yet recovered to offset position	Cost Reductions not yet delivered but assured	Cost Reductions undelivered but over 50% likely to deliver	Outturn Position 2020/21	Variance
Corporate Activities	35,546	567	111	(3,257)	(175)	32,792		0		32,792	2,754

Corporate Overview

Pressures

a) **Current Pressures** - it is forecast that we will have increased demand on the need for discretionary housing payments, especially when furlough ceases in addition the benefit received for managing homelessness does not cover the cost, in total we are forecasting £363k overspend.

The forecast also includes £56k budgeted for the profit/dividend expected from Howps that is unlikely to be achieved and a shortfall on precepts of £45k due to higher than anticipated inflation uplifts that were no budgeted for.

b) **Future pressures** - Not included in the forecast outturn. - none

Cost Underspends

- There is an underspend on the cost of borrowing budget, forecast at £996k, due to the reprofiling of the capital programme, which has reduced the plan for 2021/22, and consequently less borrowing required.
- As yet the budget risk reserve of £1,500k has not been drawn against. The budget for 2021/22 was set with services bearing the risk on a number of activities, and this budget may need to be drawn upon in year.
- There is a forecast £490k surplus re over collection of the pension fund contributions which will be transferred to specific reserve at year end and used to reduce the pension fund deficit when the actuarial review takes place, with the aim to mitigate the need to increase future contributions and reduces the call on future budgets.
- A £500k surplus on council tax collection is forecast based on the collection of council tax premiums (empty and second homes) in previous years, assuming we will have a similar level this year.

Cost Reductions

a) **Assured**

- b) Undeliverable
- c) Mitigations being delivered

WG Funding not yet claimed

Other mitigating actions to deliver a balanced budget.

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CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
27 July 2021**

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

REPORT TITLE: Capital Forecast as at 30th June 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.

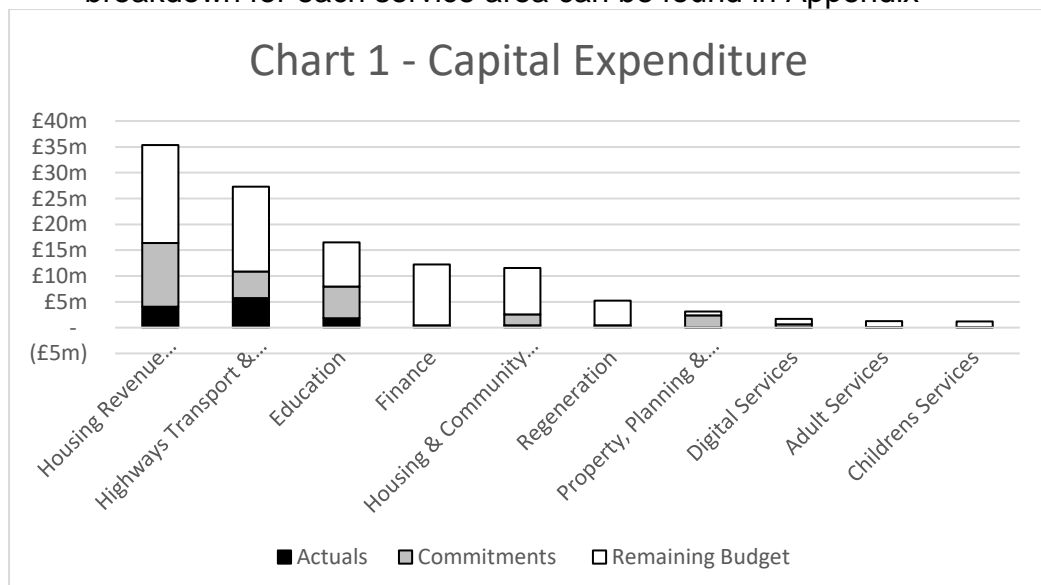
2. Background

2.1 The council approved the 2021 to 2031 Treasury Management and Capital Strategy on the 25th February 2021. This included a Capital Programme for 2021/22 totalling £101.53 million.

