## Public Document Pack

## Learning and Skills Scrutiny Committee

Meeting Venue By Zoom

Meeting Date Monday, 30 January 2023

Meeting Time 10.00 am

For further information please contact

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County Hall Llandrindod Wells Powys LD1 5LG 23-01-2023

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

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

## AGENDA

#### 1. APOLOGIES

To receive apologies for absence.

#### 2. DISCLOSURES OF INTEREST

To receive any disclosures of interest by Members relating to items to be considered at the meeting.

#### 3. DECLARATIONS OF PARTY WHIP

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. DRAFT 2023 - 2024 BUDGET

To scrutinise the Draft 2023- 2024 Budget.

Attached, in relation to the Cabinet's Budget proposals to Council are the following documents:

#### 4.1. **Reports**

Scrutiny Report – Budget Questions	Attached
Cabinet report to provide the overall context for the budget setting process	Attached
Mid Term Financial Strategy	Appendix A
Finance Resource Model	Appendix B
Cost Reductions	Appendix C
Fees and Charges Register	Appendix D
Fees and Charges Report	Appendix E
Pressures	Appendix F
Reserves Policy	Appendix G
Capital and Treasury Management Strategy	Appendix H
Impact Assessment – Council Tax and Overall Budget	Appendix I
Budget Survey 2022 Report	Appendix J

(Pages 3 - 210)

## 4.2. Impact Assessments

Individual Impact Assessments relating to the proposals under the Cost Reduction Proposals above (**Appendix K**) (Pages 211 - 306)

## Committee Reflection

Following the close of the meeting the Committee is asked to spend 5 to 10 minutes reflecting on today's meeting.

## 4.1

## Learning and Skills Scrutiny Committee – 30-01-2023 Economy, Residents and Communities Scrutiny Committee – 30-01-2023 Health and Care Scrutiny Committee – 31-01-2023 Finance Panel – 01-02-2023

Report Title:	Budget paper questions
Lead Officer:	Head of Finance

#### Key Issues in the report highlighted by Lead Officer

The budget pack has the main report setting out the budget proposal, and a series of supplementary appendices. Scrutiny needs to establish if the budget setting proposal is realistic, deliverable, legal and affordable within the timescales proposed. A 5 year MTFS is set out and the funding plan as well as the Capital and Treasury Strategy.

The budget setting in the main has been led by Heads of Service, establishing what the cost pressures and, what savings they can deliver, alongside preparing impact assessments to show the level of impact / risk on those savings.

The Capital Strategy has a similar overview, in terms of affordability of the programme and a 5 year plan.

#### Key Feeders (tick all that apply)

Strategic Risk		Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	
Existing Commitment / Annual Report		Performance / Finance Issue	X
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan	X	Impacting Public / other services	X
Service Integrated Business Plan	X		
Suggestion from Members			
Partnerships			

#### Scrutiny Impact (tick all that apply)

Policy Review		Performance	X
Informing Policy Development – Financial	X	Evidence Gathering	
Regulation compliance			
Risk		Corporate Improvement Plan	Х
Service Integrated Business Plan	X	Partnerships	
Pre-Decision Scrutiny		Finance / Budget	Х

#### Other (please specify)

Not applicable

#### Suggested scrutiny activity - Committee's Role:

Questioning and analysing service levels, costs (use of public money) and ensuring the Council budget plans are realistic, legal and deliverable (raising areas of concern and clarification to Heads of Service and asking for their comments)

a) In the covering report – through to page 14 sets the scene and provides the background in terms of council, wider economy and Welsh Government.

Then after the nature of the proposed budget is set out, use table 5 as a guide to understand the changes to the service budgets you are scrutinising as you work through each appendix. There is context at 3.62 about the overall pressures within the table.

The proposed draft net budget for 2023-24 is £326.54 million, including the Delegated Schools' Budget, a £24.682 million or 8.2% increase on last years budget. The level of increase across the Councils services cannot be fully supported by Welsh Government funding and an increase in Council Tax at 5%. Proposing Council Tax at 5% provides 3.8% to support Council Services with a further 1.2% to support the £1.1 million increase in the Fire Levy which the Council provides to the Mid and West Wales Fire Authority ,as set out in paragraph 3.47 of the report.

In proposing this increase, there has been careful consideration to affordability for Powys residents in light of the cost of living crisis, together with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services upon which they rely.

b) The MTFS and FRM (Appendix A & B) provide greater detail about the budget and how the proposed budget has been collated, it provides a wider overview and has less specific service information – which are covered off in the appendices – so once read the main documents focus on :

Question – does the narrative set out any specific service funding / changes that impact on the service plans and if so have these been considered ?

c) Appendix C Cost Reductions - lists the savings of £16.4 million to bridge the gap. Heads of Service should have ensured that these reductions are focused on delivering services that are more efficient or that can be delivered at a reduced cost, alternative sources of income and increased fees and charges have also been implemented. Limiting the impact on the delivery of front line services wherever possible.

Question – do you think the savings outlined are achievable in year and the corresponding impact assessment explains the what the consequences are of implementing it?

Question – is more information required, are there any further concerns heads should be aware of?

Question – are you assured that these can realistically be delivered within the years they say, *i.e.* profiled correctly ?

d) Appendix D & E Fee and Charges Register

Question – are there any increases that may limit or reduce the take up of that service, and then the impact is that it reduces the level of income

Question – do any of the proposals need an impact assessment as they will have a big effect on communities etc – maybe one provided if the charges are listed in Appendix C

e) Appendix F - Inflationary Pressures and additional service cost pressures of £24.991 million *Question – Are the service pressures realistic or do the Heads of Service need to explain the rationale for what the pressure is, how it was calculated to arrive at the value ?* 

Question – is the pressure likely to occur or just a risk – that could be managed at "risk"

f) Appendix G – Reserves Policy- In assessing the appropriate level of reserves, the Authority will ensure that the reserves are not only adequate, but also necessary and will be appropriate for the risk (both internal and external) to which it is exposed. The Reserves Policy shown in Appendix G establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used. In the context of the need to maintain financial stability and flexibility moving forward on the advice of the Section 151 Officer, it is Cabinet's <u>intention not to make any use of the General</u> <u>Reserve to fund the 2023-24 Budget.</u>

Question – are there any factors not explained by Heads of Service that could require the use of reserves and should be highlighted ?

g) Appendix H - The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council's priorities and Vision. The draft provides a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, whilst considering the risks, how these will be managed and the implications for future financial sustainability.

Question - Do you think the strategy captures the risks and uncertainties and affordability of the programmes. Does it have the right schemes being delivered in the services you are scrutinising?

*Question – Does the programme include the right projects that align to the strategic priorities?* 

h) Appendix I – these are the impact assessments (IA) that provide greater detail and consequences of the savings. There is an overall impact assessments for the council budget and council tax level

Question – are the IAs clear enough to help you understand and agree the savings being made, does any of this information need clarifying ?

i) Appendix J – this is the feedback from the budget survey

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## CYNGOR SIR POWYS COUNTY COUNCIL.

#### CABINET EXECUTIVE Date: 17<sup>th</sup> January 2023

REPORT AUTHOR:	County Councillor David Thomas Portfolio Holder for Finance and Corporate Transformation
SUBJECT:	Draft Medium-Term Financial Strategy 2023-2028, Dxraft 2023-24 Budget and Capital Programme for 2023-2028

Decision

## 1. Purpose

**REPORT FOR:** 

- 1.1 To seek Cabinet's approval of the updated draft Medium Term Financial Strategy (MTFS) for 2023-28, which includes a Financial Resource Model (FRM) for 2023-28, a draft revenue budget for 2023-24 and a draft capital programme for 2023-24 to 2027-28.
- 1.2 The Council is required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year; the MTFS reports a balanced budget for 2023/24. There is no requirement to set out a balanced position beyond the next year but the five year strategy has been developed to enable longer term planning and transformation.

#### 2. Background

- 2.1 The Medium-Term Financial Strategy sets out the financial strategy for Powys County Council (the Council) for the period 2023 to 2028. The strategy captures the financial, regulatory and policy drivers affecting the Council and sets the direction and approach, providing a framework in which the Council develops its financial plans. It also incorporates the plan for delivering a balanced budget for 2023-24, and indicative budgets for the following 4 years to March 2028.
- 2.2 The financial strategy is the link between the organisation's long term service objectives and its financial capacity. It seeks to ensure that the Council's strategic objectives can be achieved within the confines of the financial resources available.
- 2.3 The Council is developing its financial plans in an extremely challenging economic context. Inflation is at a 40-year high and the UK is entering recession. This wider UK economic context has resulted in significant financial pressures, particularly for public services. The continued impact of the UK's decision to leave the European Union, the legacy of the Covid-19 pandemic, along with a lengthy period of austerity, have eroded the resilience of public services. If the next UK government sticks to the lean spending plans proposed by the current government, future funding settlements are projected to decline and analysts are reporting that this would almost certainly imply a return to an era of spending cuts and above-inflation Council Tax increases.

- 2.4 2022 has brought the two further challenges with a war in mainland Europe, as Russia invaded Ukraine, and the continued cost of living crisis, both of which have driven up prices for individuals, businesses, and services.
- 2.5 Even with the additional resource funding provided through the Settlement from Welsh Government (WG), the high levels of inflation currently being experienced means the funding provided is now worth less in real terms.
- 2.6 Council approved the previous Medium Term Financial Strategy on the 3rd March 2022. Much has changed since that time, both in terms of the changing financial environment and a change in the administration of the Council.
- 2.7 In September 2022 Cabinet considered a report which provided an update on the challenging economic context and how this is impacting on the development of the Council's Budget and the Medium Term Financial Strategy. The MTFS has therefore been reviewed and updated and on the 20<sup>th</sup> December 2022 Cabinet approved the revised assumptions to be reflected in the plan.
- 2.8 The draft MTFS presented today has been further developed to reflect the updated funding projections provided through the provisional settlement received by Welsh Government on the 14<sup>th</sup> December, 2022.
- 2.9 Like other councils across Wales, in addition to the challenges imposed by rising inflation Powys County Council continues to face significant challenges arising from demographic changes, increase service demands, citizen expectations and rising costs, together with the ongoing response to the Covid pandemic.
- 2.10 We anticipate that we will continue to face financial pressures that outweigh the funding available throughout the period of our MTFS. The challenge imposed by the current economic context and the speed in which it has taken effect has again obliged the Council to focus on the short term. It is becoming clear that the Council in its current form is not sustainable for the longer term, and initial plans to reimagine what the Council should look like in the future are currently underway and are critical to ensure that the Council can remain financially stable and provide sustainable services in the long-term.
- 2.11 The updated draft Strategy captures the financial, regulatory and policy drivers affecting the Council and identifies the Council's service and resource priorities for the next five financial years. It delivers a balanced budget for 2023/24, and indicative budgets for the following 4 years to March 2028.
- 2.12 The proposed Capital Programme reflects the existing commitments made in previous years as well as new schemes already approved.
- 2.13 The setting of our budget, and in turn Council Tax, will need to take account of the full range of funding sources available to us, as well as the pressures we face. Whilst the funding position for 2023/24 is more positive than initially assumed, the overall position both next year and beyond is set in the context of ongoing uncertainty. The opportunity the settlement for 2023/24 provides must be considered in the context of

our ongoing financial sustainability. Funding levels for 2024/25 and beyond return to lower levels of increase and we must plan with this in mind and maintain financial resilience wherever possible.

- 2.14 The new Corporate Plan will reflect the Council's operating environment and priorities and the 2023-26 Plan will be presented to Council for approval at the same time as the final MTFS is presented on 23rd February. This will ensure the Corporate Plan and MTFS are aligned, enabling the reader to make explicit links between the Council's priorities and the resources directed to support them.
- 2.15 During 2023 we will continue to focus on our six key equality objectives which are:
  - improving outcomes for children living in poverty,
  - preventing homelessness,
  - enabling people with a disability to gain valued occupation,
  - improving the availability of accessible homes,
  - improving digital inclusivity, and
  - ensuring equality of opportunity and taking action to close the pay gap for all our staff.
- 2.16 We are also actively contributing towards creating a Net Zero public service by 2030 and have developed a Biodiversity Action Plan and Climate Change Strategy as part of our ongoing efforts to reduce the negative impact that our activities have on the environment.
- 2.17 The Council's MTFS is set within the context of UK economic and public expenditure plans, WG priorities and legislative requirements. It articulates how the Council plans to use its resources (revenue and capital) to support the achievement of its corporate priorities as well as the management of its statutory and core duties, known pressures and risks. The MTFS helps the Council to work more effectively with partners in other sectors and provides a strategy for the use of reserves to meet changes in resources, risks or unforeseen demands from year to year without impacting unduly on services or council taxpayers.
- 2.18 The draft MTFS includes the:
- principles that will govern the strategy and a five-year Financial Resource Model (FRM), comprising detailed proposals for 2023-24 and outline proposals for 2024-25 to 2027-28.
- Capital Financing Strategy and the Treasury Management Strategy; and Capital Programme for 2023-24 to 2027-28.
- 2.19 The Cabinet and the Executive Management Team have developed the draft MTFS to guide the development of the proposed 2023-24 draft budget, the FRM and the draft Capital Programme. At the same time as updating the MTFS, the Council is legally required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year by the 11<sup>th</sup> of March each year.
- 2.20 Production of the draft budget for the forthcoming year is dependent on receipt of the provisional local government settlement from the WG which for 2023-24 was

published on 14th December 2022. This report provides a draft Budget for 2023-24 for Cabinet's approval, subject to which it will be considered by the Council's Scrutiny Committees before a final budget is presented to full Council for approval on 23<sup>rd</sup> February 2023. The Welsh Government draft budget will be scrutinised and the final budget will be published on 7th March 2023; if there are any late changes these would need to be made and presented to Council at the meeting on the 2<sup>nd</sup> March 2023 for further approval or at a further meeting of Council if required.

## 3. <u>Advice</u>

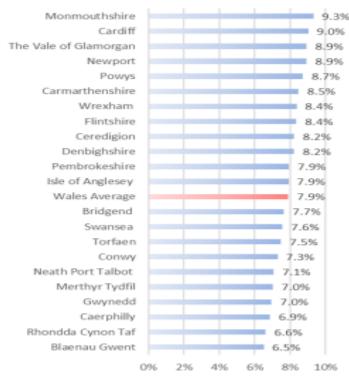
#### Welsh Government Provisional Local Government Settlement

- 3.1 The Local Government Revenue Settlement comprises Revenue Support Grant (RSG) and redistributed National Non-Domestic Rates (NNDR) revenues and is known as Aggregated External Finance (AEF). In 2023-24, local authorities will receive £5.5 billion from the WG in RSG and NDR to spend on delivering key services.
- 3.2 WG continue with their commitment to local government being at the frontline of delivering a wide range of vital public services. WG recognises that Local Authorities have been affected by the soaring cost of energy and inflation across all services, including in two of their biggest service areas: schools and social care. This is alongside overall increases in demand in many service areas.
- 3.3 Schools in Wales are directly funded by local authorities; funding for schools is provided mainly through the local government settlement. The WG's education budget also supports spending in and on schools, teachers and wider education programmes, including free school meals, the rollout of the new curriculum, teacher training and support to help learners recover post pandemic.
- 3.4 As a result of spending decisions made in relation to education in England, Wales received additional funding in the Autumn Statement. This is being provided in full by WG to local authorities in Wales through increases to the un-hypothecated settlement and through the education budget. The funding provided through this Settlement will therefore cover the costs arising from the 2023/24 pay deal which fall within the 2023-24 Settlement year. WG have again taken the decision to provide all the available funding up front and not hold back funding for in-year recognition of the 2023/24 teachers' pay deal. Local authorities' budget planning must therefore accommodate these costs.
- 3.5 Welsh Government recognises that social care plays a vital role in Wales, supporting people to live independent lives in the community while also supporting the wider health service. Without effective social care, the NHS' ability to function effectively will be swiftly diminished. The demand for social care has increased rapidly and the sector is under intense pressure as it struggles to recruit and retain staff.
- 3.6 In April 2022, WG provided funding to enable the Council to be able to pay the Real Living Wage for social care workers. To maintain this, WG makes a recurrent provision of £70m to meet the Real Living Wage for social care workers, within the allocations to the health and social care budget and the local government settlement.
- 3.7 For Education, in addition to the funding being provided for schools via the local government settlement, WG are allocating an extra £10m for schools via their

Education budget in 2023-24. This is made up of an additional £5.5m to support the continuation of the Recruit, Recover and Raise Standards (RRRS) programme in line with the Programme for Government commitment, and a further £4.5m to support implementation of the Additional Learning Needs (Wales) Act as part of the long-term programme of education reform. There will also be an additional £9m to support post-16 provision, including a review of Renew and Reform funding and other distinct pressures for school sixth form and the Further Education sector.

- 3.8 The Welsh Government remains committed to people in Wales having access to a decent place to live. Funding for housing and homelessness continues to be an area of priority investment, which protects the most vulnerable in society. £10m is allocated to the homelessness prevention budget to boost investment in homelessness prevention and relief interventions across Wales, providing support for local authorities to continue our 'no-one left out' approach.
- 3.9 Businesses and other ratepayers in Wales are supported with a package of nondomestic rates support worth more than £460m over the next two financial years. The approach taken in previous years is maintained with the freezing of the non-domestic rates multiplier for 2023-24. This ensures there will again be no inflationary increase in the amount of rates businesses and other ratepayers are paying.
- 3.10 WG are also introducing a £113m, fully funded, transitional relief for all ratepayers whose bills increase by more than £300 following the UK-wide revaluation exercise, which takes effect on 1 April 2023.
- 3.11 Finally, the Non-Domestic Rates support package also provides over £140m of nondomestic rates relief for retail, leisure, and hospitality businesses in Wales. Eligible ratepayers will receive 75% non-domestic rates relief for the duration of 2023-24, capped at £110,000 per business across Wales.
- 3.12 The Graph below shows changes to Aggregated External Finance across the Local Authorities in Wales between 2022/23 and 23/24. The average increase is 7.9% driven by the funding formula. This is largely a reflection of data movements in pupil numbers and free school meal entitlement derived from the schools' census, as well as the impact of the decennial Census on the population counts/estimates. The lowest increase is Blaenau Gwent with 6.5% and the highest is Monmouthshire with an increase of 9.3%.

## Table 1: Changes to AEF by local authority, 2022-23 to 2023-24



Source: WG Provisional LGF Settlement 2023-24

- 3.13 The graph confirms that funding in Powys has increased by 8.7% after adjusting for transfers; this equates to an additional £18.298 million for 2023-24.
- 3.14 WG funding is allocated to unitary authorities using a formula driven by a number of 'indicators' (e.g. population projections, pupil numbers, primary school free school meals and income support, job seekers allowance or pension credits claimants). The movement in these indicators, relative to the movement in the indicator for Wales as a whole, affects Powys' share of the overall funding available. Powys' Settlement reflects more favourable financial re-distributional movements in formula indicators such as free school meals and benefits, whilst there are less favourable financial movements in pupil numbers as shown in the table below.

## Table 2: Change in Key Datasets

Dataset <sup>1</sup>	2022-23 Final	2023-24 Provisional	% Difference	Rank	% share 2022-23	% share 2023-24	Change in % share	Rank
Total Population <sup>2</sup>	132,538	132,885	0.3%	2	4.18%	4.23%	0.05%	2
Pupil Numbers - Nursery and Primary	9,589	9,572	-0.2%	3	3.68%	3.72%	0.04%	4
Pupil Numbers - Secondary in year groups 7-11	6,452	6,393	-0.9%	22	3.83%	3.75%	-0.08%	22
Free School Meals - Primary	1,147	1,304	13.7%	1	2.37%	2.54%	0.17%	2
Free School Meals - Secondary	719	827	15.0%	4	2.50%	2.65%	0.14%	4
IS/ JSA/ PC/UC (not in employment) claimants - 18 to 64	3,139	4,281	36.4%	2	2.38%	2.60%	0.22%	1
IS/ JSA/ PC claimants - 65+	3,827	3,626	-5.3%	11	4.03%	4.03%	0.00%	11
IS/ JSA/ PC/UC (not in employment) claimants - all ages	7,027	8,017	14.1%	5	3.07%	3.11%	0.04%	4
SDA/DLA/PIP claimants - 18 to 64	4,570	4,735	3.6%	13	3.11%	3.10%	-0.01%	12

Notes:

- 1. For definitions of the indicators refer to the Local Government Settlement 2023-24 Local Government Finance (Councils) Report.
- Population data set used for the 2022-23 final settlement is based on the 2018-based local authority projections for 2022 and for the 2023-24 provisional settlement an average of the 2018-based local authority projections for 2023 and the 2021 census data.
- 3.15 While the un-hypothecated (non-earmarked) settlement is the largest single source of funding available to authorities, it is not the only one. The Council also funds its

expenditure by generating income from grants, fees and charges and Council Tax. In setting the budget and Council Tax levels for next year, Welsh Government expects every local authority to take account of all the available funding streams and to consider how to secure best value for Welsh taxpayers through effective and efficient service provision.

## **Revenue Settlement Implications for 2023-27**

3.16 WG have also provided the indicative Wales-level core revenue funding allocation for 2024-25, which is £5.69 billion, equating to an uplift of £169 million (3.1%). As Powys is receiving uplifts along the line of the average settlement or above, this uplift has been used in the FRM, with an assumed 2% for the final two years.