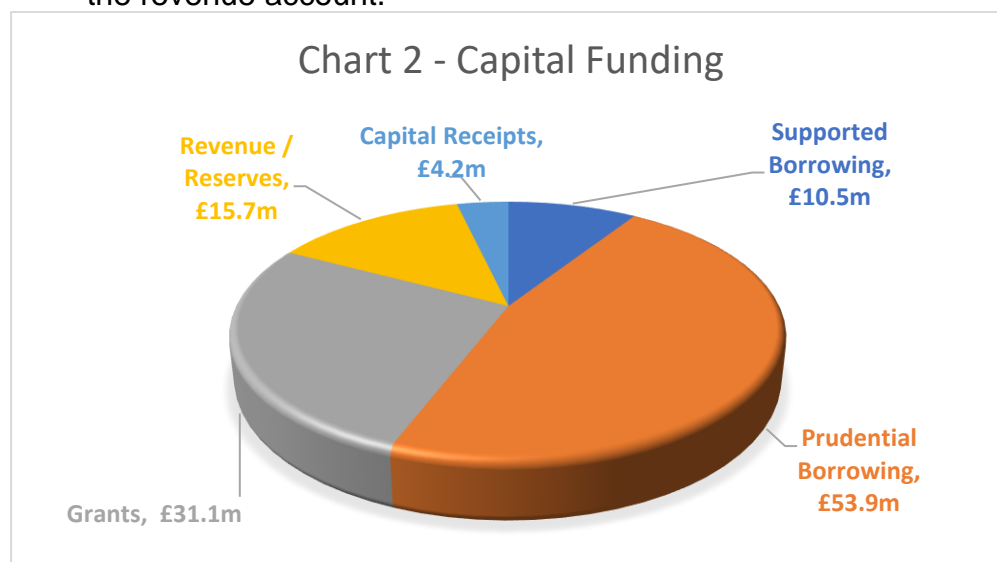
2.2 The revised programme at the 30th June 2021 has increased to £115.30 million following the successfully awarding of grants and the reprofiling of budgets between financial years which are outlined in the this report.

2.3 Actual spend amounts to £12.49 million, representing 11% of the total budget.

2.4 Chart 1 below summarises the financial position for each service. A full breakdown for each service area can be found in Appendix



- 2.5 Appendix B provides an update about each Services capital position from the Head of Service.
- 2.6 Chart 2 below sets out how the 2021/22 capital programme is funded, 44% is funded through borrowing, the interest cost for this is charged to the revenue account.



- 2.7 The revenue expenditure to cover the borrowing for past and present capital schemes is which includes the Minimum Revenue Provision (MRP) is estimated at £18.49 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 £2.10 million (of which £1.34 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.
- 2.8 Based on the estimates above, 4.55% of our net revenue budget of £280 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 £1.59 million to help support the financing of public highways refurbishment.

- 3.5 £0.23 million Access Improvement Grant awarded by WG to improve the public rights of way network, open access land and green space in Powys.
- 3.6 £0.11 million awarded by WG in relation to the Flood and Coastal Erosion Risk Management programme.
- 3.7 WG award of £0.95 million Local Transport Fund to develop transport systems that support WG strategic outcomes as outlined in the Programme for Government and Wales Transport Strategy.
- 3.8 WG award of £0.43 million Resilient Roads funding for transport projects to mitigate and adapt to the effects of climate change, including addressing disruptions caused on the highway network by severe weather.
- 3.9 WG award of £0.12 million Ultra Low Emission Vehicle Transformation Fund grant to promote electric vehicle charging infrastructure projects in alignment with WG's Electric Vehicle Charging Strategy.
- 3.10 WG award of £0.02 million Road Safety funding to support projects that contribute to the WG objective to reduce casualties on Welsh roads.
- 3.11 WG award of £0.05 million Safe Routes in Communities funding to support schemes that contribute to WG's objectives to improve accessibility and safety and encourage walking and cycling in communities.
- 3.12 WG award of £1.31 million Active Travel Fund to increase the levels of active travel, improve health & wellbeing, improve air quality, reduce carbon emissions, connect communities, and improve active travel access to employment, education and key services, destinations and public transport.
- 3.13 **Regeneration**
- 3.14 £1.26 million awarded from WG to enable Powys and Ceredigion County Council to support projects delivered in town centres within the Mid Wales region.
- 3.15 **Virements**
- 3.16 Due to the receipt of grant reported in 3.4 above, it is proposed that work already approved in the Capital Programme (HAMP) is supported by this funding and not by prudential borrowing as originally intended. This reduces the Council's need to borrow by £1.59 million. A virement is recommended to action this change.
- 3.17 **Reprofiling Budgets Across Financial Years.**
- 3.18 There were several schemes in the 2020/21 capital programme which are continuing into 2021/22. The budget carried forward to reprofile these schemes is shown in the following table and has been included in the figures shown in the charts above.

Table 1 Funding carried forward from 2020/21

Service	£,000
Education	3,157
Housing & Community Development	1,076
Highways Transport & Recycling	1,817
Adult Services	216
Childrens Services	60
Property, Planning & Public Protection	1,256
Regeneration	3,936
Finance	183
Digital Services	119
HRA	322
Total	12,142

3.19 **Education**

- 3.20 The profile of the 21st Century Schools Capital schemes has been updated to reflect the current position of each scheme. With projects of this scale, minor changes to progress of the scheme will have a significant impact on the capital programme.
- 3.21 This has resulted in a reprofiling of £27.24 million from the 2021/22 budget into 2022/23, 2023/24 and 2024/25 in line with the revised spend profile. This has reduced the borrowing requirement in this financial year by £8.85 million but it will be required in the next few years.

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 £4.013 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 £1.48 million which are at the legal stage of the process and will generate future capital receipts. The year-end forecast is estimated at £3.38 million.
- 3.27 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.

- 3.28 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 virements proposed in sections 3.15. to 3.16 and recommend to Council for approval as per the virement rules.

- 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 June 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	42	1,141	96.4%
Childrens Services	1,092	80	1,172	72	1,100	93.9%
Education	34,949	(18,463)	16,486	7,950	8,536	51.8%
Highways Transport & Recycling	13,771	13,550	27,321	10,862	16,459	60.2%
Property, Planning & Public Protection	1,525	1,581	3,106	2,379	727	23.4%
Housing & Community Development	10,419	1,125	11,544	2,572	8,972	77.7%
Regeneration	0	5,233	5,233	462	4,771	91.2%
Digital Services	1,130	519	1,649	615	1,034	62.7%
Finance	10,440	1,800	12,240	423	11,817	96.5%
Total Capital	73,626	6,308	79,934	25,377	54,557	68.3%
Housing Revenue Account	27,903	7,456	35,359	16,378	18,981	53.7%
TOTAL	101,529	13,764	115,293	41,755	73,538	63.8%

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

Service	Supported Borrowing	Prudential Borrowing	Grants	Revenue Contribution	Capital Receipts	Total
	£,000	£,000	£,000	£,000	£,000	£,000
Capital	10,453	35,675	20,790	8,840	4,176	79,934
HRA	0	18,234	10,294	6,831	0	35,359
Total	10,453	53,909	31,084	15,671	4,176	115,293

Appendix B

Head of Service Commentary

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Adult Services	1,183	42	1,141	96

HOS Comment

The budget allocation is in respect of Community Equipment, Telecare, Innovative use of Robotics and Powys Care Homes. It is anticipated that that the vast majority of this budget will be committed and spent in year.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Childrens Services	1,172	72	1,100	94

HOS Comment

Planned activity is currently to schedule to spend full allocation this financial year.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Education	16,486	7,950	8,536	52

HOS Comment

The Schools Major Improvements Programme supports the improvement of education facilities and infrastructure for pupils. In this financial year, 67 projects were completed.

There

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 and Estyn requirements.

The impact of COVID-19 has a number of projects resume on site to ensure safe delivery in 2021/22 financial year.

21st Century Schools Programme

The 21st Century Schools Programme continues to progress at pace. Expenditure during the month of June has focused mostly on design development, especially on the Cedewain project now we have Wynne Construction contracted to deliver RIBA 3 and 4 stage designs. The Bro Hyddgen Community Campus is also nearing the end of RIBA 3 stage spatial designs.