## **Provisional Local Government Capital Settlement**

- 3.17 Following a review of their capital budgets, WG general capital funding for local government for 2023-24 will remain as indicated in the final 2022-23 budget at £180 million, an increase of £30m over the current year. This will continue for 2024-25.
- 3.18 For Powys, the capital budget is made up of two elements; the un-hypothecated (supported) borrowing element which decreases by £8k, however the General Capital Grant allocation has increased by £113k. The split is:
  - Supported borrowing £4.587 million
  - General Capital Grant £4.711 million.
- 3.19 WG recognise the need to maintain focus on responding to the climate and nature emergency and contributing to the Net Zero Wales plan and are providing separately £20 million capital in each year to enable authorities to respond to the joint priority of decarbonisation.

## **Final Local Government Settlement**

3.20 The publication of the Settlement in mid-December has enabled WG to draw on the latest tax-base figures for 2023-24, meaning that there should be no change between provisional and final settlements as a result of updates to the tax base. There is no guarantee that there will be no other changes between the provisional and final settlements, but WG do not intend making any significant changes to the methodology or the data underpinning the distribution of the Settlement. There is one change planned for final budget and that is the intention to transfer funding for the increased employer costs related to Fire and Rescue Authority (FRA) pensions from a grant to the FRAs into the final local government settlement. This will need to be considered further and discussed with the Mid and West Wales Fire Authority.

Welsh Government is due to publish its Final Budget and Final Local Government Settlement for 2023-24 on 7th March 2023.

## Current Year (2022-23) Financial Performance

3.21 The impact of rising inflation and supply chain issues has already had a significant impact on the Councils budget in the current year. Rising costs for fuel, food, and energy together with contractual uplifts linked to inflation have all increased the financial pressure on our budget in 2022-23. Employee Costs have also increased as national pay awards saw Teachers pay increase by 5% from September 2022 and other council employees receive an average increase of 7.25% this year, ranging

from 10.5% to 1.29% across the scale points. And as materials and contractor costs increase and the cost of borrowing becomes more expensive pressure is also felt on our Capital Budget.

- 3.22 The cost of living challenge is also impacting on our local businesses and residents and this creates additional pressure on the Council as demand for our services increases.
- 3.23 The budget set by council back in March is not now sufficient to meet our costs and the Senior Leadership Team took action to reduce expenditure this year wherever possible and limit the level of projected overspend. This included:-
  - Limiting expenditure to that which is absolutely necessary
  - Spend control and expenditure analysis
  - Maximise the New Ways of Working to deliver cost reductions, e.g. reduced travel
  - Challenge and hold/delay staff vacancies
  - Utilise alternative sources of funding
  - Hold/delay capital projects
  - Heating reductions across Council buildings

Even with the support of these actions we will still have to draw on our reserves to support the budget.

3.24 At the end of September 2022 (Quarter two) the projected position reported a deficit of £7.064 million, of which £5.316 million will be funded through the drawdown of specific reserves. Leaving a further £1.748 million deficit to be funded from general reserves as shown in the table below.

 Table 3: Reserves Summary as at 30<sup>th</sup> September 2022

Summary	Opening Balance (1st April 22) Surplus / (Deficit)	Forecast Addition / (Use) of Reserves	Projected Balance (31st March 23) Surplus/ (Deficit)
General Fund	9,333	-	9,333
Budget Management Reserve	3,584	- 1,748	1,836
Specific Reserves	29,167	- 9,920	19,247
Transport & Equipment Funding Rese	8,843	- 2,080	6,763
Total Usable Reserves	50,927	- 13,748	37,179
Schools Delegated Reserves	8,982	- 93	8,889
School Loans & Other Items	- 371	7	- 364
Housing Revenue Account	4,244	- 145	4,099
Total Ring Fenced Reserve	12,855	- 231	12,624
Total	63,782	- 13,979	49,803

3.25 Reserves are held to mitigate unexpected risks and the use of reserves this year will ensure that we meet our statutory responsibility to deliver a balanced budget, however, the challenging environment is not going to end at the end of this financial year, we must ensure that we deliver council services within the resources we are allocated on an annual basis. Holding sufficient reserves to manage the ongoing risk as we move into future years is key to maintain our financial sustainability 3.26 The position will continue to be monitored and will be updated when the quarter 3 position is finalised and reported in late January 2023.

## **Council's Achievements and Improvement Journey**

- The Education service continues to go from strength to strength, building on the 3.27 progress that was seen during the Estyn Monitoring visits in November 2021. As a service we consistently meet corporate deadlines and expectations for both quarter reporting and compliance training. SSMT have worked collaboratively with our finance partners to manage both the service and delegated budgets, as part of this support we have produced a financial toolkit which has been shared with other counties at their request and introduced our benchmarking tool. The Professional Learning Team has successfully delivered face to face cluster training to support the roll out of the Curriculum for Wales (CfW). Further work has begun to support the assessment and progression of the CfW. Following recent Estyn inspections three Powys primary schools have been identified as best practice and will be included in case studies. Significant progress continues to be made with the Powys Additional Learning Needs (ALN) strategy including the opening of Key Stage 2 provision in the Pupil Referral Units and the launch of the Children Looked After (CLA) virtual school. Powys ALN processes have been identified as sector leading by Estyn and Welsh Government, Powys ALN systems and processes will be referenced in the annual Estyn Report.
- 3.28 Social Services has continued to work under Business Continuity plans for part of the financial and performance year, with Adult Social Care returning to Business Continuity in December 2022. Both Children's Services and Adult Social Care have experienced significant pressures in terms of workforce availability and the level of increased demand on the services. There have been positive regulatory visits from Care Inspectorate Wales and for Youth Justice, which is testament to the hard work of staff and teams. There has been a change in the leadership with temporary arrangements in place, with the Interim Director of Social Services and Housing (overseeing Adult Social Care, Commissioning and Partnerships and Housing), and Director of Education of Education and Children (overseeing Children's Services). There has also been changes at Head of Service level with two interim arrangements in place for Children's Services, and Commissioning and Partnerships.
- 3.29 Amongst other successes the Planning, Property and Public Protection has developed new commercial units at Abermule business park, secured the implementation of energy efficiency works, including, temperature control, LED lighting and solar PV projects. The team has also successfully transferred Heart of Wales Property Services operatives back into the Strategic Property team. The Environmental Health and Commercial & Trading Standards teams have progressed recovery work following their prominent role in managing covid-19 risk. This work includes several successful prosecutions/interventions, which help safeguard Powys residents. Environmental Protection have completed projects across Powys to increase burial capacity within Powys cemeteries thereby improving the sustainability of the facilities. Refurbishment works at Brecon cemetery have been successfully completed. This includes the restoration of the listed gateway. The Planning Service has progressed recovery work following staff retention issues, reducing both the planning application and planning enforcement investigation backlog.
- 3.30 Alongside property colleagues the Housing Service successfully transferred back to the Council the staff and services previously delivered by Heart of Wales Property

Services. Since then the backlog of repairs and maintenance work has been reduced by one third, and average void turnaround times also reduced by one third. There remains however a continual challenge in recruiting to both professional and trade roles, which has impacted on both cost and timescales for completion of work and projects. We have increased the choice of affordable, secure homes to rent by completing the development of 61 new homes: 22 units in Llanidloes, 26 units in Newtown and 13 units in Clyro. It is anticipated that an additional 18 units will be completed in Newtown before the end of the financial year.

- 3.31 Within our Community Services team The Libraries, Museums and Arts services are still working towards regaining pre-pandemic levels of participation which have been slower to return in some areas. With measures and restrictions now lifted and customers more comfortable with face-to-face interaction, user numbers are improving which is a positive and a benefit to health and well-being. Some services (especially Catering & Cleaning) have experienced significant issues with recruitment and staff absences which has caused reduced operational delivery in some geographical areas. However, a good level of service continues despite this challenge and the service is working closely with corporate colleagues to implement solutions where possible. The roll out of Universal Free School Meal provision began in September 2022 and is a significant change to the service with all primary school age pupils entitled to receive a free meal by April 2024. Digital development continues across Archives and Libraries with more opportunities for people to utilise resources available and to develop their own skills and learning. Libraries continue to provide a front-facing customer service 'hub' facility which supports the wider council and enables customers to access services as necessary
- 3 32 As part of a Sport Wales regional initiative, our Leisure and Sports Development team at Powys are in the process of developing a 'Mid Wales Partnership' with their counterparts in Ceredigion which intends to encourage greater collaborative working (across sectors i.e. Education, Social Care, Health), provide and encourage more opportunities for healthy physical activity and attract additional funding into the region. Freedom Leisure continue to delivery leisure services throughout Powys, although leisure provision is being impacted nationally due to the increase of energy costs, inflation and salary increases. Freedom have predicted additional costs of energy in 2023-24 to be over £1m which has necessitated a full review of leisure to be undertaken from early 2023 to consider options to ensure a more sustainable provision in the future.
- 3.33 Economy & Regeneration have secured over £30 million of investment over the next three years from both the UK Government £27m Shared Prosperity Fund) and Welsh governments (£3m Transforming Towns). The Global Centre of Rail Excellence (GCRE) project has taken a major step forward with the acquisition of the site in Onllwyn near Ystradgynlais. We have co-created 10 town Centre investment plans and purchased land for housing development next to automobile palace in Llandrindod Wells. Utilised additional grant support to ensure the completion of the Riverside Venue (Hafan Yr Afon) in Newtown which hosted a visit from the First Minister Mark Drakeford at its opening and organised local participation in the Women's Cycling Tour end stage in Welshpool.
- 3.34 Highways, Transport and Recycling have successfully trialled seasonal working patterns in Highway operations since April, and a formal review will now assess the

success of the working patterns, with a view to extend the trial to other highway operational areas. Recycling performance has improved to at 66.7%, exceeding the Welsh Government target of 64%. The team secured £9.7 million in revenue grants and £3.5 million in Capital grants, including schemes and projects for active travel, local transport, road safety and flood alleviation. A roll out programme for EV (electric vehicle) charging points has continued to improve facilities across the County. There are now 13 car parks where EVs have been installed. New installations commissioned this year are Ystradgynlais, Crickhowell, Rhayader, Hay on Wye and Knighton. A new bus pass system was also introduced in our Home to School transport service which has been nominated for local government awards.

- 3.35 Our New Ways of Working (NWOW) project has progressed and the role and workstyles introduced are becoming firmly embedded, with 1291 staff now designated as flexible workers, 75 as on-the-go and 133 as place-based workers. The benefits of flexible working are also being promoted to support our recruitment initiatives. Furniture and equipment recycling for flexible workers is now underway, as staff leave and new employees join the authority, helping to reduce the costs of supplying compliant workstation equipment for home workstations. A new system of portable appliance testing (PAT) of electrical equipment has been successfully introduced for flexible workers, to ensure that equipment is safe to use from home. Compliant workstations for co-working have also been set up in 4 libraries as part of digital community hub pilots funded by the UK Community Renewal Fund; these are complemented by facilities for virtual or hybrid meetings/appointments to take place remotely, supporting the digital strategy and climate emergency through reducing the need for travel. NWOW is supporting the transformation of corporate offices, providing equipment for hot desks, and office clearance work to enable a streamlining of the property portfolio and the provision of additional space for meetings and collaborative working.
- 3.36 The Test, Trace, Protect team has seen a significant reduction in resource from 142 to 24 FTE (full time equivalents) in line with the transition of Wales to a Covid Stable state. This transition has seen a shift in focus from breaking all chains of Covid-19 transmission, to protecting our most vulnerable residents. Under current guidance the team only contact trace vulnerable residents (those who are likely to be eligible for Covid-19 treatments) and those employed within the health and social care sector Powys has successfully welcomed a total of 430 Ukrainian arrivals either into hotels, the welcome centre, or into individual homes. There are currently 232 individual guests in hosted accommodation in Powys.
- 3.37 The Mid Wales CJC (Corporate Joint Committee) has successfully been set up and established in accordance with the statutory requirements and is looking ahead to deliver collaborative regional working with Ceredigion County Council in the areas of Economic Wellbeing (including the Growth Deal), Strategic Planning and Transport Planning.
- 3.38 The Mid Wales Growth Deal has continued to progress and a shortlist of 7 projects has been included in the initial programme. The Sites and Premises and Digital Programmes have been also established and developmental work is underway. As part of the Sites and Premises programme a shortlist of sites in Mid Wales has been identified for further exploration by specialist advisors for development potential and joint Strategic Leads for both authorities have been nominated..

- 3.39 The Digital team have continued our digital transformation having introduced AI (artificial intelligence) to assist the online request for winter fuel payments. They also produced a digitally automated Warm Spaces application process and directory. Further improvements were also made to our Council Tax change of circumstance, direct debit and on line billing functions with an online chat facility introduced that is linked to our customer service teams
- 3.40 Corporate Services continue with strong delivery on digital, recruitment and retention, development of the Corporate Plan, and further data developments to help informed decision making. Wrapped around all services is the pro-active communications campaigns and extensive member development programme.

## Draft MTFS 2023-28

- 3.41 The draft MTFS for the next five years is attached at Appendix A, based on the latest information available from the WG. It does not include fixed funding, expenditure or activity projections, but sets out a five-year budget forecast for the resources that are likely to be available. The MTFS is reviewed regularly and will be amended as additional information becomes available, with the detail for future years being developed over the period of the strategy.
- 3.42 Implementation of the MTFS will continue to be led by Cabinet and Senior Leadership Team (SLT)<sup>1</sup>, supported by robust financial and performance data. The Council will seek to ensure that it is widely understood by internal stakeholders (Members, employees and Unions) and external stakeholders (citizens, businesses and partners). As well as linking explicitly to the Council's corporate priorities, the MTFS also links to other internal resource strategies such as the Workforce Plan, the Digital Powys Strategy, the Treasury Management and Capital Strategy, Asset Management Plans and the Council's Transformation Programme.

## **Engagement, Scrutiny and Challenge**

- 3.43 Over the past few years, the Council has sought to engage Powys citizens, local councillors, partners and the workforce in the budget development process. This included providing more information to the public, undertaking specific consultation on proposals and an interactive online budget simulator consultation exercise. These have created the opportunity for residents to influence service delivery and helped define the priorities for the Council.
- 3.44 This year the budget survey closed on the 5th January 2023 and focused on balancing the limited funding against growing demand for our services, and helping us redesign the Council for the future. It allowed the public to provide views on what the council might look in the future.
- 3.45 Members of the Council have engaged in the budget planning process through member budget seminars which have given Councillors the opportunity to review and challenge the process. The Finance Scrutiny Panel (comprising Group Leaders of Non-Executive Groups and Audit Committee representatives) have also been engaged during the process and financial assumptions have been shared with members.

<sup>&</sup>lt;sup>1</sup> SLT comprises the Chief Executive Officer, two Corporate Directors and 12 Heads of Service)

3.46 This report presents the detailed draft budget for 2023-24 and each of the Council's Scrutiny Committees will have the opportunity to consider the implications of the draft budget for the service areas within their remit over the next few weeks. The Committees will then be able to provide feedback to the Cabinet for consideration before the final MTFS, 2023-24 budget and 2023-28 capital programme are presented to full Council for approval on the 23rd February 2023.

## **MTFS Principles**

- 3.47 The draft MTFS provides a set of clear principles which will drive the Council's budget and spending decisions over 2023-28 and which Members and others can examine and judge the Council's financial performance against. The ten key principles are to ensure that:
  - 1. The Council will continue to meet its statutory obligations and to demonstrate how its budget supports the Corporate Plan.
  - 2. The Council's financial control system will be sufficiently robust to support the delivery of financial plans and mitigate corporate risks.
  - 3. All Council budgets will be reviewed annually to ensure resource allocations are delivering value money and continue to align to the delivery of priority Outcomes.
  - 4. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue.
  - 5. Reserves will not be used to fund recurrent budget pressures or to keep down council tax rises.
  - 6. The Council's General Fund reserve will be maintained at a minimum of 4% of Net Revenue Expenditure (excluding the Schools Delegated budget) over the period of the MTFS.
  - 7. Capital investment decisions will support the Council's corporate priorities and mitigate any statutory risks taking account of the return on investment and robust business cases.
  - 8. Prudential borrowing will only be used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
  - 9. Decisions on the treatment of surplus assets will be based on an assessment of the potential contribution to the revenue budget and the capital programme.
  - 10. Budgets will be managed by members of SLT in accordance with the Council's Financial Procedure Rules.

## Financial Resource Model

3.48 The MTFS includes a Finance Resource Model (FRM) which provides a financial plan for the forthcoming five financial years. This is provided at Appendix B. The

MTFS sets out a budget proposal for the next five years for the Council's future years' budgets based on the indicative uplift provided by WG and making several assumptions about cost drivers such as pay and price inflation and demographic change. All the scenarios include an annual council tax increase of 5% from 2023-24 onwards.

3.49 Table 4 sets out the gap between the Council's net budget requirement and the possible funding available until 2027/28 based on the expected funding as set out in the MTFS. An overall gap of £24.8 million is shown and this will need to be addressed through realigning budgets to match the funding available.

	2023/24	2024/25	2025/26	2026/27	2027/28	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	326,554	348,854	363,948	378,648	393,967	
Current Year Budget	301,872	326,554	348,854	363,948	378,648	
GAP - each year	24,682	22,300	15,093	14,701	15,319	
Additional Funding						
Council Tax increase - 5% and tax base	-6,384	-4,898	-5,143	-5,400	-5,670	
Settlement (8.7%, 3.1%, 2% then on)	-18,298	-7,080	-4,709	-4,804	-4,900	
Net Gap - Each Year	0	10,322	5,241	4,497	4,749	24,810

#### Table 4

3.50 The Table includes recurrent future year cost reductions of £19.5 million already identified. To balance the budget further reductions will need to be found, and/or increase council tax by more than 5% per annum over 2023 to 2028 to balance future years' budgets.

## Draft Revenue Budget 2023-28

- 3.51 Integrated Business Planning continues across the Council and involves all council services for the next five years:
  - Reviewing comparative performance data and benchmarking
  - Identifying any inescapable cost pressures
  - Identifying cost reduction opportunities
  - Planning service changes to secure delivery of the priority outcomes in the Council's Corporate Improvement Plan Vision 2025 and statutory obligations
  - Identifying any workforce implications of service changes.
- 3.52 This process is now embedded into the Council's planning framework and ways of working and has been delivered within the planned budget cycle.
- 3.53 Early assumptions were revised as the impact of the emerging financial pressures began to take hold and the updated budget plan now includes the latest assumptions and the projected changes in inflation expected through 2023. Significant uncertainty remains reflecting the continued volatility. It is in this environment that the setting of a robust base budget based on sound assumptions is fundamental, together with an assessment of the risk that remains. The inclusion of an annual "risk budget" and the holding of sufficient reserves ensures that the council can effectively manage this risk and maintain financial stability.

# Levies for Mid and West Wales Fire Authority and the Brecon Beacons National Park

- 3.54 The council is required to provide funding to support both the Mid and West Wales Fire Authority (MAWWFRA) and the Brecon Beacons National Park via a levy.
- 3.55 Under the provisions of paragraph 21.2 in part IV of the Mid and West Wales Fire Services (Combination Scheme) Order 1995, as amended, the Fire and Rescue Authority is required, before the 31<sup>st</sup> December in any year, to submit to each constituent authority an estimate of its expenses for the next financial year. Accordingly the Chief fire Officer has served formal notice that the estimated Net revenue budget requirement for the Mid and West Wales Fire and Rescue Authority for the 2023-24 financial year is £60,821,000. In addition it is now expected that 2 former grants are no longer being provided directly to the Fire authority and the value of these will increase the budget requirement to be levied to £63,257,200 an overall increase of 17.53% on last years figure of £53,823,000.
- 3.56 As reported in section 3.20 above the transfer of one of these grants at circa £267k is to be included in the final settlement.
- 3.57 The budget requirement is levied across the 6 constituent Local Authorities based on population, the amount for Powys will be confirmed at a meeting of the Fire Authority on the 6<sup>th</sup> February.
- 3.58 The Councils budget includes an estimate of £9,166,841 for 2023-24, an increase of £1,355,336 (17.35%) from that provided in 2022-23, £7,811,505. This amount is funded in part through the local government settlement with the remainder being met from Council Tax. The significant increase next year is due to grant funding ceasing and funding being required through the levy.

Year	Base	Change
2020-21	7,323,605	
2021-22	7,524,918	2.7%
2022-23	7,811,505	3.8%
2023-24	9,166,841	17.4%

3.59 The levy for the Brecon Beacons National Park is estimated at £646,309

## 2023-24 Net Budget Requirement

- 3.60 The net budget requirement is the amount of budget the Council requires to fulfil its functions. It is calculated taking the output of each of the service integrated business plans; these identify the resource requirements for each service to deliver their statutory functions, the Corporate Plan and service improvement objectives offset by budget reduction proposals.
- 3.61 Table 5 below sets out the proposed draft net budget for 2023-24 at £326,54 million, including the Delegated Schools' Budget.

#### Table 5: 2023-24 Draft Revenue Budget

£'000	Base Budget	Pay Award 2022/23	Pay Award 2023-24	Non Pay 2023-24	Demography	Pressures	Covid Pressures	Savings	Adjustment	2022/23 Undelivered Savings	Request 2023/24	Variance	% Increase
Delegated	79,491	1,114	2,725	3,879	-185	1,573		(864)	(3,846)	0	83,886	4,395	5.5%
Education	17,329	274	451	87		1,139		(830)		0	18,450	1,121	6.5%
HTR	29,669	829	701	1,940		2,403		(2,797)		0	32,744	3,075	10.4%
H&CD	5,417	304	255	456	0	1,557		(379)		0	7,611	2,194	40.5%
PPPP	5,913	242	199	768		321		(793)		75	6,725	812	13.7%
ASC Commission	3,647	139	97	18		0		(97)		0	3,805	158	4.3%
ASC	73,938	652	596	154	491	8,260	980	(4,768)		0	80,303	6,365	8.6%
Children	27,897	504	466	77	0	2,201	0	(2,796)		1,278	29,626	1,729	6.2%
Finance	6,258	190	167	68		89		(73)		0	6,699	441	7.0%
Transf/Comm	1,461	67	53	2		0		(8)		0	1,576	115	7.8%
WOD	2,399	95	89	9		103		(12)		0	2,683	284	11.9%
Digital	6,312	184	146	69		368		(24)		166	7,220	908	14.4%
Legal	3,561	124	110	7		45		(2)		32	3,877	316	8.9%
Corp	38,580	32	80	13		5,648		(3,003)		0	41,350	2,770	7.2%
Total	301,872	4,750	6,135	7,547	306	23,705	980	(16,446)	(3,846)	1,550	326,554	24,682	8.2%

3.62 Table 5 shows the Council's 2022-23 base budget and proposed changes across each service to provide a base budget for 2023-24, the columns set out the financial pressures falling on each service together with the savings that are proposed.