There are delays in starting on site to deliver the Ysgol Gymraeg y Trallwng project due to public rights of ways issues. Work has already started on site to demolish the former buildings.

The budget will be utilised to see the commencement in construction of Ysgol Gymraeg y Trallwng and Ysgol Cedewian. Work will also continue in progressing with the Brynlywarch and Bro Hyddgen schemes, and to commence feasibilities and concept design work for pipeline projects.

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Highways, Transport and Recycling	27,321	10,862	16,459	60
<u>HOS Comment</u>				
This year's surface dressing contract has been completed and we are broadly on programme for the remaining highways capital works programme.				
W&R vehicle renewal programme is substantially completed.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Property, Planning and Public Protection	3,106	2,379	727	23
<u>HOS Comment</u>				
Progress is being made with capital projects. It is anticipated that the allocated capital budget will be spent within the financial year.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Housing and Community Development	11,544	2,572	8,972	78
Housing Revenue Account	35,359	16,378	18,981	54
<u>HOS Comment</u>				
Good progress has been made with the HRA capital projects, with 46% of the annual budget spent or committed by the end of Q1.				
22% of the annual capital budget for H&CD has been spent or committed to date. This is expected to rise over the next quarter. Projects are on track at this point.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Regeneration	5,233	462	4,771	91
<u>HOS Comment</u>				
Planned activity is currently to schedule to spend full allocation at the current point				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Digital Services	1,649	615	1,034	63
<u>HOS Comment</u>				
A robust plan for delivery of capital investment in ICT is already underway and closely managed for any changes.				

Service Area	Budget	Actuals & Commitments	Budget Remaining	Budget Remaining as a % of Budget
	£'000	£'000	£'000	%
Finance	12,240	423	11,817	97
<u>HOS Comment</u>				

£4 million of the budget relates to Transformation schemes which under the Welsh Government Capitalisation Directive are funded from Capital Receipts. This 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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Economy Residents and Communities Scrutiny Committee
Date 18 October 2021

Report Title:	Accommodation in Powys for Asylum Seekers
Lead Officer:	Megan Lewis, Resettlement Project Officer
Key Issues in the report highlighted by Lead Officer	<p>The Home Office has called for assistance to accommodate asylum seekers arriving in the UK. Powys County Council is considering supporting this request by working with the Home Office agent, Clearsprings Ready Homes, to source private sector accommodation across the county. Clearsprings would procure the properties, act as landlord and provide all necessary services to support the asylum seekers whilst their claims are processed by the Home Office. Numbers are expected to be low initially, ie. circa five properties in the first 12 month period. Expansion of the scheme would be dependent upon the success of any initial tenancies.</p> <p>Key issues raised relate to:</p> <ul style="list-style-type: none"> • Community cohesion • Public relations • Availability of accommodation • Impact upon local services, especially homelessness services

Key Feeders (tick all that apply)	Strategic Risk		Cabinet Work Plan		Corporate Plan	
	Director / HoS Key Issue		External / Internal Inspection		Service Business Plan	
	Existing Commitment / Annual Report		Performance / Finance Issue		Suggestion from Members	
	Suggestion from Public		Referral from Council / Committee		Partnerships	
	Impacting Public / other services		Other	Yes		

Scrutiny Impact (tick all that apply)	Policy Review		Performance		Pre-Decision Scrutiny	Yes
	Informing Policy Development		Evidence Gathering		Strategic Issue	Yes
	Risk	Yes	Corporate Improvement Plan / Strategic Equality Plan		Finance	
	Service Plan		Partnerships			
	Other (please specify)					

Economy Residents and Communities Scrutiny Committee
Date 18 October 2021

Suggested scrutiny activity	Committee's Role: Thoroughly review with a view to identifying any potential shortcomings or areas of concern.
On what specific elements of the report would scrutiny comment add value	Review of risks and issues, ensure key matters are identified and assessed appropriately.