Inflationary Pressures and additional services cost pressures of £24.991 million as detailed in Appendix F include:-

- Pay Awards for Teachers and Other Council staff realignment of the 2022/23 national pay settlement and projected 2023/24 awards – £4.7 million and £6.1 Million respectively, with a further £2.9 million held centrally
- Non- pay general inflation £1.7 million
- Energy cost increases £5.8 Million across Schools and other Council Services
- Leisure Services Contract £1.1 million estimate due to increased energy costs across Leisure Centres, a review is underway which will provide options and proposals to determine the longer-term future and sustainability of the leisure facilities in Powys. In addition the annual inflationary update of £0.31 Million is also included
- Demographic changes and Service Demand across Adult Social Care £5.4 Million,
- Service Demand pressures across Children Services £1.9 million
- Real living wage to be paid to carers estimated at an additional £4.6 million on current care contracts across Social Care
- Corporate Pressures Fire levy £1.1 million and Council Tax Reduction scheme -£470,000.
- Contractor and material cost increases across Highways Transport and Recycling Services - £1.2 million
- Additional placement costs for Out of County Pupils and Increased support for pupils with Additional Learning Needs £530,000.
- 3.63 Schools across Powys are facing significant financial pressure as Pay, energy and other costs increase. The budget proposal includes additional funding of £4.5 million directly into schools delegated budgets, this together with a further £1.1 million for the Education Service, passports all of the additional education funding included in the settlement from Welsh Government. This does not meet all of the costs expected and Governing Bodies, like other council services, will need to consider how they

manage these pressures. At the end of last year School Reserves increased by £5.7m due to the additional grant funding received late in the financial year and schools have been able to draw on some of these reserves in the current financial year to manage increased costs and put in additional support for pupils following the pandemic. Further use of the reserves held will be drawn down to support budgets in 2023-24, but other reductions in school budgets will be required to fully mitigate the pressures facing Governing Bodies.

- 3.64 The level of increase across the Councils services cannot be fully supported by Welsh Government funding and increases in Council Tax and in order to bridge the gap in the budget for 2023-2024 significant cost reductions and savings have had to be considered.
- 3.65 The budget plan includes proposals to remove £16.4 million from the revenue budget next year, each proposal is provided at Appendix C. These reductions have focused on delivering services that are more efficient or that can be delivered at a reduced cost, alternative sources of income and increased fees and charges have also been implemented. Limiting the impact on the delivery of front line services wherever possible.
- 3.66 The removal of the National Insurance Increase at a national level saves £1.3 million annually and a reduction in the employers Pension contributions estimated at £1.7 million following the triennial actuarial review of the Powys Pension Fund will further reduce costs.
- 3.67 One off solutions have also been implemented for 2023-24 to provide initial respite as longer term reductions can be planned.
- 3.68 But inevitably there will be some reductions in service, or changes to how or from where services are delivered. Some staffing reductions will have to be made, removing vacant posts where appropriate but some redundancies are also planned.
- 3.69 The impact of each of the proposals has been carefully considered to fully understand the impact on residents and service users and to assess the impact on future generations in line with the duties aligned to the Well-being of Future Generations (Wales) Act 2015. Each Impact Assessment is attached at Appendix I.
- 3.70 Delivery of these cost reductions will be essential to deliver a balanced budget. Assurance must be provided to Council that the budget is robust and that the reductions included in it are deliverable. This will also enable the Council and the Statutory Chief Finance Officer (S151) to sign off the budget with confidence. For the proposed budget, sessions have been held with officers to challenge and test both the service pressures being submitted and the deliverability of each proposal presented. SLT has provided assurance to Cabinet that they can deliver the cost reductions within the required timescales, whilst also reflecting on any risks.
- 3.71 The revenue budget has included a "risk budget" for a number of years to assist in managing the risk around the delivery of cost reductions or additional service pressures that arise, this is assessed alongside the level of reserves that are held. Due to the increased uncertainty and volatility being experienced it is proposed to increase this budget to £3 million for 2023-24.

## Financing the Draft Net Budget for 2023-24

- 3.72 The Council's gross budget reflects the totality of the Council's costs including salaries and wages, the purchase of goods and services, premises costs and the revenue cost of financing our capital programme. The gross budget is financed by all the Council's income sources including AEF, council tax, fees and charges, specific grants and contributions from other bodies.
- 3.73 Income from fees and charges makes a significant contribution (£70 million per annum) to the Council's budget and the Council's approach to income generation is included in the MTFS.
- 3.74 The budget proposed for 2023-24 includes increasing of fees and charges in line with inflation, where permitted, and where appropriate, the principle of full cost recovery has been applied. The Fees and Charges register has been updated and it, together with an explanatory note, is attached as Appendix D and E.
- 3.75 The financing of the net budget comes from the Welsh Government settlement and Council Tax income. Table 6 summarises the 2023-24 budget requirement and how it will be financed and shows that Council Tax funds 30% of the Councils' net budget.

Table 6	Та	ble	6
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	2022/23	2023/24	Change
	£'000	£'000	£'000
AEF (RSG and NNDR Allocation)	210,090	228,388	18,298
Council Tax	91,782	98,166	6,384
Total Funding	301,872	326,554	24,682

- 3.76 As can be seen, the balancing of the Council's 2023-24 budget is dependent upon a 5% increase in the Council Tax in 2023-24, generating £4.6 Million, and £1.8 Million delivered through changes to the council tax base. 3.8% of this increase will support Council Services with a further 1.2% to support the £1.1 million increase in the Fire Levy as set out in paragraph 3.47 of this report. In proposing this increase, there has been careful consideration to affordability for Powys residents in light of the cost of living crisis, together with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services upon which they rely.
- 3.77 The setting of Council Tax is not subject to approval as part of this report, as this is a matter for full council determination. However, the report recommends the level of Council Tax to be included in the budget that goes to full Council on 23rd February 2023. On 2nd March full Council meets to set the Council Tax in line with the final budget. This meeting does not reopen the budget but ensures the Council sets Council Tax for billing purposes.

## Draft Capital Programme 2023-28

3.78 The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council's priorities and Vision. The provision of the right assets in the right place at the right time will ensure the effective and efficient delivery of a comprehensive range of quality services.

- 3.79 The draft strategy document at Appendix H provides a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, whilst considering the risks how these will be managed and the implications for future financial sustainability.
- 3.80 Capital schemes across the council have also been impacted by rising costs as materials and contractor costs increase. The cost of borrowing has also become more expensive as interest rates rise.
- 3.81 Maintaining the capital programme has a significant regeneration impact for the economy of Powys alongside the direct effect of better infrastructure to deliver services. Capital investment also has a significant input into the delivery of revenue cost reductions, and it is essential that both budget strategies are developed in tandem.
- 3.82 Broadly, the programme covers three areas of expenditure. These are:
  - a core programme of schemes that are regulatory / statutory in nature, and minimise legal challenge or revenue risk, these schemes are related to day-today activities that will ensure the Council meets its statutory requirements
  - a retained asset programme to improve or enhance the life of existing assets, and
  - an investment programme in schemes linked to the Council's strategic priorities.
- 3.83 The key aims of the Capital Strategy are to:
  - Provide a clear context within which proposals for capital expenditure are evaluated to ensure all capital investment is targeted to deliver the Council's priorities.
  - Clarity about how the Council identifies and prioritises capital requirements and proposals arising from various strategies Service Improvement Plans, and other corporate strategies, and how they will be managed within the limited capital resources available.
  - Challenge our current estate, continue with the programme of asset rationalisation, ensuring that assets retained are effective, efficient and economically sustainable to deliver services.
  - Identify and consider options available to fund capital expenditure that minimises the ongoing revenue implications of historic capital expenditure and of any new investments.
  - Use partnerships, both public and private, more effectively to support our overall strategy.
  - Establish effective arrangements for managing capital schemes including assessment of outcomes and achievement of value for money.
  - The aim of this capital strategy is to ensure that all elected members fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

- 3.84 A Governance Framework is in place for the development of the Capital Programme, based on the Welsh Government Better Business Case approach; each project is developed through a series of gateways ensuring that the business case is robust and fully considers the benefits and costs of the individual project and that they align with the Council's vision. This enables the council to prioritise its capital investment whilst ensuring affordability.
- 3.85 The Council has moved away from an annual capital cycle and using the new framework will have an ongoing process of projects in development through to approval at Cabinet and Council as needed.
- 3.86 The Capital Strategy is attached as Appendix F. The strategy sets out the priorities for the next 5 years with the provisional Capital Programme totalling £369 million (including the Housing Revenue Account (HRA)). This is a significant commitment. The Capital Programme is included in Appendix F as part of the Capital Strategy.
- 3.87 The Council continues to invest in services as follows:

Residents and the Community - We will support our Residents and Communities.

- ≻ Housing - The Council will continue to maintain, for all the homes it owns, the Welsh Housing Quality Standard (WHQS) with an ongoing capital programme in part funded through Welsh Government Funding and Borrowing. The Housing Revenue Account Thirty Year Business Plan demonstrates an affordable capital strategy alongside delivering the day-to-day landlord service and has key objectives linked to the Council's Corporate Plan. The Council has completed the construction and letting of 61 new homes in 2022-2023 with a further 56 under construction and 142 additional homes under active consideration for future development (dependent upon site acquisitions, viability assessments and resolution of the phosphates issues affecting development of all types). The Council will continue to fund a major programme of Disabled Facilities Grants enabled works and improvements to homes to improve the quality of life for people who need help to live as independently as possible. In addition, Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm & Secure), Landlord Loans and the ZILF Co2i loan schemes. The Council will, using ECO4 and ORP3 funding, improve the energy efficiency of at least 74 Council owned homes that currently have EPC ratings of E, F or G. An application has been submitted to the Welsh Government as part of the Empty Homes Grant scheme, which will be in addition to the Council's interest free loans programme for owners of privately owned properties that need woks to make suitable for use as homes. Work on bringing into use empty properties as homes will be supported by an Empty Property Officer funded by the Council Tax Premium.
- Leisure Centres The Leisure portfolio contributes to the preventative agenda, supporting the Public Health Wales Long Term Strategy (2018-30) as well as, health interventions such as the NERS program (National Exercise Referral Scheme), in collaboration with Powys Teaching Health Boards and General Practices, within Powys. Since 2019 the Council has approved a five-year programme which has already enabled significant, essential replacement of plant, fixtures, end-of-life equipment, structural materials, playing surfaces and decoration. The Capital commitment supports the Council's 'landlord' responsibilities as part of

the leisure contract but also ensures that the buildings are fit for purpose, compliant, attractive and provide a positive customer experience. Leisure Services in Powys not only support the overall well-being of our 'residents and communities' and now more than ever, contribute to the 'health & care' agendas, providing early intervention and prevention programmes to help reduce the burden on health services. Also, as a collaborative partner to the School's Transformation Programme, enabling learning and development though specific opportunities that the service provides or facilitates. Leisure Services support and contribute to the 'economy' by hosting and delivering local, regional and national events and competitions which draws significant numbers of visitors from across the UK to utilise the facilities we have in Powys – and demonstrates the need for the facilities to be maintained and improved to an appropriate standard.

Waste Strategy - Powys County Council faces a stringent Welsh Government. The delivered recycling rate for 2021/22 was 66.8%, and the forecast for 2022/23 is currently 68.7%, which is well in excess of the current statutory target which remains static at 64% until 2024/25 when it rises to 70%. All of the collected residual waste is now sent to an Energy from Waste plant, with landfill only ever being used in an emergency. There is also a non-statutory WG target to reduce landfill to 10% by 2019/20 reducing to 5% by 2024/25. This has required a step change in the way all local authorities approach waste and recycling. The continued capital investment in the Waste and Recycling service will ensure that the Council is able to meet the targets whilst obtaining maximum value from the service. A network of assets under the Council's control allows flexibility to adapt to any changing requirements within the industry and Government policy and legislation. Some of these schemes are linked to efficiency savings and service improvements in future years.

Health and Care – We will lead the way in providing effective, integrated Health and Care in a rural environment

- Social Care The capital programme focuses on supporting those who wish to remain in their own home rather than residential care and supports the integrated Health and Care Strategy for Powys. This strategy acknowledges that people in Powys live longer and healthier lives than elsewhere in Wales and that Powys is a place aspiring to help improve the wellbeing of all people. Capital funding mainly focus on accommodation options, including supporting the building and redevelopment of facilities to increase the stock of supported living and extra care housing in collaboration with Powys Teaching Health Board and local Registered Social Landlords. There are also capital funding requirements for the 13 Powys owned care homes.
- Children's Services In order to ensure a sufficient supply of appropriate, safe placements for children in care, as close to home as possible, investment is mostly focused upon small residential homes for children, with accommodation development of a range of placements in County to support the complex needs of young people who remain under the local authority's care. Funding is being utilised to ensure property refurbishment to meet Care Inspectorate Wales registration requirements. Welsh Government have been particularly supportive in offering investment to progress such developments, as mirrored in current Ministerial direction in line with the not for profit care agenda for children in care.

The development of Oldford Family Centre in Welshpool and additional Flying Start childcare provision in Brecon will support the work to expand flying start provision across the County. Phase 1 is complete and Phase 2 of the expansion will continue 23/24 and 24/25.

Assistive Technology - has a key role to play in the modernisation of health and social care. With ever increasing technological advances, it offers a range of possibilities for greater choice, not only of how people can access the support they need, but also where and when they access support. In doing so, assistive technology enables people to take greater control, and to live independently for longer by preventing hospital admissions and premature moves to residential care. Enabling access to better accommodation options is essential in order to support independent living and reduce demand for other types of care.

Learning and Skills – We will strengthen learning and skills.

 $\geq$ **Transforming Education Programme -** The Council has developed a ten-year Strategy to Transform Education in Powys 2020-30 with the implementation of a major capital investment programme that will ensure that schools in Powys have inspiring, environmentally sustainable buildings that can provide opportunities for wider community activity, including where possible childcare services, early years, Additional Learning Needs (ALN), multi-agency support and community and leisure facilities. This will also include developing a reliable, high quality digital infrastructure. The Council is investing £123m over the next five years in its schools through the Welsh Government's Sustainable Communities For Learning Programme (SCLP). The SCLP has a 65% capital intervention rate for mainstream schools, 75% for special schools and it also offers a new and innovative funding route where the intervention rate is 85% for the Mutual Investment Model. Welsh Government has recently confirmed that the SCLP is now a rolling programme, rather than being time-bound, and is expecting local authorities to submit new Strategic Outline Programmes to support new school projects once they are ready to do so. Welsh Government has also issued a directive that all projects need to achieve Carbon Zero in Operation, with additional funding available to support this until 2026. The Council will develop its strategies to ensure maximisation of the potential investment opportunities that may be available via WG funding.

However, to deliver the full Transforming Education Programme in Powys, significant funding sources above what is currently included in the current Capital Programme will be required. That said, the cost of transformation over the lifetime of the schools' assets is cheaper than the status quo in the majority of localities. Alongside this, capital funding through our major repairs programme will be focussed on where the need is greatest, as identified through the Schools Service's Asset Management Plan.

The Economy – We will develop a vibrant economy.

Highways and Environment - The Council has a statutory duty to maintain the adopted highway, maintained at public expense in a safe condition for the passage of the user. A strategic approach has been used to develop the Highways Asset Management Plan (HAMP) in identifying and allocating resources for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers. Current gross replacement cost of these assets is estimated at £4.4bn.

The highway network includes public rights of way, which are a major attraction to the county for visitors. There are 1,700 recorded bridge structures on the public rights of way network; most are Council assets. Several major bridges (over  $\pounds 100,000$  each) need to be replaced within the next 5 years due to age. Additional grant funding is being sought to replace five of these major bridges.

In addition, storm damage with increased rates of riverside erosion and rotting of timber is affecting many small to medium bridges (up to £50,000 each). Over the 2020-21 and 2021-22 financial years, eight of these medium bridges have been replaced using Access Improvement Grant capital funding. A further four are programmed for replacement in 2022-25 under the same grant. Where the locations are logistically challenging to reach or particularly wet with an increased risk of rot, recycled glass reinforced plastic bridges have been installed with a design life of over 30 years and reduced maintenance requirements. Ongoing inspection is required to monitor rates of deterioration in timber bridges and performance of plastic structures.

A county wide inventory of all bridges on the rights of way network is being developed, to record bridge condition and forward plan for their replacement. Proactive inspection of small bridges is under way with proactive cleaning to reduce the rate of rot in timber structures. Previously, this has been reactive. Outdoor recreation assets are also a significant tourist attraction and can provide valuable opportunities to maintain and enhance biodiversity. There are two remaining building assets under management by the Service; investment is needed in one of them, to enable ongoing lease arrangements.

Work has been carried out in autumn 2022 to address the designation of Llandrindod Lake as a reservoir; this structure will require ongoing monitoring. The Llandrindod Rock Park woodland has several bridge structures, not on public paths but on publicly accessible land. The largest of these has just been replaced using grant funding, following a period of closure. Again, steel beams have been included in the design to increase longevity, but timber parts will eventually require replacement.

- Property The vision is to ensure that through the Corporate Landlord initiative, the Council's assets are appropriately managed to provide safe, efficient, sustainable properties in the right locations to support the delivery of services and the achievement of key priorities. The Strategic Asset Board and Asset Management Plans are the mechanisms in place to help deliver these priorities, which will ensure close working and collaboration across all service areas and partner organisations such as Neath Port Talbot College / Powys Teaching Health Board (PTHB). The Property team will be supported in this crucial work with investment provided to procure a new Property Management database which will provide a single point of reference for all aspects of the Council's operational and investment estate. A property disposals programme is being developed.
- Regeneration, Property and Development The Council needs to intervene where the private sector is not able (for economic reasons) to create or facilitate investment in business units in order to keep and attract business to the County. Abermule business park is one such scheme that sees the Authority developing a former Welsh Government site which otherwise would not have been developed in the short to medium term. Capital investment will also form an important part of

supporting the regeneration and viability of town centres complementing the Welsh Government's Transforming Towns funding programme. An initial annual allocation of £2 million starting in 2024-25 has been included as the Council's contribution towards the Mid Wales Growth Deal. As the investment plans for the deal develop the funding will be released to the relevant projects on completion of the relevant governance and approval processes. Both National and Welsh Government are providing a capital injection in the south of the county for a purpose-built, modern railway infrastructure and rolling stock testing facility. This is expected to form an important addition to the UK rail industry and would be the only test facility in the UK that includes circuits tracks, would offer significantly more efficient testing than shunting facilities, which require trains to change direction of travel at the end of track.

- County Farms It is essential that the Council manages its agricultural estate prudently, efficiently, and professionally. Effective management of County Farms estate will enable the continued opportunities already enjoyed by current tenant farmers and maintain an income stream. The financial demands of the Estate need to be evaluated against the competing demands across the council whilst noting the estate produces an annual surplus in its trading account. The opportunity for capital receipts will continue to arise as reviews are undertaken at each tenant departure from the Estate. An Invest to Save initiative is being developed which will see investments made to the Farm Estate which should create opportunities for capital receipts and reduced revenue expenditure, for example barn conversions and subsequent sales.
- $\geq$ Information Technology (IT) - The service engages with change programmes so that investment and resource meets identified Council priorities. In respect of infrastructure, IT will seek to invest in up-to-date cloud-based technologies including 'Azure' cloud technologies, core infrastructure and improved telephony and mobile systems, Web and share-point and improved wireless as well as further enabling our staff to work in an agile manner. Cyber resilience is also a key programme, since 2017 an active Cyber Security improvement plan has been in place which details improvements required to maintain our Cyber Security resilience and to maintain standards and accreditations such as Cyber Essentials Plus and Public Service Network Accreditation. In order to maintain the council's resilience and standards, this investment and programme of work is key. This includes investment in tools to detect and prevent malicious activity, tools, processes and resources to maintain systems to prevent vulnerabilities from exploitation, systems to enable us to share and collaborate information digitally and securely without risk of unintended exposure and ultimately damage or complete loss of any of the council's data or systems. The funding also ensures that the Council has an effective device refresh programme in place, ensuring that staff have the necessary devices to undertake their work effectively.
- 3.88 The Capital Programme also identifies £12 million over the next five years of unallocated investment which has been set aside to meet the costs of current pipeline projects and programmes currently being progressed through the Outline Business Case gateway. Also included is initial estimated funding for the Mid Wales Growth Deal.

## **Draft Treasury Management Strategy**

3.89 A draft Treasury Management Strategy which is included within the attached Appendix H sets out how the Council will ensure that it has enough funding available to fund its revenue and capital requirements and an appropriate strategy for borrowing and investing for the financial year 2023-24 and details the expected activities of the Treasury function. The Treasury Management Strategy and Annual Investment Strategy is recommended to Full Council for approval in February.

## **Prudential Indicators**

- 3.90 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of the local authority are affordable, prudent and sustainable. The statutory Prudential Indicators are shown in full within the Capital and Treasury Management Strategy Appendix H. The tables include the revised estimate for 2022-23, as well as the indicators through to 2027-28.
- 3.91 The key indicator of affordability is the estimate of the ratio of financing costs to net revenue stream, in section 3.17 of Appendix H. The ratio of financing costs for the council fund is 3.8% in 2022-23, peaking at 4.3% in 2024-25 and then falling back to 4.0% in 2027-28. The amount of HRA income required to pay for financing increases is 16.7% in 2022-23 rising to 24.6% in 2027-28.
- 3.92 The capital financing requirement (CFR) is shown at section 2.36 of the Appendix H and is the measure of the authority's underlying need to borrow for a capital purpose. It is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue. The CFR is estimated to be £331 million in 2022-23 and will rise to £389 million by the end of 2027-28, and £108 million increasing to £177 million for HRA debt.
- 3.93 The operational boundary, in Appendix H section 3.28, and authorised limits for external debt in section 3.31 both reflect the Treasury Management policy and are set at a level to be affordable and prudent.
- 3.94 The authorised limit for 2023-24 will be the statutory limit under Section 3(1) of the Local Government Act 2003. It is recommended that the level for the authorised limit is set at £490 million and the Operational Boundary is set at £476 million.
- 3.95 The Minimum Revenue Provision (MRP) Policy Statement is included at Section 2.41 in Appendix H.
- 3.96 MRP is an annual charge that Councils are required to pay for their debt liability in respect of capital expenditure funded by borrowing, for both the general fund and the Housing Revenue Account debt. This capital expenditure is set out as part of the CFR calculation and updated regularly to reflect borrowing need changes and the resultant costs; it is important to ensure that the debt is repaid over a period commensurate with that over which the capital expenditure provides benefit.
- 3.97 MRP Overpayments A change introduced by the revised Welsh Government MRP Guidance was the allowance that any charges made over the statutory MRP, voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. For these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

On the 31st of March 2022 the total balance of previous voluntary revenue provision (VRP) stands at £7.11 million, of which £1.41 million relates to the HRA. There is no intention to reclaim any of this at this point.

## Reserves

- 3.98 The Council's reserves are key to our financial planning; maintaining these at an appropriate level is central to our financial resilience and sustainability. They provide a safeguard against risk, unusual events and future financial pressures.
- 3.99 In assessing the appropriate level of reserves, the Authority will ensure that the reserves are not only adequate, but also necessary and will be appropriate for the risk (both internal and external) to which it is exposed.
- 3.100 The holding of reserves has been critical to managing our budget this year faced with the unprecedented rise in inflation and the impact this has had on the Council's budget. This has reiterated the need to hold sufficient reserves to provide the financial resilience the Council needs.
- 3.101 The Reserves Policy (Appendix G) establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used.
- 3.102 The use of reserves and the levels at which they are maintained is determined on an annual basis as part of the Council's Budget setting process.
- 3.103 There is no statutory minimum regarding the level of reserves that should be held. Instead, decisions should reflect the individual position of each council. Reserves are a finite resource and so their use to fund ongoing commitments creates a gap in the finances of future years and erodes our financial sustainability. Benchmarking shows that Powys' reserves are not excessive but are nearer the minimum level of acceptability; we must not plan our budget based on utilising our reserves, they must remain at a level that provides a reasonable level of financial resilience in an everchallenging environment.
- 3.104 The level of reserves held, and their forecast use is reported to Cabinet as part of the budget monitoring report and Table 7 below reports the opening and projected balance of the reserves at year end. This is based on the position as at 30<sup>th</sup> September 2022.

Summary	Opening Balance (1st April 22) Surplus / (Deficit)	Forecast Addition / (Use) of Reserves	Projected Balance (31st March 23) Surplus/ (Deficit)
General Fund	9,333	-	9,333
Budget Management Reserve	3,584	- 1,748	1,836
Specific Reserves	29,167	- 9,920	19,247
Transport & Equipment Funding Rese	8,843	- 2,080	6,763
Total Usable Reserves	50,927	- 13,748	37,179
Schools Delegated Reserves	8,982	- 93	8,889
School Loans & Other Items	- 371	7	- 364
Housing Revenue Account	4,244	- 145	4,099
Total Ring Fenced Reserve	12,855	- 231	12,624
Total	63,782	- 13,979	49,803

## Table 7 – Reserves as at 30<sup>th</sup> September 2022

- 3.105 MTFS Principle 6 is to maintain a minimum general reserve provision of 4% of net revenue expenditure over the period of 2023-28. The projected balance as at 31<sup>st</sup> March 2023 will be 4.2% in line with this principle.
- 3.106 The level of reserves held has been assessed alongside the overall budget proposal.
- 3.107 At the end of the 2021/22 financial year a number of specific reserves were created due to the emerging financial pressures projected at that time as inflationary pressures began to take hold, this strategy increased our financial resilience as we moved into an unprecedented period of volatility. At this stage £13.979 million of reserves is forecast to be relied upon to support the budget this year.
- 3.108 With School budgets representing more than 26% of the Council budget the increase to their ring fenced reserves last year of £5.7 million ensured that funding was available to meet the additional costs they too have faced. The funding the council has been able to provide to schools for 2023/24 does not fully meet the pressures Governing Bodies face particularly energy costs and schools will once again have to rely on the reserves they have set aside to manage these costs through 2023/24.
- 3.109 The financial position of our schools has been a concern for several years, but progress continues in strengthening financial management arrangements. The "Team around the School" approach, supportive guidance, additional training and the appropriate use of warning notices, recovery planning and removal of financial delegation have all strengthened financial management at schools causing most concern. This support will again be crucial to support our schools as they manage the increased costs of running their schools. The school reserves are ring fenced but ultimately represent a potential Council risk. It is essential that this compliance work continues to be undertaken to ensure that school budgets are managed in accordance with regulations by Governing Bodies.

- 3.110 In the context of the need to maintain financial stability and flexibility moving forward on the advice of the Section 151 Officer, it is Cabinet's intention not to make any use of the General Reserve to fund the 2023-24 Budget.
- 3.111 The use of the Councils reserves will continually be reviewed, particularly considering the continued uncertainty arising from the ongoing economic volatility. The reserves position will be monitored carefully as the financial year progresses. Under Section 26 of the 2003 Local Government Act, an appropriate person (S151 Officer) must determine the minimum amount of General Fund Reserve.

## Impact Assessment

- 3.112 The Well-being of Future Generations Act (Wales) Act 2015 requires Local Authorities to apply the five ways of working to their financial planning to ensure that short term priorities and administrative process do not overtake longer term interests. The Act requires that the Council takes every reasonable step to meet the wellbeing objectives and act in accordance with the sustainable development principle.
- 3.113 Integrated Impact Assessments have been undertaken for each of the service cost reduction proposals, attached at Appendix I. An impact Assessment for the whole 2023-24 budget has also been completed and will be scrutinised as part of the budget process.

## 4. <u>Resource Implications and Section 151 Officer Opinion</u>

- 4.1 The Local Government Act 2003 requires an authority's Section 151 officer to give a formal opinion as to the robustness of the budget estimates and the level of reserves held by the Council. This section of the report provides the Section 151 Officer's formal opinion.
- 4.2 Under Section 26 of the 2003 Act, it is not considered appropriate for the balance of the Council's General Fund Reserves to be less than the minimum amount determined by an appropriate person, in this case, the Head of Finance and Section 151 Officer.
- 4.3 The draft budget has been produced within the framework of the draft MTFS. The continued use of scenario planning has ensured that the budget is developed in a prudent and flexible way, highlighting the risk faced by the Council as a result of changes in funding and increasing financial pressures, and offering some choice in how our resources are prioritised and the risk mitigated.
- 4.4 The process continues to be strengthened with further development of Integrated Business Plans for each service, these plans capture the services' objectives and highlight their roles and responsibilities in supporting the Council's Corporate Improvement Plan, along with the intended outcomes for service users and/or residents.
- 4.5 The Integrated Business Plans ensure that all elements of delivering the service are considered in a holistic way. Statutory obligations, pay and price pressures, income streams, demographic changes and the impact on service demand, new responsibilities and changes in regulation are all considered. Services assess options for service delivery, their workforce and capital requirements and the cost reductions that can be achieved in submitting their calculated budget requirement. The impact and risk associated with their proposals is explained.

- 4.6 The Council's MTFS guides the development of these plans, and the 2023-24 implications are set out in the draft budget and draft 2023-28 Capital Programme. A process of challenge and review undertaken with Cabinet, each Head of Service, and the Executive Management Team provided assurance on the completeness and robustness of the estimates, whilst highlighting the risks associated with its deliverability.
- 4.7 This strategic approach to allocating resources ensures that our financial plans consider the delivery of the corporate plan, the transformation programmes we need to deliver and ensures that service improvement and appropriate levels of statutory provision are all included. Revenue and Capital budgets are aligned and ensure that our limited resources are prioritised to achieve maximum effectiveness in securing outcomes.
- 4.8 The significant impact of current inflation, rising costs and additional service pressures have all added substantial financial pressure to the Council's budget and the level of cost reduction required in 2023-24 is again a significant challenge. When this is coupled with the ongoing need for improvement and the identification of further potential pressure in some services, a prudent approach must continue to be adopted to support financial stability. Against that background, the draft budget continues to include a risk management allocation which has been increased for 2023-24, and the removal of prior years' unachievable savings adds resilience and robustness to our budget plan.
- 4.9 A series of documents and policies constitute the budget framework, including the Reserve Policy. The need to hold an appropriate level of Reserves has been brought to the fore over the last year and with continued economic uncertainty our reserves remain crucial to our financial stability.
- 4.10 The position going forward will require reserves to be maintained at a prudent level. It is evident that, given the continued level of inflation, future cost pressures and lower funding settlements indicated, we will continue to need to deliver savings in the years ahead. The minimum level of General Fund Reserve remains at 4% of the Net revenue budget. On this basis the level of revenue reserves held is appropriate to deal with known and unknown risks.
- 4.11 The financial position of many of our schools was strengthened last year with the receipt of additional funding from Welsh Government, this resulted in an increase in schools ring fenced reserves to £8.9 million. This coupled with the strengthening of financial management in our schools has maintained a reduction in the number of schools in an unlicensed position, and the cumulative balances across schools has improved. The budget plan proposed sees additional funding allocated to schools delegated budgets in line with the increase provided through the Welsh Government settlement and further Welsh Government grant funding is also planned to support schools, this funding will support the increased energy and pay costs falling on schools, but Governing Bodies like other Council services will have to make changes and cost reductions to fully mitigate their financial pressures. The support provided by the "Team around the School" approach will be vital to assist Governing Bodies in addressing this challenge and it is essential that compliance work continues building on the progress made to date to further reduce the deficit balances held.

- 4.12 The Council has well established budget monitoring and internal control arrangements and these act as an effective early warning system in identifying potential problems and for managing potential areas of risk. This ongoing regular review highlights problems and risks early so that corrective action can be put in place, and this is supported by a clear virement process which provides some flexibility to adapt expenditure patterns to meet changing needs and objectives.
- 4.13 The Councils financial management arrangements are clearly defined within the Constitution. Senior Leadership Team oversight and quarterly reporting together with Internal Audit reviews and Scrutiny Committee challenge ensures that officers across the council are held accountable for the expenditure headings that they are responsible for. Additional training, delivery of audit recommendations and further development of financial and performance benchmarking data will strengthen these arrangements.
- 4.14 The Capital Strategy contained within this report sets out the current investment plans across council assets and the funding arrangements that are in place. The Capital Programme continues to grow as new schemes are developed and delivered, rising costs and increased borrowing rates add further pressure on the programme. Any additional schemes are subject to robust business cases and are set in the context of overall affordability regarding our Prudential Indicators. Regular reporting of performance against these indicators confirms that the current and planned programme continues to operate within the limits set. Clearly, this position will be kept under constant review, where the later years of the programme are refined as further information becomes available.
- 4.15 Changes to our MRP policy in recent years provided an opportunity to plan for the future to support key transformational activity across Schools and other Council Services, this remains a key element of our capital financing strategy and will limit the impact on future revenue budgets supporting the council's financial resilience.
- 4.16 The updated MTFS ensures that the Council understands the impact of the economic climate and considers the financial pressures this brings to our financial planning. Updating the assumptions in response to the changing environment and modelling different funding scenarios helps us plan in a more resilient way.
- 4.17 The Provisional Settlement provides the Council with an additional £18.298 million of funding for 2023-24. This is welcomed and will go some way to help fund the significant pressures we face whilst the proposed increase in Council Tax will help mitigate the position. Wales Fiscal analysis suggests funding levels will be less generous in the future, the Council must act quickly to tackle the projected budget gap from 2024-25 onwards and there will still be some difficult decisions to make.
- 4.18 We anticipate that we will continue to face financial pressures that outweigh the funding available throughout the period of our MTFS. The challenge imposed by the current economic context and the speed in which it has taken effect has yet again seen the Council focus on the short term. It is becoming clear that the Council in its current form is not sustainable for the longer term, and initial plans to reimagine what the Council should look like in the future are currently underway and are critical to ensure that the Council can remain financially stable and provide sustainable services in the long-term.

4.19 Taking all the above into account, the Section 151 Officer concludes the estimates used in the budget proposal for 2023-24 are adequately robust but a heightened level of risk remains. Based on the assessment of reserves, the overall level is adequate but remains at the lower end of acceptability given the ongoing economic challenge and the scale of savings required and the financial uncertainty facing the Council over the medium term.

#### 5 <u>Legal Implications</u>

- 5.1 The Solicitor to the Council (Monitoring Officer) has commented as follows:
- 5.2 The Report has been prepared in accordance with the requirements of the Local Government Act 2003 and the Local Government Finance Act 1992. In accordance with Section 25 of the 2003 Act, the Council must have regard to the advice of the Head of Finance (Section 151 Officer), as the Chief Finance Officer, regarding the robustness of the budget estimates and the adequacy of the financial reserves. This advice must be taken into account when considering the proposals in the Report and the recommendations from the Cabinet regarding the budget and the Council Tax rate. In accordance with the Functions and Responsibility Regulations, agreeing the budget and setting the Council Tax rate under the 1992 Act is a matter for full Council. In accordance with Section 30 of the 1992 Act, the Council is required to set the Council tax for the next financial year on or before 11th March.

#### 6 <u>Members' Interests</u>

6.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest, they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
That Cabinet approves in draft the:	
1. MTFS for 2023-2028 as set out in Appendix A to the report be agreed in principle.	To aid business planning and development of the budget over a five-year period
2. Draft Revenue Budget for 2023-24 with the inclusion of a 5% increase in Council Tax in 2023-24 shown in the Financial Resource Model in Appendix B and Table 4 of this report.	Statutory Requirement
3. Fees and Charges Register in Appendices D and E.	To comply with Powys County Council Income Policy
4. Capital Strategy and Capital Programme for 2023-28 shown in Appendix H.	Statutory Requirement

5. Minimum Revenue Provision Statement as set out on Appendix H.	Statutory Requirement
6. Treasury Management Strategy and the Annual Investment Strategy in Appendix H.	Statutory Requirement
<ol> <li>Authorised borrowing limit for 2023-24 as required under section 3(1) of the Local Government Act 2003 is set at £490 million and the Operational Boundary is set at £476 million as set out in section 3.84 of this report.</li> </ol>	Statutory Requirement
8. Prudential Indicators for 2023-24 as set out in section 3.80 to 3.87 of the report and Appendix H.	Statutory Requirement

Relevant Policy (ie	es):			
Within Policy:		Y	Within Budget:	Y

Relevant Local Member(s):	

Person(s) To Implement Decision:	Chief Ex	ecutive
Date by When Decision to Be Implemented:		1 <sup>st</sup> April 2023

Contact Officer Name:	Tel:	Email:
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#### Background Papers used to prepare Report:

Provisional Welsh Government Local Government Settlement 2023-24 WLGA Welsh Government Draft Budget and Provisional LGF Settlement 2023-24 Office for Budget Responsibility Economic and Fiscal Outlook November 2022 Welsh Government Draft Budget December 2022 Welsh Budget Outlook 2022 – Wales Fiscal Analysis December 2022

#### List of Documents

Appendix A Medium Term Financial Strategy Appendix B Financial Resource Model Appendix C Cost Reductions Proposals Appendix D Fees and Charges Report Appendix E Fees and Charges Register Appendix F Council Pressures Appendix G Reserves Policy Appendix H Capital & Treasury Management Strategy Appendix I Impact Assessments Appendix J Residents Survey Report This page is intentionally left blank



# Powys County Council's Medium Term Financial Strategy

## 2023 to 2028



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1. Introduction

#### 1.1 Purpose

The Medium-Term Financial Strategy (MTFS) sets out the financial strategy for Powys County Council for the period 2023 to 2028. It has been developed as part of the overall strategic planning process and aligned with the Council's Corporate Plan. It captures the financial, regulatory and policy drivers affecting the council and sets the direction and approach. It also incorporates the plan for delivering a balanced budget for 2023/24, and indicative budgets for the following 4 years to March 2028. This means the Council has an ongoing financial plan to:

- Enable service transformation within the funding levels available.
- Prepare for the challenges in setting a balanced budget in future years.
- Allows decision makers to consider the allocation of resources, helping to ensure they are directed towards delivering core responsibilities alongside corporate priorities.
- Understand the Council's financial resilience, helping to protect the Council's long term financial health and viability.
- Considers affordability in decision making. It is a live document so will change as estimates and assumptions are confirmed.
- Align revenue and capital to ensure that our limited resources are prioritised to achieve maximum effectiveness and based on securing outcomes that matter to our residents.

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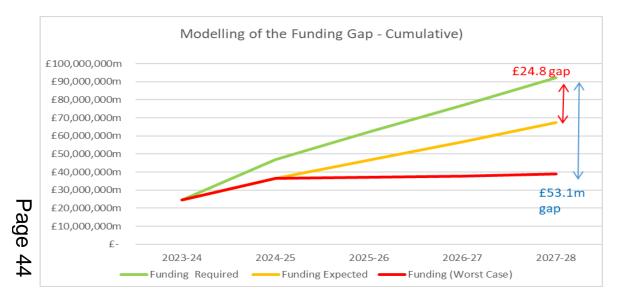
The MTFS includes all Council services activity funded by the revenue budget, the Housing Revenue Account, and the Capital programme. This information is presented in a 5-year budget model and a 5-year Capital Programme.

#### 1.2 <u>Overview</u>

Over the last two years the Council has faced an unprecedented challenge supporting the demands of the Covid 19 pandemic, addressing the implications post Brexit and more recently the implications of the events in Ukraine and the national economic situation. These challenges have created significant financial pressures, albeit partially supported by positive Welsh Government (WG) grants and settlements. For 2022-23 a 9.5% increase was given to Powys covering the cost of some pressures, the real living wage implementation and pay inflation. But the ever-increasing costs and continued rising inflation means this increase is not sufficient to fund the demands as we move into 2023.

The receipt of the provisional local government funding settlement for 2023-24 provided certainty on funding levels for 2023-24 and this has now been factored into our budget model and the revised budget gap to 2028 is £24.8 million based on the indicative settlement from WG for 2024/25 and forward settlement assumptions, this rises to £53.1 million for the worst-case scenario based on a 2% reduction to

the WG settlement. Figure 1 below provides the overall gap between the estimated cost of service delivery taking into account a level of inflation, demand and pressures against the funding we are likely to receive.



#### Figure 1

#### 1.3 Approach

The MTFS is based on an approach which brings together all elements of the Council activity to deliver the Corporate Plan, a programme of transformation, and delivers appropriate levels of statutory service. The process of modelling future budget assumptions uses pay and price pressures and changes in service demand, alongside expected funding, from which the budget gap is identified for each year of the plan.

To bring together Service Plans and the resourcing demands, the use of Integrated Business Planning (IBP) process has been implemented and highlights service objectives that support the Corporate Plan and transformation underpinned by the financial plans to deliver and benefit from the objectives.

The IBP incorporates a level of service evaluation on performance, cost analysis, benchmarking, regulatory recommendations, proposals for improvement and Service User / Resident Feedback.

#### 1.4 Principles

As well as consideration of future income and expenditure scenarios, the MTFS provides a set of clear principles which will drive the Council's budget and spending decisions and which Members and others can examine and judge the Council's financial performance against. The ten key principles are to ensure that:

- 1. The Council will continue to meet its statutory obligations and to demonstrate how its budget supports the Corporate Plan.
- 2. The Council's financial control system will be sufficiently robust to support the delivery of financial plans and mitigate corporate risks.
- 3. All Council budgets will be reviewed annually to ensure resource allocations are delivering value money and continue to align to the delivery of priority Outcomes.
- 4. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue.
- 5. Reserves will not be used to fund recurrent budget pressures or to keep down council tax rises.
- Page 45 6. The Council's General Fund reserve will be maintained at a minimum of 4% of Net Revenue Expenditure (excluding the Schools Delegated budget) over the period of the MTFS.
  - 7. Capital investment decisions will support the Council's corporate priorities and mitigate any statutory risks taking account of the return on investment and robust business cases.
  - 8. Prudential borrowing will only be used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
  - 9. Decisions on the treatment of surplus assets will be based on an assessment of the potential contribution to the revenue budget and the capital programme.
  - Budgets will be managed by members of SLT in accordance with the Council's Financial Procedure Rules. 10.