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET
November 2nd, 2021**

**REPORT AUTHOR: 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)**

REPORT TITLE: Accommodation in Powys for Asylum Seekers

REPORT FOR: Decision

1. Purpose

- 1.1 The purpose of this report is to request Cabinet approval for the Council to support and cooperate with the Home Office (HO), and its contracted agent, Clearsprings Ready Homes (CRH)¹, in the provision of accommodation across Powys for households and people seeking asylum² in the United Kingdom.
- 1.2 The initial requirement is for six privately owned family-sized homes to be secured in Powys for asylum seekers. These properties would be sourced and managed, on behalf of the HO, by CRH.

2. Background

2.1 National Situation

- 2.1.1 The HO is asking local authorities across the country to support it in procuring suitable accommodation for people entering the UK as asylum seekers. The accommodation is needed whilst applications for asylum are processed. The HO is asking for voluntary participation, but if insufficient offers are forthcoming, local authorities may be mandated to enable or provide accommodation.

¹ Clearsprings Ready Homes is a privately owned provider of short-term accommodation and support services, which has been working with the Home Office since 2000. It currently provides accommodation and transport services in the 'London & South' and 'Wales' regions of the United Kingdom.

² 'Asylum' is the protection offered by a country or state to a refugee who has left their home country because of persecution they have suffered or may suffer on the grounds of race, religion or some other factor.

- 2.1.2 Statistics from the HO show that 35,099 asylum applications were received during 2020, an increase of 11% on the previous year. This meant that by the end of June 2020 there were 45,769 asylum seekers in the UK receiving support under Section 95 of the Immigration and Asylum Act 1999.
- 2.1.3 Under Section 95 asylum seekers can apply for support while waiting for their claim or appeal to be considered. Support can be for accommodation and/or subsistence, according to their circumstances and on condition that the asylum seekers satisfy a destitution test. If provided, dispersal accommodation³ is offered in a 'Dispersal Area', located away from London and the South-east of England. Accommodation and support is provided by the HO, via a network of specialist contractors such as CRH.
- 2.1.4 Once a claim has been determined the family or individual receives 28-days-notice to vacate their HO-supported accommodation. Thereafter, asylum seekers become responsible for securing their own accommodation or in cases where asylum is denied, to return to their country of origin. The local authority in the area where the asylum seekers were accommodated during the time their asylum claim was being processed may be required to assume responsibility, under homelessness legislation, for vulnerable asylum seekers. In cases where the decision is to deny asylum, it is possible that such households could be left without any source of income and unable to work.
- 2.1.5 It is difficult to provide a socio-economic profile of those families or individuals seeking asylum. However, it is possible that asylum seekers will have skills or qualifications that would support them to be able to make a positive contribution to local communities, pending the outcome of their asylum claims.

2.2 Community Engagement

- 2.2.1 The Welsh experience of the HO using Penally Barracks in Pembrokeshire as accommodation for asylum seekers has been mixed, with reports that community cohesion was placed under stress in part due to a lack of communication with the wider community.
- 2.2.2 The proposals for Powys, set out in this report, would be on a smaller scale but it is recognised, both locally and nationally, that good communications are essential to make sure that positive and constructive community cohesion is maintained. The HO is the lead agency for public relations associated with the management of asylum seekers. Local communication strategies can be developed to help

³ Dispersal accommodation is located in particular areas in the community where the local authority has agreed to take asylum seekers up to a defined cluster limit (defined as an assumption that there will be no more than one asylum seeker per 200 residents, based on the 2001 census figures for population).

inform local people of the impacts of asylum seekers being accommodated in their communities. The Welsh Government has established a working group for local authority communications teams – including Powys County Council - to agree a common approach.

2.3 Asylum Accommodation in Powys

- 2.3.1 Wales has provided accommodation for asylum seekers in four 'Dispersal Areas': Newport, Cardiff, Swansea and Wrexham. The increase in demand has led to the request to local authorities – including Powys County Council - from the HO for more accommodation to be provided.
- 2.3.2 For areas new to asylum dispersal, the HO's approach is to enter into dialogue with each local authority to agree a way forward that works for the area and enables participation. It is expected that the number of asylum seekers that would be accommodated across Powys would be small and proportionate to local communities. No specific location would be targeted.
- 2.3.4 To reduce the risk of negative impacts on community cohesion, the HO preference is for a low key, widely spread dispersal across each local authority area. The Council can express a preference for household types - for example families or single people. However, the final decision will rest with the HO, which uses demand intelligence to inform allocations.
- 2.3.5 CRH has advised that during the first 12 months of participation it would aim to source a maximum of five family-sized properties in Powys. These properties would be privately owned, with CRH entering into a management agreement with the property owners. CRH works with Migrant Help⁴ and the Refugee Council⁵ to provide a comprehensive service embracing property procurement, engagement, housing management and move-on support following the determination of asylum claims. The Council would be consulted on the location of any proposed properties and kept advised of progress.
- 2.3.6 The impact upon housing demand and homelessness, by reducing the number of homes available for households looking for a home, is expected to be minimal due to the small numbers of asylum seekers which are proposed to be accommodated. CRH has advised that anecdotal evidence suggests that once their asylum claims are determined many asylum seekers migrate to urban areas, reducing longer term demand for accommodation in the dispersal area.

⁴ Migrant Help is a national organisation that provide 1-2-1 help for asylum seekers to make applications for asylum. It provides asylum services in Wales from its base in Cardiff.

⁵ The Refugee Council provides support for newly recognised refugees, including for example helping people into employment. It has an office in Cardiff to supports its work in Wales.

- 2.3.7 The Council has through its work with the Syrian Vulnerable Persons Resettlement Scheme, which has been replaced by the UK Resettlement Scheme, gained experience and expertise in helping resettle people from troubled regions. There are well established multi-agency networks in place to help, support and advise as necessary. This includes provision for English classes (ESOL) and established voluntary refugee support groups.
- 2.3.8 The Council's Social Services and Education teams and the Powys Teaching Health Board have not indicated concerns with Powys being able to accommodate in their services the limited number of asylum seekers proposed in this report to be accommodated in Powys.
- 2.3.9 CRH would review the success of the project after 12 months, taking account of impacts upon community cohesion and the experiences of the asylum seekers. Any expansion of the project would be informed by demand, the willingness of the Council to support further provision and the views of the HO.

3. Advice

- 3.1 Option One: To support the HO to accommodate asylum seekers across Powys.
- 3.2 Option Two: Not to support the HO to accommodate asylum seekers.
- 3.3 Option One would demonstrate a clear commitment by the Council to support the safety and wellbeing of people whose lives have been or are in danger or who are at risk of harm in their country of origin. It would also constitute a meaningful contribution to the aims of the Welsh Government's 'Nation of Sanctuary' Plan. The costs of providing this support will not fall on the Council as HO funding, via the contracted service provider CRH, will cover integration and accommodation costs until such time as asylum applications are determined. There would be no increased demand upon social housing as CRH will be sourcing properties from the private sector. Whilst this will mean less private sector rental properties for local communities, numbers would be minimal in any one area. There may be some risks to community cohesion, if there are objections to people moving to Powys from outside of the UK. The risks of this are believed to be low due to the small number of households likely to be accommodated in Powys and the dispersed approach to sourcing accommodation.
- 3.4 Option Two would mean that additional private sector housing would be available to the wider community and there would be no risk to community cohesion. However, the HO has indicated that Local Authorities could be mandated to accommodate asylum seekers in the event that insufficient accommodation is secured. This would mean less involvement and control for the Council and risk reputational

damage if the Council is perceived as reluctant to support this nationwide appeal for assistance.

3.5 Option One is the recommended course of action for the Council.

4. Resource Implications

4.1 Housing

4.1.1 Overall demand for housing of all types and tenures across Powys is high. There are currently 3,700 households registered with 'Homes in Powys' the majority of whom are looking for or are eligible for one or two-bedroom properties. It is most likely that it will be family sized homes, three or four bedrooms, that will be required for asylum dispersal. CRH will only be seeking to utilise properties from the private sector so there will be no immediate demand upon social housing.

4.1.2 It is possible that some individuals or families may be picked up under homelessness legislation following determination of their asylum claims should they decide to stay within the County. This may apply to asylum seekers whose application for asylum is denied, and who could then be left without any source of income and unable to work.