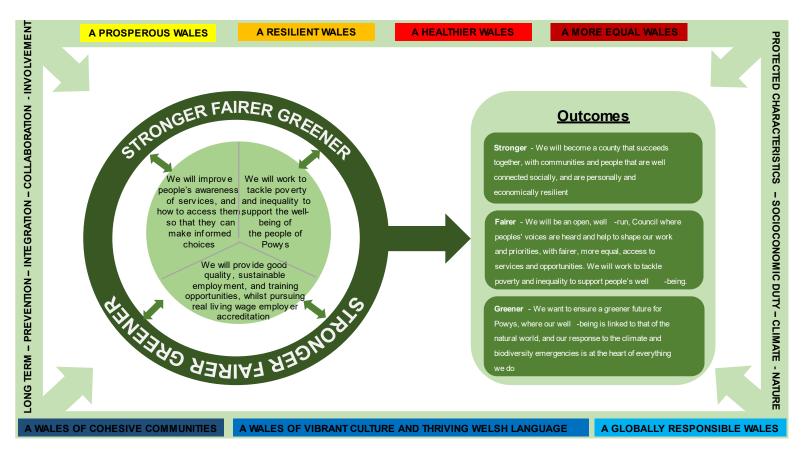
#### 2. Key Drivers

#### 2.1 <u>Council Priorities</u>

The Councils' new administration is in the process of finalising its ambitious five-year plan and their priorities are set out in Figure 2:



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The priorities align to the 5 ways of working and the 7 Well-being goals of The Well-being of Future Generations (Wales) Act 2015) and meet statutory requirements and legislative changes are defined. In finding sustainable solutions for service delivery objectives broadly align to any 1 of the following requirements:

- Objectives to redesign services to deliver them more efficiently, effectively or in an alternative manner.
- Objectives that identify key delivery partnerships or outsourcing opportunities
- Objectives that contribute positively to support Climate Change
- Objectives that realise opportunities to stop delivering services because requirements or priorities have changed, allowing the planned release of resources.
- Objectives that realise opportunities to generate additional income.

It is essential that the Council priorities are funded through either revenue or capital to ensure that they can be delivered over the short to medium term.

#### 2.2 Key Demands

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**Education** – investment in schools transformation programme as part of the WG 21<sup>st</sup> century schools band B programme, a cycle of building and modernising the estate with the reduction in the asset base to deliver affordable, energy efficient buildings that improve learner entitlement.

**Social Care** - The priority in social services is to increase early help in order to enable and support as many children and adults who need help as possible to live in and engage with their own communities. This requires increased investment into universal services and early help and/or edge of care services, along with increased investment in in-house and commissioned not-for-profit services, while reducing investment in out of county and for-profit service provision.

**Housing** – The Council has in place a strategy to build social housing properties through the capital programme, as well as buy and bring back into use empty properties nd to prioritise improving the energy efficiency of its least efficient homes. These investments are funded through the ring-fenced Housing Revenue Account (HRA), funded primarily by rental income received from tenants, with government support limited to new development and maintaining the Welsh Housing Quality Standard. The Council has more than 4,700 households registered with *Homes in Powys* for secure, affordable homes.

**Homelessness** – There has been an increase in households presenting as homeless. Homelessness service demand has increased from 383 households in 2016-2017, to 833 households in 2021-2022. The Welsh Government implemented the 'Everyone In' policy during Covid-19, which is now remaining as a permanent feature of homelessness policy and practice in Wales. There has been a substantial increase in the number of homeless single person households, whose housing options are limited by the lack of smaller sized accommodation regardless of tenure in Powys. Homelessness is a statutory service funded through the general fund.

**Demography** The total number of people living in Powys has remained static over recent years with a slight increase projected over the next few decades. There is a challenge of a decreasing working age population combined with a rapidly increasing older people population. This is leading to issues regarding recruitment and retention of workforce. The population across Wales has increased and the change across other authorities has an impact on Powys and the distribution in funding.

**Deprivation** – Poverty statistics - 4,088 families live in absolute poverty in Powys, 31% (1,248) of these were lone parent households (Department for Work and Pension, 2019-20).

The average household income in Powys is £33,458 (Wales: £34,700, UK: £40,257).

- 55% (33,149) of households earn below the Wales average household income of £34,700, 37% 22,162 earn above, and
- 70% (42,107) of households earn below the UK average household income of £40,257 (24% earn above) (CACI, 2021).

Employment – Powys has a low unemployment rate, but also is a low waged economy. With the current inflation levels set to rise it is likely there will be more unemployment and demands for access to CTRS, benefits advice and levels of arrears in council tax, housing etc increase

**Real Living Wage (RLW)** –. The Council is a Real Living Wage Employer and an advocate of RLW. In 2022 Welsh Government announced that it would provide financial support for Local Authorities, to support the payment of the Real Living Wage in the Care Sector and this has been implemented across Powys with a wider aspiration to become accredited for both its employees and those who provide services to the council. To implement this across providers and contracts would cost in excess of £1m and be a competing priority in the FRM.

**Climate Change** – The pledge to address the Climate Change emergency and reduce carbon emissions to zero by 2030. This will require significant capital investment, alongside a change in key polices and procurement. Activities include building sustainable homes, greater active travel, Electric Vehicle replacement, green energy such as solar, sustainable procurement, energy efficiency works and carbon offsetting.

#### 2.3 **Economic and Fiscal Outlook**

The current economic context is challenging. On 17<sup>th</sup> November 2022 the Office for Budget Responsibility (OBR) published its report "Economic and fiscal outlook". The report provided an analysis and forecast of the UK's public finances based on the budget statement released by the Chancellor of the Exchequer on the same day.

Over the past six months, the global energy and food supply shocks emanating from Russia's invasion of Ukraine have intensified. The further curtailment of Russian imports saw European wholesale gas prices rise ten-fold from pre-pandemic levels, and markets now expect prices to remain four times higher in the medium term. Rising energy, food, and other goods prices have pushed up the interest rates set by inflation-targeting central banks to levels not seen since the 2008 financial crisis. This has taken much of the wind out of the global economic recovery from the pandemic and ratcheted up the financial pressure on governments that emerged from it with higher debt and are again being called upon to help households and businesses through this latest crisis.

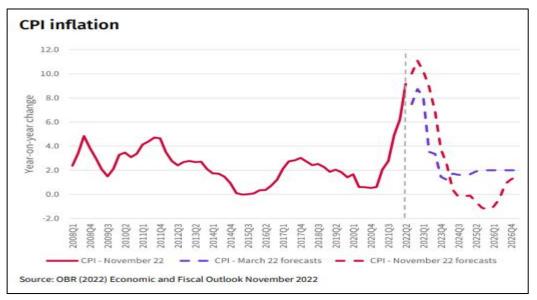
As a net energy importer with a high degree of dependence on gas and oil to meet its energy needs, higher global energy prices will weigh heavily on a UK economy that has only just recovered its pre-pandemic level. Petrol prices are already up a fifth since their October forecast and household energy bills were set to jump by 54 per cent in April.

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CPI inflation is set to peak at a 40-year high of 11 per cent in the current guarter, and the peak would have been a further 2<sup>1</sup>/<sub>2</sub> percentage points higher without the energy price guarantee (EPG) limiting a typical household's annualised energy bill to £2,500 this winter and £3,000 next winter. Rising prices erode real wages and reduce living standards by 7 per cent in total over the two financial years to 2023-49 24 (wiping out the previous eight years' growth), despite over £100 billion of additional government support. The squeeze on real incomes. rise in interest rates, and fall in house prices all weigh on consumption and investment, tipping the economy into a recession lasting just over a year from the third quarter of 2022, with a peak-to-trough fall in GDP of 2 per cent. Unemployment rises by 505,000 from 3.5 per cent to peak at 4.9 per cent in the third guarter of 2024.

Inflation is expected to drop sharply over the course of next year and is dragged below zero in the middle of the decade by falling energy and food prices before returning to its 2 per cent target in 2027, as is projected in Figure 3 below. The resulting recovery in real incomes, consumption, and investment sees GDP return to growth in 2024 and output recover its pre-pandemic level in the fourth guarter of that year.





Higher borrowing pushes underlying debt (excluding the Bank of England) up sharply, from 84.3 per cent of GDP last year to a 63-year high of 97.6 per cent in 2025-26. Tax rises, spending cuts and a pick-up in GDP growth are then sufficient for it to fall modestly in 2026-27 and 2027-28. The Government's two legislated fiscal targets to balance the current budget and get underlying debt falling in 2025-26 are on course to be missed by £8.7 billion and £11.4 billion respectively.

Given the scale of the energy shock and the recession it has induced, the Government has announced new targets: to get borrowing below 3 per cent of GDP and underlying debt falling in five years' time, which it achieves, respectively, with £18.6 billion and £9.2 billion to spare. But the near tripling of interest rates since March means the share of revenues consumed by servicing that debt rises from under 5 per cent in 2019-20 to 8½ per cent in 2027-28, leaving the public finances more vulnerable to future shocks or swings in market sentiment.

#### **UK Government's Autumn Statement : Implications for Wales**

As part of the Autumn Statement on 17 November, the UK government announced additional departmental spending on the NHS, social care, and schools in England – the first top-ups to spending plans since the Spending Review in October 2021 It also announced business support measures through the Business Rates system in England. This triggered consequential funding for the Welsh Government worth £1.2 billion in 2023-24 and 2024-25.

Unforeseen higher inflation has significantly eroded the real terms value of the Welsh Government's plans for day-to-day spending from 2022–23 to 2024–25. Additional UK government funding announced at the Autumn Statement will allow the Welsh Government to top-up its spending plans at the Draft Budget for 2023–24 and support businesses through the Non-Domestic Rates system. However, even after these additional allocations, the losses from higher inflation since budgets were set last year could amount to approximately £800 million in 2023–24 and £600 million in 2024–25.

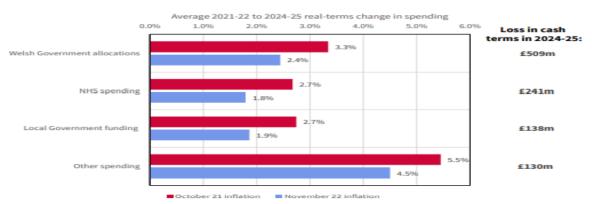
Estimated funding for day-to-day spending would increase by 1.2% per year in real terms from 2024–25 to 2027–28 after the UK government pencilled in slower growth in departmental spending following the current Spending Review period. This could imply cuts to non-NHS spending averaging 0.5% per year in real terms.

Beyond the end of the spending review period, public service spending is growing less quickly than previously planned (about £21.5 billion of fiscal tightening), also capital spending is cut in real terms after 2025 (£14.8 billion of tightening).

Using October 2021 inflation forecasts, the implied average real-terms growth over three years is 3.3% for WG, and for local authorities 2.7%, Higher inflation (as measured by the GDP deflator) suggests that falls to 2.4% in real terms, as set out in Figure 4 below.



## Welsh Government Final Budget plans – average annual real terms change in day-to-day spending from 2021-22 to 2024-25



Source: OBR (2022) Economic and Fiscal Outlook March 2022; Welsh Government (2022) Final Budget 2022-23; and authors' calculations. • Notes: Total day-to-day spending allocations refers to fiscal resource allocations and redistributed non-domestic rate revenues

#### Welsh Government's Budget and Outlook

The Welsh Government was provided with expenditure limits for 2022-23 to 2024-25 following the UK Government's Spending Review in Autumn 2021. These limits were reflected in the Welsh Government's Final Budget for 2022-23 alongside indicative spending plans for 2023-24 and 2024-25, which were published in March 2022. The UK Government's recent Autumn Statement provided additional revenue of £666m in 2023-24 and £509m in 2024-25. The limits for the Welsh Government Resource Departmental Expenditure Limit (DEL) are now £18,916m and £19,152m for 2023-24 and 2024-25 respectively, before block grant adjustments. The Capital DEL did not change as a result of the Autumn Statement, remaining at £2,610m and £2,594m in 2023-24 and 2024-25 respectively. This also contains ring-fenced amounts of £96m and £90m for Financial Transactions. This provides a constrained outlook for capital, with the budget in 2024-25 8% lower in real terms than in 2022-23.

Even with the additional resource funding outlined above, the high levels of inflation currently being experienced mean the Welsh Government's settlement is now worth less in real terms than when the spending envelopes were set. Depending on the inflation measure used, the settlement could be worth up to £3bn less in real terms over the three years covered by the Spending Review and £1bn less in 2023-24 alone.

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As a result of decisions announced in the Chancellor's Autumn Statement, the UK Government provided £1.2bn of additional funding to the Welsh Government over the next two years. Despite that, the Welsh Government's budget for day to day spending will only increase by 0.4% a year per person in real terms over the two years, on a like for like basis.

Welsh Government recognise and value public services and the important role they play in local communities as a source of support, help and employment. Through the draft budget they continue to invest in public services to support them through these hard times and will make additional funding available to the NHS, to local government and to education to help protect frontline services

The additional funding provided to Welsh Government in the Autumn Statement is being provided in full to local government through increases to the unhypothecated settlement and through the education budget. WG are providing an additional £227m in 2023-24 and £268m in 2024-25 to the local government settlement; this builds on the funding outlined as part of the 2022 Spending Review, now providing £1bn up to 2024-25.

The Welsh Government and Plaid Cymru December 2021 Co-operation agreement pledges to review Council Tax reform in Wales during the next three years. Clearly, from a financial planning perspective, this is an area that will be kept under close review.

#### The Local Government Revenue Settlement

The Local Government Revenue Settlement comprises Revenue Support Grant (RSG) and redistributed National Non-Domestic Rates (NNDR) revenues and is known as Aggregated External Finance (AEF). In 2023-24, local authorities will receive £5.5 billion from the Welsh Government (WG) in RSG and NDR to spend on delivering key services.

WG continue with their commitment to local government being at the frontline of delivering a wide range of vital public services. Recognising that Local Authorities have been affected by the soaring cost of energy and inflation across all services, including in two of their biggest service areas: schools and social care. This is alongside overall increases in demand in many service areas.

Schools in Wales are directly funded by local authorities; funding for schools is provided mainly through the local government settlement. The Welsh Government's education budget also supports spending in and on schools, teachers and wider education programmes, including free school meals, the rollout of the new curriculum, teacher training and support to help learners recover post pandemic.

The additional consequential in the Autumn Statement is being provided in full to local government through increases to the unhypothecated settlement and through the education budget. The funding provided through this Settlement will therefore cover the costs arising from the 2023/24 pay deal which fall within the 2023-24 Settlement year. WG have again taken the decision to provide all the available funding up front and not hold back funding for in-year recognition of the 2023/24 teachers' pay deal. Authorities' budget planning must therefore accommodate these costs.

Welsh Government recognises that social care plays a vital role in Wales, supporting people to live independent lives in the community while also supporting the wider health service. Without effective social care, the NHS' ability to function effectively will be swiftly diminished. The demand for social care has increased rapidly and the sector is under intense pressure, as it struggles to recruit and retain staff.

In April 2022, Welsh Government provided funding to enable the Council to be able to pay the Real Living Wage for social care workers. To maintain this WG makes a recurrent provision of £70m to meet the Real Living Wage for social care workers, within the allocations to the health and social care budget and the local government settlement.

For Education, in addition to the funding being providing for schools via the local government settlement, WG are allocating an extra £10m for schools via the Education budget in 2023-24. This is made up of an additional £5.5m to support the continuation of the Recruit, Recover and Raise Standards (RRRS) programme in line with the Programme for Government commitment; and a further £4.5m to support implementation of the Additional Learning Needs (Wales) Act as part of the long-term programme of education reform. There will also be

an additional £9m to support post-16 provision, including a review of Renew and Reform funding and other distinct pressures for school sixth form and FE sector.

The Welsh Government remains committed to people in Wales having access to a decent place to live. Funding for housing and homelessness continues to be an area of priority investment, which protects the most vulnerable in society. £10m is allocated to the homelessness prevention budget to boost investment in homelessness prevention and relief interventions across Wales providing support for local authorities to continue our 'no-one left out' approach.

Businesses and other ratepayers in Wales are supported with a package of non-domestic rates support worth more than £460m over the next two financial years. The approach taken in previous years is maintained with the freezing of the non-domestic rates multiplier for 2023-24. This ensures there will again be no inflationary increase in the amount of rates businesses and other ratepayers are paying.

WG are also introducing a £113m, fully funded, transitional relief for all ratepayers whose bills increase by more than £300 following the UK-wide revaluation exercise, which takes effect on 1 April 2023.

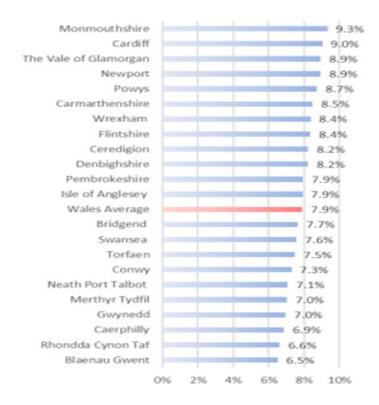
Finally, the NDR support package also provides over £140m of non-domestic rates relief for retail, leisure, and hospitality businesses in Wales. Eligible ratepayers will receive 75% non-domestic rates relief for the duration of 2023-24, capped at £110,000 per business across Wales.

The Graph at Figure 5 below shows changes to the AEF across the Local Authorities in Wales between 2022/23 and 23/24. The average increase is 7.9% driven by the funding formula. This is largely a reflection of data movements in pupil numbers and free school meal entitlement derived from the schools' census, as well as the impact of the decennial Census on the population counts/estimates.

The graph confirms that funding in Powys has increased by 8.7% after adjusting for transfers, this equates to an additional £18.298 million for next year.

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#### Figure 5



Welsh Government have also provided the indicative Wales-level core revenue funding allocation for 2024-25 is £5.69 billion, equating to an uplift of £169 million (3.1%). As Powys is receiving uplifts along the line of the average settlement or above, this uplift has been used in the FRM, with 2% for the final two years.

#### 2.4 Local Context

The local context affecting our funding and demand for services is well recognised and heavily influenced by Powys being sparsely populated with a wide geographic area requiring services. Powys has a higher-than-average older population that is predicted to increase at a faster rate than the national average. This statistic can largely be attributed to people living longer because of better healthcare and improved lifestyles together with an inward migration of people above retirement age to the County. Conversely, the county's younger

population is declining with a reducing birth rate and a sizeable outward migration of young people. Further and higher education and career opportunities are the main contributors to this trend.

These factors in combination present significant challenges to the Council. As evidenced in the updated Rural Cost Analysis (link to follow) the provision of services to a dispersed and relatively small population is expensive as a result of greater transport costs and the demand for facilities to be delivered locally or within a commutable distance.

This Council understands its legal obligation to set and deliver a balanced budget each year and has a significant transformation programme underway to improve the quality of key services such as education, social care, highways, transport and recycling while also reducing our operating costs over the medium term.

Uncertainty around funding continues and in order to manage this uncertainty revised modelling continues to be based on a number of scenarios with a 2%, 0% and -2% uplift as well as the 3.1% provided as indicative funding for 2024/25.

On the current modelling, to deliver a balanced annual budget between April 2023 and 2028 the Council will need to reduce its spending  $\nabla$  by more than £19.5 million in addition to the assumption to increase council tax by 5% each year. This will be achieved through transformational change and cost efficiencies but reductions in some services offered will also be inevitable.

Since 2012, £109 million has been achieved through reduced spending as a response to cuts in government funding and the need to meet inescapable additional costs. There has been a reduction in staffing of 11% and there are 557 less FTE's. This coincided with a period of challenging financial settlements, including negative (i.e., cash reduction) settlements which has had a lasting impact. It is more challenging to continue to deliver savings over the medium term, even though savings requirements are still required to support the demand and price pressures. In the last five years alone, the largest budgets in the Council increased by £22.4 million as seen at Figure 6 due to demographic demand and inflationary pressures.

## Figure 6: Budget Changes

		Net Budget - £							
	2018/19	2022/23	Change	%					
Childrens	18,842,414	27,899,704	9,057,290	48.07%					
Adults	64,038,521	73,864,171	9,825,650	15.34%					
Education	93,356,950	96,830,257	3,473,307	3.72%					
	176,237,885	198,594,132	22,356,247	12.69%					

### 3. Medium Term Financial Plan

#### 3.1 Five Year Projections

Based on the modelling assumptions (settlement 8.7% reducing to 3.1% and then 2% for the follow three years), the five-year financial projection is summarised at Figure 7, with the detailed Financial Resource Model (FRM) shown at Appendix A.

#### Figure 7: Five Year Summary

	2023/24	2024/25	2025/26	2026/27	2027/28	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	326,554	348,854	363,948	378,648	393,967	
Current Year Budget	301,872	326,554	348,854	363,948	378,648	
GAP - each year	24,682	22,300	15,093	14,701	15,319	
Additional Funding						
Council Tax increase - 5% and tax base	-6,384	-4,898	-5,143	-5,400	-5,670	-27,494
Settlement (8.7%, 3.1%, 2% then on)	-18,298	-7,080	-4,709	-4,804	-4,900	-39,791
Net Gap - Each Year	0	10,322	5,241	4,497	4,749	24,810

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### 3.2 The FRM and Cost Assumptions

Figure 8 provides the summary position by service for 2023-24.

#### Figure 8 2023-24 Service Budgets

£'000	Base Budget	Pay Award 2022/23	Pay Award 2023-24	Non Pay 2023-24	Demography	Pressures	Covid Pressures	Savings	Adjustment	2022/23 Undelivered Savings	Request 2023/24	Variance	% Increase
Delegated	79,491	1,114	2,725	3,879	-185	1,573		(864)	(3,846)	0	83,886	4,395	5.5%
Education	17,329	274	451	87		1,139		(830)		0	18,450	1,121	6.5%
HTR	29,669	829	701	1,940		2,403		(2,797)		0	32,744	3,075	10.4%
H&CD	5,417	304	255	456	0	1,557		(379)		0	7,611	2,194	40.5%
PPPP	5,913	242	199	768		321		(793)		75	6,725	812	13.7%
ASC Commission	3,647	139	97	18		0		(97)		0	3,805	158	4.3%
ASC	73,938	652	596	154	491	8,260	980	(4,768)		0	80,303	6,365	8.6%
Children	27,897	504	466	77	0	2,201	0	(2,796)		1,278	29,626	1,729	6.2%
Finance	6,258	190	167	68		89		(73)		0	6,699	441	7.0%
Transf/Comm	1,461	67	53	2		0		(8)		0	1,576	115	7.8%
WOD	2,399	95	89	9		103		(12)		0	2,683	284	11.9%
Digital	6,312	184	146	69		368		(24)		166	7,220	908	14.4%
Legal	3,561	124	110	7		45		(2)		32	3,877	316	8.9%
Corp	38,580	32	80	13		5,648		(3,003)		0	41,350	2,770	7.2%
Total	301,872	4,750	6,135	7,547	306	23,705	980	(16,446)	(3,846)	1,550	326,554	24,682	8.2%

**Employee Costs** – At this time pay awards for 2022/23 have now been agreed, with NJC employees all received £1,925 regardless of grade. Teachers have been awarded 5% with increases to TLR for those part time staff. These assumptions will require an additional £4.7 million to fund the base budget gap. The FRM in 2023/24 pay assumptions are that NJC will increase by 5% and Teachers 3.5%, then 2% then on . The service budgets hold £6.1 million with an additional £2.9 million held centrally.

**Pension Costs** – Powys Pension Fund's actuarial review will be finalised in March 2023; however the majority of the review has been completed and the Council will see a reduction in its contribution rates, this change is now reflected in the Councils Budget Plan with a saving of £1.7 million now proposed. There are no expected changes to the Teacher Pension Scheme.

**Redundancy Costs –** The Council has an annual base budget set aside to meet the costs of any transformation redundancies. Services must manage other redundancies within base budget.

Price Inflation – 2% inflation has been factored in across all services for each year, with exceptional increases in:

- Utilities Electricity by 145% and Gas by 283%, an estimated increase of £5.8 million (including schools)
- Fuel this has increased by 32% which amounts to an additional cost of £463k
- Food overall average food costs have gone up by 10% amounting to £176k

Utility prices are being kept under review for this and the next two years. Currently the gas wholesale commodity market is experiencing unprecedented increase in prices due to shifts in global demand, uncertainty surrounding future supply to Europe (partly due to the war in Ukraine), and poor electricity production from renewables.

CPI Inflation currently stands at 10.7% and is expected to rise further before reducing gradually over the next two years, this will impact on many supplier contracts that are linked to CPI / RPI. Where known, these increases are being added as pressures into the FRM.

**Capital Financing Costs** – Required to achieve the Capital and Treasury Management Strategy, reflects the five-year capital programme and the cost of commitments made in previous years. The capital programme assumptions are:

- Supports Schools Transformation as part of 21<sup>st</sup> Century schools and building social housing
- Ongoing support to highways improvements
- o Delivering the asset management plan to secure capital receipts for future investment
- Borrowing is assumed at 4.2% in 2023/24 and is expected to fall slightly in the following years, although this may need to be raised depending on future bank rates
- One pool of debt for both the General Fund and HRA
- o Continue to remain under borrowed and utilise cashflow before committing to long term borrowing
- Borrowing to cover the future capital programme costs will be considered against the cost of carry.

• That the capital expenditure plans of the council remain affordable, prudent and sustainable.

**Levies** – The council is required to provide funding to support both the Mid and West Wales Fire Authority (MAWWFRA) and the Brecon Beacons National Park via a levy. The Chief Fire Officer has served formal notice that the estimated net revenue budget requirement for the Mid and West Wales Fire and Rescue Authority for the 2023-24 financial year is £60,821,000. In addition it is now expected that 2 former grants are no longer being provided directly to the Fire Authority and the value of these will increase the budget requirement to be levied to £63,257,200 an overall increase of 17.53%. For Powys, the Councils budget includes an estimate of £9,166,841 for 2023-24, an increase of £1,355,336 (17.35%) from that provided last year. This amount is funded in part through the local government settlement with the remainder being met from Council Tax.

**Apprenticeship Levy -** The Apprenticeship Levy is a government levy payable by larger employers at 0.5% of annual pay bill. As our pay bill is set to increase, we will have to make a greater contribution into the levy next year.

Demographic Pressures - these have been estimated over the next five years

- Adults numbers are based on those learning disability clients already in the system, mainly from transitioning from children to adult services, a net increase of £0.5 million assumes increased cost of activity.
- Childrens next year the service proposes to manage demography through the risk budget
- Schools Pupil number projections show a small decrease in primary and increase in secondary pupils, with a reduction of £185k factored in next year.

**Council Tax Reduction Scheme -** This budget reflects the payment of Council Tax Support to eligible recipients. At over £11.5 million, future demand on this budget is a key consideration in medium term planning. The impact of the pandemic, rising inflation and an economic recession now being projected will all impact on the number of eligible claimants. Any changes to Council Tax levels also impact on this budget. In recognition of this, within the MTFP, modelled council tax increases are shown net of their impact on CTRS.

**COVID** - The pandemic had a significant impact on the council and our financial position in previous financial years. The Welsh Government put in place a COVID-19 Hardship Fund to support Local Authorities with additional costs and income loss directly resulting from the pandemic. During the financial years 2020/21 and 2021/22, we received £32 million support from the fund. This direct funding to support the financial impact of the pandemic ceased on 31st March 2022 and we are now managing these costs and lost income within our Revenue Budget from 2022/23. This year we have supported services with £1.7 million from the funding that we set aside thus far this year. We must clearly understand how the pandemic could continue to impact on our services, our costs and our levels of income into 2023/24 and beyond and factor this into our plans.

#### 3.3 Funding and other Support

The Council's budget reflects the totality of the Council's costs including salaries and wages, the purchase of goods and services, premises costs and the revenue cost of financing our capital programme. The budget is financed by all the Council's income sources including AEF, council tax, fees and charges, specific grants and contributions from other bodies.

The financing of the net budget comes from the Welsh Government settlement and gross Council Tax income. Figure 9 below summarises the current assumptions.

#### Figure 9

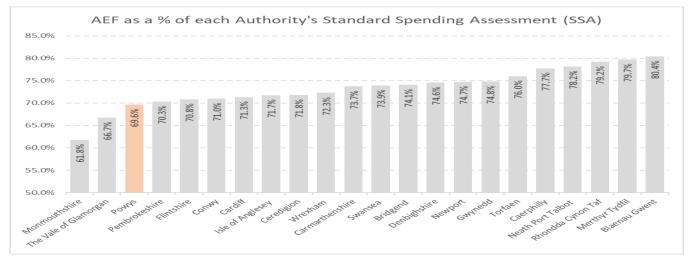
	2023/24	2024/25	2025/26	2026/27	2027/28	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax increase - 5% and tax base increase	- 6,384,046	- 4,897,801	- 5,142,692	- 5,399,826	- 5,669,817	- 27,494,183
Settlement (8.7%, 3.1%, 2% then on)	- 18,298,015	- 7,080,034	- 4,709,365	- 4,803,552	- 4,899,623	- 39,790,590
Total Funding	- 24,682,062	- 11,977,836	- 9,852,056	- 10,203,378	- 10,569,441	- 67,284,773

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**Council Tax** - Council Tax represents around 30.4% of the Council's Net Revenue Budget. Powys' Council Tax contribution is proportionally greater than other Authorities, an authorities' ability to raise Council Tax is calculated on the Council Tax base and Powys has a higher Council Tax base than most of the other authorities. The below graph shows the percentage of each Local Authority's Standard Spending Assessment covered by central funding (AEF).

#### Figure 10: AEF as a percentage of SSA



Medium Term Financial Strategy 2023 to 2028

The 'gearing effect' for example to raise overall income by 1%, council tax would have to increase by over 3% as it is 1/3rd of total income. If we wanted to increase net budget by 1%, £3 million, this would mean an increase of just over 3%. In our FRM, we are modelling an increase in Council Tax each year of 5% for future years.

The total Council Tax households will have to pay will be affected by decisions from public bodies, including Community Councils and the Police Authority. Figure 11 indicates the additional permanent funding from Council Tax increases ranging from 1% to 10%.

#### Figure 11: Council Tax Funding

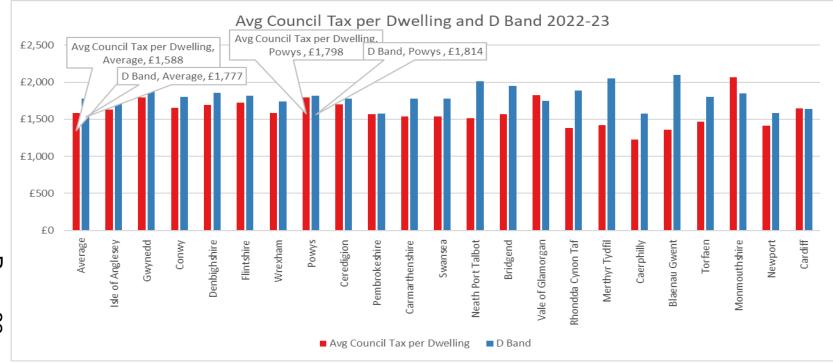
2023/24							
% Change Council Tax	1.00%	2.00%	3.00%	4.00%	5.00%	7.00%	10.00%
£'000	£916	£1,832	£2,748	£3,664	£4,580	£6,412	£9,160
Council Tax Less CTRS	£815	£1,631	£2,446	£3,261	£4,076	£5,707	£8,153

Council Tax income comes from residents but not all residents pay full Council Tax. Around 48% of Powys' 65,000 households pay the full amount, while just over 52% would receive partial or total exemption from payment.

A balance needs to be struck between the ability to raise enough money to fund important services to the right level and the impact increasing taxation has on the residents of the County. This balance will be even more difficult this year due to the high level of inflation falling both on our residents and the Council.

Average council tax per dwelling in Powys for 2022-23 was the 4th highest in Wales, this is particularly sensitive in a county with one of the lowest average wage levels in Wales. Figure 12 compares Powys against Welsh Local Authorities in terms of council tax average cost per dwelling and the Band D average (these figures include all precepts).

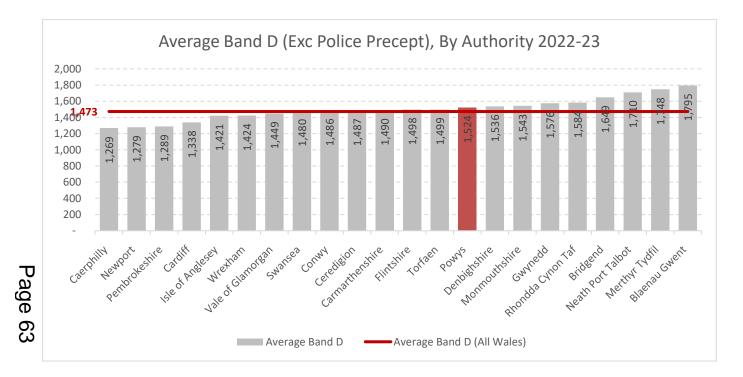




For 2022-23, the average annual Council tax bill for a Band D property in Powys was £1,814 (including community council and police precept). This is above the Wales average for Band D properties of £1,777.

Figure 13 shows the Band D Council Tax level for each of the local authorities in Wales (excluding all precepts)

#### Figure 13: Average Band D by Authority



Council Tax collection rate for 2021-22 was 97.30% (0.3% increase on previous year) which compares with an average of 96.3% for all unitary authorities in Wales. The highest collection rate in Wales for 2021/22 was 98.0%

**Council Tax premiums** are applied to periodically occupied and empty properties. Currently the premium is set at 50% for both categories. Following a Cabinet decision in February 2022 the premium applied to Properties that are periodically occupied will be increased from 50% to 75% from April 2023. This increase may generate additional income for the council, but the level is uncertain due to the options available, for example, if owners choose to transfer to Business Rates or occupy or sell their property moving it out of the premium and reducing council tax collected. Cabinet has recently approved an increase to the long-term empty premium from 50% to 100% effective from 1 April 2023.

**Fees and Charges** - Income from fees and charges makes a significant contribution (£74 million per annum) to the Council's budget and the Council's approach to income generation is set out the Councils Income Policy, fees and charges will be reviewed in line with this policy will be presented in the updated Fees and Charges Register, which will be presented with the budget papers annually for approval. The council's policy is based on the principle of full cost recovery and inflationary uplifts will be considered to ensure that the Council can continue to recover its costs for the services it provides.

**Specific Grants** In addition to the AEF, Councils also receive specific grants which are accompanied by specific terms and conditions as to how they can be used. We will receive around £55 million of grant funding next year. These grants can change year on year and where a grant has been reduced or withdrawn, the Council's policy is that the service funded by the grant also reduces or ceases. This creates uncertainty and risk within financial planning.

Budget Reductions - The following strategies will continue to be used to address the gap where feasible: -

- The transformation of service provision.
- Improved efficiency and a "Right First Time" ethos.
- Undertaking service reviews using the information to change
- Identification of investment opportunities and income.
- Capital Programme reviewed, opportunity to invest.
- Cross Cutting Themes.

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- Income generation/fees and charges.
- Reconsider the levels of Council Tax increase.
- Some service reductions ceasing or reductions to levels of service.
- The use of the Spend to Save reserve to support transformation.
- The raising of capital receipts to support capital investment.

When considering how we transform our services the following principles will apply: -

- Moving from an organisational focus (supporting our own internal requirements and functional silo's) to a focus that looks to meet our residents and communities' needs.
- Management ethos focuses on improving the outcomes for residents and communities by removing barriers.
- Moving from functional silos to services that effectively meets our residents and communities' demand.
- Decision making is based on a clear set of principles, experience, knowledge, robust evidence and is taken as close to the frontline as possible.
- Continuous improvement informed by timely data which will measure how well we are delivering outcomes for residents and communities.

- Accountable for activities and accepting responsibility, resulting in transparent delivery of effective outcomes.
- We challenge everything we do and will realise the right outcomes using our transformation methodology.
- Partnerships are outcome focused, based on collaboration and strong relationships (working together, stronger together).

**Reserves** - In the interests of financial resilience, reserves should not be relied upon as general budget funding. This is because:

- It creates a gap in the finances of the following year as reserves are cash sums.
- Earmarked reserves are set aside for a particular purpose.
- Reserves are an important part of financial resilience, providing a cash buffer.
- Cash in reserves is not idle; it generates investment income in line with the Treasury Management Strategy and avoids the need for short-term borrowing.

#### **Risk and Sensitivity Analysis** 4.

#### 4.1 **Sensitivity Analysis**

Page The MTFS is prepared using the best inflation at this point in time, but as a working document will continue to be updated through until the budget is agreed in February 2023. The volatile economic environment affecting inflation and prices and demands on services means 65 further modelling will take place. The impact of a 1% change on headline figures is shown at Figure 14.

#### Figure 14

Modelling and impact of changes - £	1%	2%	3%
Council Tax (before CTRS)	- 915,720	- 1,831,440	- 2,747,160
WG Settlement	- 2,102,610	- 4,205,219	- 6,307,829
Pay (Teachers)	570,894	1,141,788	1,712,682
Pay (NJC)	1,073,167	2,146,334	3,219,501
Non-Pay (excluding utilities)	1,083,070	2,166,140	3,249,210

Figure 15 provides the most recent modelling based on the known funding next year of 8.7% and 3.1% the following year, with the future funding expectations from 2% to a worst-case scenario of -2%. The cumulative gap is shown between £19.9 million and £48.1 million.

#### Figure 15

	2023/24	2024/25	2025/26	2026/27	2027/28	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	326,554	348,854	363,948	378,648	393,967	
Current Year Budget	301,872	326,554	348,854	363,948	378,648	
GAP - each year	24,682	22,300	15,093	14,701	15,319	
Additional Funding						
Council Tax increase - 5% and tax base	-6,384	-4,898	-5,143	-5,400	-5,670	
Settlement (8.7%, 3.1%, 2% then on)	-18,298	-7,080	-4,709	-4,804	-4,900	
Net Gap - Each Year	0	10,322	5,241	4,497	4,749	24,810
Additional Funding						
Council Tax increase - 5% yr 1, 5% the	-6,384	-4,898	-5,143	-5,400	-5,670	
Settlement 8.7%, 3.1%, 0%,	-18,298	-7,080	0	0	0	
Net Gap / (surplus)	0	10,322	9,951	9,301	9,649	39,223
Additional Funding						
Council Tax increase - 5% yr 1, 5% the	-6,384	-4,898	-5,143	-5,400	-5,670	
Settlement 8.7%, 3.1%, -2,	-18,298	-7,080	4,713	4,619	4,526	
Net Gap / (surplus)	0	10,322	14,664	13,920	14,175	53,080

In previous years' service demography risk has been supported by identified reserves, as this is an estimate of increase rather than a precise figure, in addition this demand occurs throughout the year and only needs part year funding.

Adult Social Care demographics are based on a percentage increase for the 75-79 age group, based on current average packages and equates to one Residential/Nursing placement and one Domiciliary Care package per shire per month, net of any client income. In addition, Learning Disabilities Transitions are based on a known list of service users attaining age of eighteen and the likely placement for their care. £1.4 million has been estimated for next year, this could increase or decrease depending on demand.

Childrens services have assumed an additional 59 Children Looked After totaling £1.2 million, these are new placements and assumed at the usual foster care rates.

#### 4.2 Funding the Uncertainty

Availability of Reserves - The *Reserves Policy* establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used. This is a key component of the MTFS as a sound reserves policy is essential to underpin the financial sustainability of the Council. It is for this reason that we have developed our approach to reserves through an effective policy.

The use of reserves and the levels at which they are maintained is determined on an annual basis as part of the Council's budget setting process following a risk-based assessment. The approach is supported by the policy around the use of reserves. In the main reserves are held corporately rather than service based, except where specific reserves and their use have been agreed.

The reserves held must be at an appropriate level to mitigate this risk and any unexpected events that may arise: -

- Civil emergencies, Natural Disasters and Pandemics.
- Failure to deliver statutory duties failure to deliver, including safeguarding activity in relation to adults, children, health and safety or public health could result in possible negligence claims.
- Increased threat of legal litigation in respect of service delivery standards and regulations and multiple insurance claims. This risk is the likelihood of needing to replenish the insurance fund immediately from reserves because of several claims above our excess.

As has been previously explained, reserves use is not a long-term solution to addressing general budget recurrent problems such as increasing costs. But in the short-term reserves may be a mechanism to address demand and price risk. It is estimated that up to £7 million will be used from specific reserves in 2022/34 to support post Covid pressures and the inflation demands, but as these are now in part becoming recurrent issues, they should be addressed through the FRM. Reserve use to support initiatives to deliver recurrent savings may be needed to smooth over the transition process.

Summary	Opening Balance (1st April 22) Surplus / (Deficit)	Forecast Addition / (Use) of Reserves	Projected Balance (31st March 23) Surplus/ (Deficit)
General Fund	9,333	-	9,333
Budget Management Reserve	3,584	- 1,748	1,836
Specific Reserves	29,167	- 9,920	19,247
Transport & Equipment Funding Rese	8,843	- 2,080	6,763
Total Usable Reserves	50,927	- 13,748	37,179
Schools Delegated Reserves	8,982	- 93	8,889
School Loans & Other Items	- 371	7	- 364
Housing Revenue Account	4,244	- 145	4,099
Total Ring Fenced Reserve	12,855	- 231	12,624
Total	63,782	- 13,979	49,803

#### Figure 16: Usable Reserves (excluding the £7 million anticipated use)

#### 4.3 Risk Management Framework

At a time when the Council is facing unprecedented challenges, the effective management of risk is needed more than ever. A risk-managed approach to decision making will help us to achieve the Corporate Plan and deliver services more efficiently, using innovative and cost-effective means.

A **Risk Management Framework** is in place to ensure that at all levels of the organisation we can identify risks which would prevent us from achieving our objectives (including failing to take advantage of opportunities). There is clear guidance on the terminology associated with risk management and the process itself, along with a set of practical tools and techniques to help us manage risks, deliver objectives, meet targets, and maintain resilience.

We must not lose sight of the fact that risk is inextricably linked to opportunities and innovation. The Council cannot be risk adverse, and it needs to take full advantage of opportunities for improving services therefore we need to be proactive in the way that we identify and manage our risk.

Having a better understanding of the importance of, and fully implementing, risk management will make a huge contribution to the Council. Better identification of risks and their management will mean that better use of resources is achieved. If we use the resources available to us more efficiently and effectively then the service to our customers can only be improved.

#### 4.4 Key Risks

#### a. Budget Delivery Risks

Change Delivery Capacity - sufficient capacity and resource to deliver and implement change projects

**Delivery of Cost Reductions -** The level of cost reductions required in 2023/24 is significant at £16.4 million. Any unforeseen delays in implementation will impact on the achievement of the reductions required. Progress on the delivery of approved reductions will be reported to Cabinet monthly. Slippage on the delivery of proposals presents a risk to the budget plan and any resulting overspend would ultimately fall on the council's general fund reserve. However, the emphasis is placed on ensuring reductions are delivered. Plans within service areas need to be managed robustly, to limit any underachievement and monthly budget monitoring and savings delivery monitoring ensures Cabinet has visibility of financial performance and can take corrective action if necessary.

Political Approval of Budget - The Council is required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year, and this must be approved by Full Council.