4.2 Finance and Staff

4.2.1 CRH, will manage the entire service for asylum seekers, including procurement of housing, community engagement and cohesion, allocation and management of housing (including furnishing and maintenance) and the move-on process once asylum applications are determined. There will be minimal financial impact for the Council with involvement limited to initial consultation regarding suitability of properties, and then an ongoing liaison role with CRH to ensure the smoothing running of the project. This can be accommodated within current staffing resources, with the Resettlement Project officer being assigned the lead role of liaising with the HO, CRH and the Welsh Strategic Migration Partnership to ensure the smoothing running of the project.

4.3 The Council's Section 151 Officer has noted the contents of this report and...

5. Legal implications

5.1 There are no direct legal implications for Powys County Council as CRH would be sourcing all properties, contracting with landlords, providing housing management services including occupation licences providing necessary financial support and managing the move-on process.

5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: “ I note the legal comment and have nothing to add to the report”.

6. Data Protection

6.1 The ‘data controller’ would be the Government’s contracted agent, CRH. Powys County Council would only hold basic details such as name and address of families/individuals. The Council would not, therefore, be processing any personal data.

7. Comment from local member(s)

7.1 The locations of asylum seeker accommodation is as yet not known so it has not been possible to consult with individual members.

8. Impact Assessment

8.1 An Impact Assessment is attached to this report as Appendix One.

9. Recommendation

9.1 It is recommended that Cabinet agree to:

9.1.1 The Council supports and cooperates with the Home Office, and its service provider (Clearsprings Ready Homes) in the provision of accommodation in Powys for asylum seekers.

Contact Officer: Meg Lewis (Resettlement Project Officer)

Tel:

Email:

Head of Service: Nina Davies (Head of Housing and Community Development)

Corporate Director: Nigel Brinn (Corporate Director – Economy and Environment)

Impact Assessment

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 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

No savings profile

Consultation requirements

Consultation required? No

Justification 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.

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

This project provides an opportunity for private landlords to establish settled tenancies across the county, thus improving their letting businesses.

Impact 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.

Impact
rating

GOOD

Support would be provided, if needed, to boost English language skills, and also assist able individuals back into work.

Mitigation

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.

Mitigated
impact
rating

VGOOD

4b. Health and care

Impact

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.

Impact
rating

UNKNOWN

Mitigation

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.

Mitigated
impact
rating

NEUTRAL

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	VPOOR
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	VGOOD

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.
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

Mitigating steps include:-

Mitigation

- 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 VGOOD
impact
rating

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 None

Disability

Impact None

Gender Reassignment

Impact None

Marriage or Civil Partnership

Impact None

Race

Impact None

Religion or Belief

Impact None

Sex

Impact None

Sexual Orientation

Impact None

Pregnancy and Maternity

Impact None

Socio-economic Duty

Impact None

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

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

Powys CC will actively engage with Clearsprings Readyhomes and other key partners such as Police, support agencies, third sector

Mitigation

partners and the asylum seekers being accommodated to ensure needs are met, communities kept advised and community cohesion maintained.

Mitigated
impact
rating GOOD

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

Prevention

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.

Impact 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.

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.

Impact

rating VPOOR

Mitigating action includes:-

- 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.

Mitigation

Safeguarding

- 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.

Mitigated
impact
rating

NEUTRAL

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

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

Mitigation 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

6c. Impact on payroll

Impact None

6d. Welsh language impact on staff

Impact None

6e. Impact on apprenticeships

Impact None

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 0.0

Description Risk of negative PR for supporting asylum seeker accommodation

Likelihood score	4	Impact score	3	Risk rating	12.0
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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
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Risk 1.0

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
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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
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Risk 2.0

Description Risk of unrest in communities and a negative response to asylum seeker resettlement.

Likelihood score	3	Impact score	3	Risk rating	9.0
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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
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Risk 4.0

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
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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
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Risk 5.0

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
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Liaison with CRH in advance of application outcomes, and at the time of determination.

Limit numbers being accommodated and spread throughout the County.

Mitigation

Liaise with support agencies to ensure support network exists for applicants.

Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0
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Risk 3.0

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
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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.

Mitigation

Liaise with support agencies to ensure support network exists for applicants.

Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0
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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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