**Demand** - rising demand, particularly post covid has been seen within Social Care and ALN services, modelling future demand is complex and any sensitivity analysis can have high value for small numbers of service users.

**Economic Impact** – Inflation: increasing costs and pressures for increasing pay awards. Interest Rates : increasing the cost of borrowing and impact on affordability of the Capital Programme.

**COVID** – Continuing impact of the pandemic, additional costs in response to ongoing measures and impact, Provider and supplier viability, impact on demand

#### b. Funding Risks

Variations to Settlement Assumptions - The Council makes every effort to ensure that its assumptions about budget settlements for future years are based upon the best available evidence. However, future settlements cannot be predicted with absolute accuracy and can be influenced by political and economic policy changes.

**Grants –** we rely on specific grants to support core activity, if these cease, we have to address the implications. Continued rising inflation will erode the value of the funding provided.

**Income** - The budget is supported by generated income and therefore services need to constantly review their income levels and develop creative plans to ensure that they are sustained. This risk is being mitigated by an overall strategy for income and a move to full cost recovery wherever appropriate.

**Debt recovery –** Cost of living crisis impact on residents, impacting on their ability to pay council fees and Council Tax.

**Treasury Management** - The revenue budget and capital programme are supported by daily cash movement managed within our borrowing and investment strategies. The financial climate has a significant impact on these activities. We continue to monitor these daily. Any variation in the cost of borrowing is being mitigated by a proactive approach to refinancing our borrowing wherever possible. This ensures that, wherever possible, our long-term borrowing for our capital projects takes advantage of the historically low level of debt interest.

#### c. Mitigation, Review and Monitoring

**Monitoring and Managing Risk** - As part of the impact assessment process, the author of the assessment is asked to identify mitigation to any negative impacts that have been identified. The risks and the identified mitigation must be managed within the appropriate project risk register to ensure continual monitoring and management of the risks

5. Resilience

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5.1 Financial Resilience

The Council continues to put financial resilience at the forefront of its financial activities and draws upon the support from Audit Wales who undertake regular pan Wales assessments on councils' financial sustainability. In 2021 an assessment concludes the financial sustainability assessment work during 2020-21 and identified that financial sustainability was a key risk to councils' arrangements before the pandemic occurred. The focus of their report included arrangements to secure value for money in the use of resources and the general trend of decreasing resources for local government combined with rising demand for some services.

The findings of the Powys Financial Sustainability review published in July 2021 set out three proposals for improvements - addressing the medium-term budget gap, ensuring that the ambitious capital strategy is affordable and continues to ensure that it monitors whether its budget planning processes are having the desired effect and helping to prevent significant overspends in key service areas. The delivery of these is monitored through the Regulatory Tracker.

The Council draws upon CIPFA's pillars of financial resilience and indicators of financial stress (Figure 17) as a framework for improvement within its Finance Transformation plan. Symptoms of stress and pillars of resilience are shown in the diagram below:

#### Figure 17 CIPFA Pillars of Financial Resilience



Significant progress has been made to improve financial resilience and is evidenced in the Audit Wales review and documented as part of our Financial Management (FM) Code Assessment. One of the key areas covered by the Code is medium to longer term financial management, with the MTFP being an important factor in this regard. The code emphasises that a robust MTFS should have clear links to Service Plans and Capital Strategy. It should also contain a sound assessment of drivers of cost and demand, with associated sensitivity analysis.

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# FINANCE RESOURCE MODEL 2023-2028

REVENUE EXPENDITURE	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£
Base Budget (Prior Year)	301,872,000	326,554,301	348,854,157	363,947,626	378,648,466
Pay Award inflation 2022-23 Impact	4,750,475	0	0	0	(
Pay Award inflation 2023-24 onwards	6,134,717	4,151,736	3,797,482	3,873,410	3,950,87
Non pay Inflation	7,547,318	1,103,990	1,130,244	1,157,205	1,184,96
Grant Changes & Transfers into RSG (+)	0	214,000	0	0	
Total Covid Pressures to be Addressed	980,064	(217,652)	(217,652)	(107,652)	(107,652
Total Demography	305,913	721,830	734,270	734,270	734,27
Total Corporate Pressures	1,719,904	897,464	922,139	948,048	975,25
Total Service Pressures	21,985,241	15,478,036	9,452,225	8,295,219	8,946,67
Schools Reserves and Movements	(3,845,961)				
Total Cost Reductions	(16,445,570)	(501,467)	(1,358,040)	(576,890)	(579,80
Undelivered Savings	1,550,200	(549,000)	0	0	
Total Capital Financing	0	1,000,920	632,800	377,230	214,13
Total FRM Revenue Net Exp	326,554,301	348,854,157	363,947,626	378,648,466	393,967,17
	2023/24	2024/25	2025/26	2026/27	
	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	326,554,301	348,854,157	363,947,626	378,648,466	393,967,17
Current Year Budget	301,872,000	326,554,301	348,854,157	363,947,626	378,648,46
GAP - each year	24,682,301	22,299,856	15,093,469	14,700,840	15,318,71
Additional Funding					
Council Tax increase - 5% and tax base increase	(6,384,285)	(4,897,801)	(5,142,692)	(5,399,826)	(5,669,81
Settlement (8.7%, 3.1%, 2% then on)	(18,298,015)	(7,080,034)	(4,709,365)	(4,803,552)	(4,899,62
Funding Shortfall each Year	0	10,322,020	5,241,412	4,497,462	4,749,26
Funding Shortfall Cumulative		10,322,021	15,563,433	20,060,895	24,810,16
Council Tax Increase	5.0%	5.0%	5.0%	5.0%	5.0
Welsh Government Settlement AEF	8.7%	3.1%	2.0%	2.0%	2.0

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Appendix C							
Ref	Service	Brief Description	2023-24	2024-25	2025-26	2026/27	2027/2
109	Adults	Full year effect of the part year savings from 2022/23 in 2023/24	(500,000)	(500,000)	0	0	
110	Adults	Direct Payments - Identifying the level of domiciliary care packages (average of 14 hours/week) is critical to finding efficiencies and the use of Direct Payments a solution if linked to the new strength based approach in Social Work practice.	(200,000)				
111	Adults	Where people live - This is an approach to support people to live within their own community, or as close to their community as possible. This means a reduction in the number of people who live in care homes and specialist homes outside of Powys and to support people to return to their home community. This includes the shared lives service,					
		repatriating out of county placements, canary systems (Technology Enabled Care) to identify where it is possible replace through the night care etc'	(100,000)				
N/A	Adults	Extra Care from 2023/24 - divert from Residential Care/traditional domiciliary care, delays in current builds	0	(147,000)	(108,000)		
113	Adults	Funding Body Review	(750,000)				
114	Adults	Care and Support Transformation Project: Managing Demand - Strengths Based Reviews, through our dignity with care approach, reduce the number of double handed care packages, thereby reducing cost of those care packages and to deploy (TEC) Technology Enabled Care	(1,000,000)				
116	Adults	Travel efficiency target 10%	(64,280)	0	0	0	
117	Adults	Mobile phone 10% target reduction	(6,320)	0	0	0	
118	Adults	Disability Day Opportunity redesign - future remodelling required, need time to consult and develop Work, Leisure & Learning	(10,185)	(10,185)	0	0	
119	Adults	In House Supported Housing redesign of night time hours	(27,000)				
120	Adults	Older day provision review	(120,000)	(120,000)	0		-
125	Adults	Advocacy - Independent Professional	(39,780)				
105	Adults	Respite for learning disabilities (short stay house)	(50,000)				
B <sup>™</sup>	Adults	Void Management - supported living providing people with the option to move elsewhere and reduction in spot residential contracts	(123,395)	(24,000)	(24,000)	(22,000)	
- <del>0</del> 129	Adults	Income from additional clients if 2022/23 Demography and full year costs expenditure funded, then associated income	(123,393)	(24,000)	(24,000)	(22,000)	
জ	Adults	Increase fees for 'appointee and deputyship' services	(250,000)				
132	Adults	Funding Body Review back dated one off savings; however the budget reduction will need to be reinstated the following year	(1,000,000)	1,000,000			
133	Adults	Direct Payment refunds one off saving; under utilisation due to the pandemic, budget will need to be reinstated the	(500,000)	500,000			
138	ASC - Commission	Reduce Live Well Commissioning Support Officer (Scale 5) - currently vacant	(29,180)	0	0	0	
139	ASC - Commission	Reduction in travel (from £15k- £5k)	(10,000)	0	0	0	
140	ASC - Commission	Manage via staff slippage and recruitment	(7,826)	0	0	0	
141	ASC - Commission	Realign a Grade 10 part time hours to a grant	(13,228)	0	0	0	
142	ASC - Commission	Reduction in travel (from £15k)	(10,000)	0	0	0	
143	ASC - Commission	Redivert additional grant funding to support 0-11 Family & Behaviour Support	(3,000)	0	0	0	
144	ASC - Commission	Redivert additional grant funding to support Other Services/Third Parties	(14,030)	0	0	0	
145	ASC - Commission	Redivert additional grant funding to support Incredible Years Training	(10,000)	0	0	0	
95	childrens	Placements - Closer to Home (step down in provision)/Reduction in Children Looked After. Linked to increase in Foster carers investment above.	(1,050,000)	0	0	0	
96	childrens	Placements - Leaving Care/Post 18 - Closer to Home (step down in provision)/ 16+ Commissioned.	(1,000,000)	0	0	0	
97	childrens	Special Guardianship Order (SGO) Project - Conversion of Independent Fostering Agency (IFA) placement to SGO placement	(90,200)	(90,200)	0	0	
98	childrens	Cost Saving from using permanent Social Workers once qualified instead of Agency (based on "grow your own" project - Masters Students and 50% Open University Students) plus Market Supplement. 3 Agency Workers 6 Months	(139,000)	0	0	0	
99	childrens	Reduction in staffing expenses/family time expenses due to "closer to home"	(10,000)	(10,000)	(10,000)	0	
100	childrens	Adoption - growth 2022/23 to increase contribution to the NWW region, already Powys make highest contribution	(40,000)	(10,000)	(10,000)	0	

Ref	Service	Brief Description	2023-24	2024-25	2025-26	2026/27	2027/28
101	childrens	Therapy external commisioned - saving from using RIF therapeutic team implimented	(45,000)	0	0	0	0
102	childrens	Utilising additional Income effectively	(200,000)	0	0	0	0
104	childrens	Young Carers - Third Party Contract	(17,510)	0	0	0	0
	childrens	Staffing- transformation/ service redesign- posts frozen that are vacant and to be reconsidered including reviewing	(17)8107				
108		current market supplement	(170,000)	(394,366)	0	0	0
105	childrens	VAWDSW - Third Party Contracts	(34,520)	0	0	0	0
159	Corp	Savings to be identified	(4,370)	0	0	0	
160	Corp	Pension actuarial review	(1,700,000)	(500,000)	(400,000)	0	0
161	Corp	NI reduction as per mini budget	(1,299,000)	0	0	0	0
2	delegated	2 degree reduction in heating	(411,390)	(21,351)	0	0	0
3	delegated	Laptops / devices off fully at night	(34,966)	(1,949)	0	0	0
4	delegated	Turn off lighting when not needed, amend sensors etc	(174,831)	(9,741)	0	0	0
5	delegated	No Photocopying (lease & consumables)	(242,982)	0	0	0	0
150	Digital	Careline service contact costs - increased income 22-23	(24,450)	0	0	0	0
6	Education	Curriculum for Wales Savings to use grant to offset base funded staff	(50,000)	0	0	0	
7	Education	Primary SIA vacant post	(44,000)	0	0	0	0
8	Education	Income Generation across service - Training to other LA's and Estyn Inspections	(5,000)	(5,000)	0	0	0
9	Education	Reduction in Secondary Strategy Support	(50,000)	(50,000)	0	0	0
10	Education	Post 16 transition to be managed within service	(150,000)	0	0	0	0
11 11	Education	HIVI Team vacant hours removed	(14,470)	0	0	0	0
0	Education	Autism Teacher vacant hours removed	(32,500)	0	0	0	0
<b>G</b> A	Education	Transformation of Specialist Centre Provision (Part year Year 1, Full Year Year 2)	0	(363,920)	(259,940)	0	0
$\overline{\mathbf{\Phi}}_{4}$	Education	Transformation Stage 1 Pupil Referral Units	(50,000)	0	0	0	0
	Education	Third Sector Spend - Action for Children expenditure review (further review being undertaken)	(70,000)	0	0	0	0
	Education	Grant funded staff to manage pay inflation	(100,000)	0	0	0	0
18	Education	Realignment of union costs to be funded by delegated contingency	(22,340)	0	0	0	0
19	Education	Restructure in areas of the service	(56,480)	0	0	0	0
20	Education	EIG retained to offset Foundation learning base funded staff	(100,000)	0	0	0	0
21	Education	Consultancy budget removed (replaced by SIA's)	(50,000)	0	0	0	0
16	Education	VAWDSW contribution	(35,000)	0	0	0	0
151	Finance	Transformation savings	(64,000)	(50,000)	0	0	0
154	Finance	Additional savings to be agreed	(8,630)	0	0	0	0
26	hcd	H&CD 10% General Reduction in Business Miles	(4,480)	(6,790)	0	0	0
30	hcd	NPTC increased income Y Gaer	(35,000)	0	0	0	0
31	hcd	10p school meals increase	(187,310)	0	0	0	0
35	hcd	Arts Service Re-design	(60,000)	0	0	0	0
36	hcd	Reduce Libraries Book Budgets	(56,770)	0	0	0	0
37	hcd	Sports Development remove core budget	(35,000)	0	0	0	0
69	htr	Inflation awarded for pay and non pay - element of this will be able to be recovered through trunk and capital schemes			ľ		
		charges	(310,890)	(327,270)	(344,440)	(362,600)	(381,720)
70	htr	Concessionary fares inflation to be funded from concessionary fare grant	(88,270)	(96,220)	(34,960)	(36,010)	(37,090)
71	htr	Inflation on materials and contractors used by highways Operations expected to be funded from an increase in trunk and capital income	(341,540)	(371,380)	(134,930)	(139,010)	(143,210)
72	htr	Inflation on materials and contractors used by Highways & Property Consultancy services expected to be funded by an increase in trunk and capital income	(24,370)	(25,920)	(16,770)	(17,270)	(17,780)
73	htr	Mitigation to Newtown De-trunked streetlights - conversion of lights to LED to reduce energy costs.	(23,100)	(23,320)	(10,770)	(17,270)	(17,700) 0
74	htr	Street Lighting - Part Night / Part Night Dimming	(43,250)	(43,250)	(25,000)		

Ref	Service	Brief Description	2023-24	2024-25	2025-26	2026/27	2027/28
75	htr	Route opimisation of Waste and Recycling Collections	(52,500)	(52,500)	0	0	0
76	htr	Increased income as set out in the Fee Register	(50,000)	0	0	0	0
85	htr	Cost pressure relating from inflation increases above forecast on public transport	(517,500)	517,500	0	0	0
88	htr	Use of North Powys Bulking Facility to transfer collected recyclable material (subject to granting of Environmental Permit)	(100,000)	0	0	0	0
91	htr	Sweat Assets - 1 year break on paying depreciation to vehicle replacement programme, delay replacement of vehicles by one year	(2,589,000)	2,589,000	0	0	0
91	htr	Reduce level of reduction for Sweat Assets from £2.589m to £1m - 1 year break on paying depreciation to vehicle replacement programme, delay replacement of vehicles by one year 16/12	1,589,000	(1,589,000)	0	0	
94	htr	Street Works Income	(246,000)	0	0	0	0
N/A	htr	Closure of one HWRC? (estimate)	0	(200,000)	0	0	0
155	legal	Reduce legal Travel Budget from £3k pa	(1,500)	0	0	0	0
42	рррр	Training, travel and other services & books and publications - budget line reductions	(19,800)	0	0	0	0
43	рррр	Staffing reduction - Environmental Health Officer (1 FTE, Grade 12)	(73,751)	0	0	0	0
46	рррр	Staffing reduction - Closed landfills & Contaminated land (1 FTE, Grade 10)	(50,480)	0	0	0	0
54	рррр	Energy efficiency measures - Offices	(26,000)	0	0	0	0
55	рррр	Reduce energy management budget	(5,000)	0	0	0	0
56	рррр	Staffing reduction - Strategic Property (1 FTE, Grade 12 & 2.4 FTE, Grade 5)	(131,500)	0	0	0	0
57	рррр	Reduce maintenance budget - Offices	(100,000)	0	0	0	0
58	рррр	Reduce maintenance budget - Depots	(28,000)	0	0	0	0
59	рррр	Corporate landlord - Recovery of costs of implementing remedial work from Education	(46,710)	0	0	0	0
60	рррр	Corporate Landlord - Recovery of costs of undertaking fire risk assessments	(27,200)	0	0	0	0
61	рррр	Income from undertaking fire marshal and fire extinguisher training	(5,000)	0	0	0	0
•	рррр	Rent Park Office, Newtown	(47,925)	(47,925)	0	0	0
<b>COB</b>	рррр	Reduce building cleaning budget	(60,000)	0	0	0	0
(CA	рррр	Increase income - Commercial Estate	(15,000)	0	0	0	0
<b>P</b> 5	рррр	Staffing reduction - Building Control	(54,940)	0	0	0	0
-57	рррр	National Trading Standards Estate & Letting Agency - Management income	(10,000)	0	0	0	0
689	PPPP	Increasing burial fees	(42,810)				
68	рррр	Income secured from 10% increase in income lines selected by Finance (£123,560) minus lines that are outside PCC control	(48,558)	0	0	0	0
24	Т&С	APSE subscription fees	(3,612)	0	0	0	0
25	Т&С	General Office Expenses (Democratic Services)	(4,360)	0	0	0	0
156	WOD	Travel efficiency target 10%	(2,890)	0	0	0	0
157	WOD	Mobile phone 10% target reduction	(190)	0	0	0	0
158	WOD	DBS inflationary increase	(8,500)	0	0	0	0
	TOTAL		-16,445,570	-501,467	-1,358,040	-576,890	-579,800

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# <u>SCHOOLS</u>

Category	SERVICE		2021/22		2022/23	2023/24		% increase /decrease from previous charge
Home to School	Vacant Seat charge, pre 16 per term	£	180.00	£	154.00	£	170.00	10.39%
Transport	Vacant Seat charge, post 16 per term	£	205.00	£	200.00	£	220.00	10.00%
School Houses Rent per Year (Peppercorn)	Wayleaves and Leases	£	677.83	£	690.88	£	690.88	Increase in line with the electric board
School Houses Rent per Month	Various	£	654.41	£	667.50	£	735.58	10.20%

### WATER SAMPLING FEES

Category	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Risk Assessment for single dwelling supplies (by reg. only)	£220.00	£220.00	ТВС	ТВС	statute
	New risk assessment	£220.00	£220.00	ТВС	TBC	
	Revised risk assessment	£135.00	£135.00	ТВС	ТВС	
Sampling Fees	Sampling of single supplies (by req. only)	£100.00	£100.00	ТВС	ТВС	statute
	Sampling of statutory supplies (each visit)	£100.00	£100.00	ТВС	ТВС	statute
	Investigation (each supply)	£110.00	£110.00	ТВС	TBC	
	Small shared domestic property only	£100.00	£100.00	ТВС	ТВС	statute

CATEGORY	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Small Lotteries - New Registration	40.0	40.	ОО ТВС	TBC	
	Small Lotteries - Renewal	20.0	20.	ОО ТВС	TBC	
	Notification of Gaming Machine	50.0	50.	ОО ТВС	TBC	
	Betting Premises Annual Fee	480.0	480.	ОО ТВС	TBC	
	Betting Premises Application	2,400.0	2,400.		TBC	
	Licensed Family Entertainment Centre Application	1,600.0	1,600.	ОО ТВС	ТВС	
GAMBLING	Licensed Family Entertainment Centre Annual Fee	600.0	600.	ОО ТВС	ТВС	set by statute
	Unlicensed Family Entertainment Centre permit (10 year permit)	300.0	300.	оо твс	твс	
	Club Gaming Machine - New Permit	200.0	200.	ОО ТВС	TBC	
	Club Gaming Machine - Renewal	100.0	0 100.	ОО ТВС	TBC	]
	Club Gaming/Machine Permit Annual fee due in the first month of applying	50.0	50.	оо твс	ТВС	
	Riding Establishments	£ 374.0	) £ 328.	00 £ 356.00	8.54%	
		£ 416.0	) £ 366.	00 £ 400.00	9.29%	
	Animal Boarding Establishments	£ 303.0	) £ 253.	00 £ 279.00	10.28%	
	Pet Shops	£ 303.0	) £ 282.	00 £ 375.00	32.98%	Introduction of an Intial Grant charge -
ANIMALS	Dog Breeding	£ 315.00		00 £ 411.00		only renewal price quoted. Intial grant cost is higher . Licensing Committee will receive a report in
		£ 345.0	) £ 375.	00 £ 460.00	22.67%	January re new fees.
		£ 375.0	) £ 421.	00 £ 499.00	18.53%	
	Dangerous Wild Animals	£ 730.0	) £ 575.	00 £ 622.00	8.17%	
	Zoo (4 year)	£ 1,496.0	) £ 1,717.	00 £ 1,717.00	0.00%	
	Zoo (6 year)	£ 1,991.0	) £ 2,341.	00 £ 2,341.00	0.00%	]
	Performing Animals - Registration Fee	£ 151.0	) £ 151.	00 £ 151.00	0.00%	]
	Home Boarder	£ 268.0	) £ 186.	00 £ 254.00	36.56%	]
	Advisory Visit at request of License	£ 101.0	) £ 101.	00 £ 101.00	0.00%	
	Private Hire Operator: Admin charge for consideration of the Application	£ 405.0	) £ 387.	00 £ 387.00	0.00%	

CATEGORY	SERVICE		2021/22		2022/23		2023/24	% increase /decrease from previous charge	Comments
	Private Hire/Hackney Carriage Drivers: Administration Charge for consideration of a New Application	£	260.00	£	248.00	£	248.00	0.00%	Calculated using the All Wales toolkit
ΤΑΧΙ	Private Hire/Hackney Carriage Drivers: Administration Charge for Renewal	£	260.00	£	248.00	£	248.00	0.00%	and approved by Licensing Committee in normal years. Due to the pandemic fees are being held the same for a year to allow for a fuller review next year. Committee report to be
	Driver Licence (1 year – on request)	£	150.00	£	140.00	£	140.00	0.00%	considered in January
	Private Hire Vehicle	£	148.00	£	130.00	£	130.00	0.00%	considered in January
	Hackney Carriage Vehicles	£	148.00	£	130.00	£	130.00	0.00%	
	Plate Bracket	£	11.30	£	11.30	£	11.30	0.00%	
	Pair of door stickers	£	7.50	£	7.50	£	7.50	0.00%	
	Driver test	£	40.00	£	40.00	£	40.00	0.00%	
	Less than 2,500 litres (550 gallons)	£	45.00	£	45.00		TBC	Not yet known	
PETROLEUM	Between 2,500 litres (550 gallons) and 50,000 litres (11,000) gallons	£	61.00	£	61.00		ТВС	Not yet known	set by HSE
	More than 50,000 litres (11,000 gallons)	£	128.00	£	128.00		TBC	Not yet known	
	Transfer of Licence	£	8.00	£	8.00		TBC	Not yet known	
	Licence to store explosives >0m separation - 1 year	£	189.00	£	189.00		TBC	Not yet known	
	Licence to store explosives >0m separation - 2 year	£	248.00	£	248.00		TBC	Not yet known	
	Licence to store explosives >0m separation - 3 year	£	311.00	£	311.00		TBC	Not yet known	
	Licence to store explosives >0m separation - 4 year	£	382.00	£	382.00		TBC	Not yet known	
	Licence to store explosives >0m separation - 5 year	£	432.00	£	432.00		TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 1	£	88.00	£	88.00		TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 2	£	150.00	£	150.00		ТВС	Not yet known	
	Renewal of Licence to store explosives >0m separation - 3 year	£	211.00	£	211.00		ТВС	Not yet known	
	Renewal of Licence to store explosives >0m separation - 4 year	£	272.00	£	272.00		ТВС	Not yet known	
	Renewal of Licence to store explosives >0m separation - 5 year	£	333.00	£	333.00		ТВС	Not yet known	
	Licence to store explosives <=0m separation - 1 year	£	111.00	£	111.00		TBC	Not yet known	]
	Licence to store explosives <=0m separation - 2 year	£	144.00	£	144.00		TBC	Not yet known	
	Licence to store explosives <=0m separation - 3 year	£	177.00	£	177.00		TBC	Not yet known	ant hours
EXPLOSIVES	Licence to store explosives <=0m separation - 4 year	£	211.00		211.00		ТВС	Not yet known	set by HSE
	Licence to store explosives <=0m separation - 5 year	£	243.00		243.00		ТВС	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 1	£	55.00	£	55.00		TBC	Not yet known	

CATEGORY	SERVICE	2021/22		2022/23	2023/24	% increase /decrease from previous charge	Comments
	Renewal of Licence to store explosives <=0m separation - 2	£ 88.0	0 f	E 88.00	TBC	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 3 year	£ 123.0	0 £	123.00	ТВС	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 4 year	£ 155.0	0 f	E 155.00	ТВС	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 5 year	£ 189.0	0 £	189.00	ТВС	Not yet known	
	Any other kind of variation	st of carrying out wor	k				
	Licence Variation: Amending name of licensee or address of site	£ 37.0	0 £	E 37.00	ТВС	Not yet known	
	Licence Variation: Transfer of licence or registration	£ 37.0	0 f	E 37.00	TBC	Not yet known	
	Licence Variation: Replacement of Licence or registration if lost	£ 37.0	0 £	E 37.00	ТВС	Not yet known	

CATEGORY	SERVICE		2021/22		2022/23		2023/24	% increase /decrease from previous charge	Comments
	Sexual Entertainment Venue/Sex Establishment	£	1,161.00	£	1,185.00	£	1,312.00	10.72%	
	Street Trading Consents	£	457.00	£	467.00	£	517.00	10.71%	
	Skin Piercing	£	234.00	£	239.00	£	265.00	10.88%	
	Ear Piercing -duplicate for above really no need for separate entry	£	234.00	£	239.00	£	265.00	10.88%	
	Scrap Metal Site - New	£	270.00	£	270.00	£	330.00	22.22%	
	Scrap Metal Site - Renewal	£	270.00	£	270.00	£	330.00	22.22%	
	Scrap Metal Collector - New	£	270.00	£	270.00	£	330.00	22.22%	Scrap renewable and reviewed every
	Scrap Metal Collector - Renewal	£	270.00	£	270.00	£	330.00	22.22%	years and calculated using an All
MISCELLANEOUS									Wales toolkit to account for full cost recovery. Will be reviewed in advanc of Sept 22 when they become due fo renewal.
	Mobile Home Site		£1054/£781		£1054/£781		£1054/£781	TBC	
	Variation of licence conditions (no visit)	£	67.00	£	67.00	£	67.00	0.00%	Mobile homes licences renewable
	Variation of licence conditions (visit)	£	127.00	£	127.00	£	127.00	0.00%	every 5 years and calculated using ar All Wales toolkit to account for full
	Depositing site rules	£	39.00	£	39.00	£	39.00	0.00%	
	Replacement licence	£	21.00	£	21.00	£	21.00	0.00%	cost recovery.
	Environmental Search Enquiry	£	76.50	£	76.50	£	76.50	0.00%	

### FOOD & H&S

CATEGORY	SERVICE	20	021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Request for re-rating	£	180.00	£180.00	TBC	TBC	Nationally set
	Food advisory service	£	150.00	£150.00	Suspended	ТВС	Fee for 2 hours plus £55 plus vat per hour for any further hours based on actual costs. (although currently service suspended)
	Food export health certificates	£	95.00	£97.00	£107.00	10.31%	
FOOD HYGIENE	Voluntary surrender of foods	£	95.00	£97.00	£107.00	10.31%	Fee for first hour, plus £55 per additional hours ar actual costs of food disposal.
	Food hygiene training	£	55.00	Suspended	Suspended	TBC	suspended
				Fee will be	Fee will be	Fee will be	
	Primary Authority Arrangements for food			based on	based on	based on	fee will be based on actual cost
	hygiene			actual cost	actual cost	actual cost	
HEALTH AND SAFETY	Safety Certificate for Sports Ground	£	565.00	£577.00	£639.00	10.75%	

### WEIGHTS & MEASURES

Category	ITEM/SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
Measuring	Automatic discontinuous totalisers, automatic rail weighbridges, automatic catchweighers, automatic gravimetric filling instruments and beltweighers. Cold water meters	£90.34	£93.86	£103.25	10.00%
Instruments	Measuring instruments for liquid fuel and lubricants	10% surcharge	10% surcharge	10% surcharge	TBC
Directive	Measuring instruments for liquid fuel delivered from road tankers	10% surcharge	10% surcharge	10% surcharge	ТВС
	Capacity serving measures	25% surcharge	10% surcharge	10% surcharge	TBC
	Material measures of length	25% surcharge	10% surcharge	10% surcharge	TBC
	Equipment designed to weigh loads in motion	£90.34	£93.86	£103.25	10.00%
	Bulk fuel measuring equipment tested following a Regulation 65 or 66 occurrence under the 1983 Regulations or Regulation 23 or 24 occurrence under the 1988 Regulations	£90.34	£93.86	£103.25	10.00%
	Weighing or measuring equipment tested by means of statistical sampling	£90.34	£93.86	£103.25	10.00%
	The establishment of calibration curves from templates	£90.34	£93.86	£103.25	10.00%
	Templates graduated in millilitres	£90.34	£93.86	£103.25	10.00%
	Testing or other services in pursuance of a Community obligation other than EC initial or partial verification	£90.34	£93.86	£103.25	10.00%
Weights (per hour)	Full hourly rate for the first hour, thereafter £56.32 ph	£90.34 per hour (N.B. discount)	93.86 Discount £56.32	£103.25 Discount £61.95	ТВС
	Linear measures not exceeding 3m, for each scale	£11.25	£11.69	£12.86	10.01%
	Capacity measures, without divisions, not exceeding 1 litre	£8.88	£9.23	£10.16	10.08%
Measures (ea)	Cubic ballast measures (other than brim measures)	£198.92	£206.68	£227.35	10.00%
	Liquid capacity measures for making up and checking average quantity packages	£31.44	£32.67	£35.94	10.01%

# WEIGHTS & MEASURES

Category	ITEM/SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge				
Templates	Per scale - first item	£54.67	£56.80	£62.48	10.00%				
(ea)	Second and subsequent items	£20.68	£21.49	£23.64	10.00%				
	Not exceeding 1 tonne (ea)	£71.41	£74.19	£81.61	10.00%				
Weighing	Exceeding 1 tonne to 10 tonne (ea)	£115.67	£120.18	£132.20	10.00%				
Instruments -	Exceeding 10 tonnes (ea)	£241.58	£251.00	£276.10	10.00%				
Non NAWI	Certification of Weighbridge Operators (ph)	£90.34	£93.86	£103.25	10.00%				
	Not exceeding 1 tonne (ea)	£118.86	£123.50	£135.85	10.00%				
	Exceeding 1 tonne to 10 tonne (ea)	£183.95	£191.12	£210.23	10.00%				
Weighing	Exceeding 10 tonnes (ea)	£402.68	£418.38	£460.22	10.00%				
	When testing instruments incorporating remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged.	50% surcharge	50% surcharge	50% surcharge	TBC				
Measuring Instruments	Not exceeding 150ml	£19.60	£20.36	£22.40	10.02%				
for Intoxicating Liquor: (ea)	Other	£22.65	£23.53	£25.88	9.99%				

### WEIGHTS & MEASURES

Category	ITEM/SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
Measuring Instruments for Liquid Fuel and Lubricants:	Container type (not subdivided) (ea)	£82.10	£85.30	£93.83	10.00%
	First nozzle tested, per site (ea)	£133.92	£139.14	£153.05	10.00%
Single/multi-	Each additional nozzle tested (ea)	£82.27	£85.48	£103.43	21.00%
outlets (nozzles)	Testing of peripheral electronic equipment on a separate visit (per site) (ph)	£90.34	£93.86	£103.25	10.00%
(11022185)	Testing of credit card acceptor (per unit, regardless of no. of slots/nozzles/pumps) (ph)	£90.34	£93.86	£103.25	10.00%
	Meter measuring systems: Wet hose with two testing liquids (ea)	£287.44	£298.65	£328.52	10.00%
Road Tanker	Meter measuring systems: Wet hose with three testing liquids (ea)	£335.35	£348.43	£383.27	10.00%
Fuel Measuring	Meter measuring systems: Dry hose with two testing liquids (ea)	£319.34	£331.79	£364.97	10.00%
Equipment (Above 100	Meter measuring systems: Dry hose with three testing liquids (ea)	£367.43	£381.76	£419.94	10.00%
Litres):	Meter measuring systems: Wet/dry hose with two testing liquids (ea)	£447.11	£464.55	£511.01	10.00%
	Meter measuring systems: Wet/dry hose with three testing liquids (ea)	£477.97	£496.61	£546.27	10.00%
Certificate of errors	For supplying a certificate containing results of errors found on testing (certificate supplied upon request of the submitter; fee applies when no other fee is payable).	£58.25	£60.52	£66.30	9.55%

#### LICENSED PREMISES

Category	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Band A (non-domestic rateable value £0 - £4,300)	£100.00	£100.00	TBC	TBC	
Licensed	Band B (non-domestic rateable value £4,301 - £33,000)	£190.00	£190.00	TBC	TBC	
Premises/Club	Band C (non-domestic rateable value £33,001 - £87,000)	£315.00	£315.00	TBC	TBC	
Application/Variation	Band D (non-domestic rateable value £87,001 - £125,000)	£450.00	£450.00	TBC	TBC	
	Band E (non-domestic rateable value £125,001+) £635.00		£635.00	TBC	TBC	
	Band B (non-domestic rateable value £4,301 - £33,000)	£180.00	£180.00	TBC	TBC	
	Band C (non-domestic rateable value £33,001 - £87,000)	£295.00	£295.00	TBC	TBC	
	Band D (non-domestic rateable value £87,001 - £125,000)	£320.00	£320.00	TBC	TBC	
	Band E (non-domestic rateable value £125,000+)	£350.00	£350.00	TBC	TBC	
	Copy of Premises Licence	£10.50	£10.50	TBC	TBC	same as other
	Premises Provisional Statement	£315.00	£315.00	TBC	TBC	years as set by
	Premises Change of name	£10.50	£10.50	TBC	TBC	statute (last
	Premises Change DPS	£23.00	£23.00	TBC	TBC	revision 2003)
	Premises Transfer	£23.00	£23.00	TBC	ТВС	Tevision 2003)
	Premises Interim Notice	£23.00	£23.00	TBC	TBC	
	Club Change of Name or Rules	£10.50	£10.50	TBC	TBC	
Miscellaneous	Club Change of Registered Address	£10.50	£10.50	TBC	TBC	
wiscenaneous	Minor Variation	£89.00	£89.00	TBC	TBC	
	Disapply DPS on Community Premises	£23.00	£23.00	TBC	ТВС	
	Temporary Event Notice	£21.00	£21.00	TBC	ТВС	
	TEN Copy Notice	£10.50	£10.50	TBC	ТВС	
	Personal Licence	£37.00	£37.00	TBC	TBC	
	Personal Licence Copy	£10.50	£10.50	TBC	TBC	
	Personal Change Name/address	£10.50	£10.50	TBC	TBC	
	Premises Freeholder Interest	£21.00	£21.00	TBC	TBC	

Category	Quantity	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	1		£197.50	£197.50	£209.35	6.00%	Inflation increase
	2		£265.00	£265.00	£280.90	6.00%	Inflation increase
	3		£347.50	£347.50	£368.35	6.00%	Inflation increase
Table A - New	4		£431.67	£431.67	£457.57	6.00%	Inflation increase
Dwellings	5		£521.67	£521.67	£552.97	6.00%	Inflation increase
Number of Units	6		£611.67	£611.67	£648.37	6.00%	Inflation increase
(Full Plans	7		£637.50	£637.50	£675.75	6.00%	Inflation increase
/etting Charge): *	8		£663.33	£663.33	£703.13	6.00%	Inflation increase
	9		£689.17	£689.17	£730.52	6.00%	Inflation increase
-	10		£695.00	£695.00	£736.70	6.00%	Inflation increase
ľ	11 - 30		Quote	Quote	Quote	Quote	
			<u> </u>				
Table A - New	1		£427.50	£502.50	£532.65	6.00%	Inflation increase
Dwellings Number	2		£710.00	£835.00	£885.10	6.00%	Inflation increase
of Units (Full Plans	3		£902.50	£1,052.50	£1,115.65	6.00%	Inflation increase
nspection Charge):	4		£1.068.33	£1,052.30	£1,291.43	6.00%	Inflation increase
*	5		£1,228.33	£1,428.33	£1,514.10	6.00%	Inflation increase
-	6		£1,363.33	£1,588.33	£1,683.63	6.00%	Inflation increase
-	7		£1,562.50	£1,812.50	£1,921.25	6.00%	Inflation increase
-	8		£1,761.67	£1,986.67	£2,105.87	6.00%	Inflation increase
J -	<u>ه</u> ۹		£1,761.67 £1,877.50	£1,988.87 £2,160.83	£2,103.87 £2,290.48	6.00%	Inflation increase
) -	5					6.00%	
	10		£2,180.00	£2,305.00	£2,443.30		Inflation increase
	11 - 30		Quote	Quote	Quote	Quote	
	4		0005.00	0700.00	07.00.00	C 000/	
Table A - New	1		£625.00	£700.00	£742.00	6.00%	Inflation increase
Dwellings	2		£975.00	£1,100.00	£1,166.00	6.00%	Inflation increase
Number of Units	3		£1,250.00	£1,400.00	£1,484.00	6.00%	Inflation increase
(Building Notice	4		£1,500.00	£1,650.00	£1,749.00	6.00%	Inflation increase
Charge):	5		£1,750.00	£1,950.00	£2,067.00	6.00%	Inflation increase
-	6		£1,975.00	£2,200.00	£2,332.00	6.00%	Inflation increase
-	7		£2,200.00	£2,450.00	£2,597.00	6.00%	Inflation increase
-	8		£2,425.00	£2,650.00	£2,809.00	6.00%	Inflation increase
	9		£2,650.00	£2,850.00	£3,021.00	6.00%	Inflation increase
	10		£2,875.00	£3,000.00	£3,180.00	6.00%	Inflation increase
	11 - 30		Quote	Quote	Quote	Quote	
		Erection or extension of a detached building which consists of a					
	Caragas	garage carport or both having a floor area not exceeding 60m2	C101 C7	C101 C7	C100 F7	6.000/	Inflation increase
	Garages	in total, and which is not an exempt building.	£131.67	£131.67	£139.57	6.00%	Inflation increase
ahla P. Amarunt -f		Any extension or loft conversion of a dwelling the total floor					
able B - Amount of		area of which exceeds 10m2, but does not exceed				10.000/	22/23 increase to match
Full Plans Vetting		40m2, including means of access and work in connection with	£131.67	£131.67	£156.69	19.00%	outcome of 2022 peer revie
Charge		that extension.					satisfine of LOLL peer revie

Category	Quantity	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	and loft conversions	Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£131.67	£131.67	£156.69	19.00%	22/23 increase to match outcome of 2022 peer review
	Garages	Erection or extension of a detached building which consists of a garage carport or both having a floor area not exceeding 60m2 in total, and which is not an exempt building.	£160.00	£160.00	£169.60	6.00%	Inflation increase
Table B - Amount of Full Plans Inspection Charge	Single Storey Extensions	Any extension or loft conversion of a dwelling the total floor area <del>of</del> which <del>exceeds 10m2, but</del> does not exceed 40m2,including means of access and work in connection with that extension.	£293.33	£293.33	£30,349.10	19.00%	22/23 increase to match outcome of 2022 peer review
	and loft conversions	Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£443.33	£443.33	£527.56	19.00%	22/23 increase to match outcome of 2022 peer review
			I				
σ	Garages	Erection or extension of a detached building which consists of a garage carport or both having a floor area not exceeding 60m2 in total, and which is not an exempt building.	£291.66	£291.66	£309.16	6.00%	Inflation increase
	Extensions <b>and loft</b> conversions	Any extension or loft conversion of a dwelling the total floor area <del>of</del> which <del>exceeds 10m2, but</del> does not exceed 40m2, including means of access and work in connection with that extension.	£425.00	£425.00	£450.50	6.00%	Inflation increase
_		Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£575.00	£575.00	£610.00	6.00%	Increase following per review
Table B - Amount of Building Notice		Conversion of a single domestic garage in to a habitable room	£225.00	£250.00	£297.50	19.00%	Increase following peer review
Charge		Replacement of windows in a dwelling (up to 20 windows)	£104.17	£104.17	£110.42	6.00%	Inflation increase
		Installation or replacement of domestic sewage treatment system	£179.17	£179.17	£189.92	6.00%	Inflation increase
	Other Works	Upgrading thermal elements (as defined in guidance note)	£104.17	£110.00	£116.60	6.00%	Inflation increase
		Installation or replacement of a heat producing appliance (e.g. solid fuel appliance, oil fired appliance, ground source heat pump or solar hot water system etc). Where the installer is not a member of a 'Competent Persons Scheme')	£308.33	£308.33	£326.83	6.00%	Inflation increase
		Electrical Installations where the installer is not a member of a 'Competent Persons Scheme'	£308.33	£308.33	£326.83	6.00%	Inflation increase

Category	Quantity	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
Table C - Cost of	£0 - £1,000		N/A	N/A	N/A	N/A	Re profiled in 21/22. See Inspection Fee only
Works - Amount of Full Plans Vetting	£1,001 - £5,000		N/A	N/A	N/A	N/A	Re profiled in 21/22 See Inspection Fee only
Charge	£5,001 - £10,000		£80.00	£80.00	£84.80	6.00%	Inflation increase
Charge	£10,001 - <b>£30,000</b>		£115.00	£115.00	£121.90	6.00%	Inflation increase
	£30,001 - <b>£50,000</b>		£166.67	£166.67	£176.67	6.00%	Inflation increase
	£50,001 - <b>£75,000</b>		£220.83	£220.83	£234.10	6.01%	Inflation increase
	£0 - £1,000		£130.00	£130.00	£137.80	6.00%	Inflation increase
Table C. Cast of	£1,001 - £5,000		£212.50	£212.50	£225.25	6.00%	Inflation increase
Table C - Cost of	£5,001 - £10,000		£253.33	£253.33	£268.53	6.00%	Inflation increase
Works - Amount of	£10,001 - £30,000		£345.00	£345.00	£365.70	6.00%	Inflation increase
Full Plans Inspection	£30,001 - £50,000		£579.17	£579.17	£613.92	6.00%	Inflation increase
Charge	£50,001 - £75,000		£716.67	£716.67	£759.67	6.00%	Inflation increase
	£75,001 - £100,000		£797.50	£797.50	£845.35	6.00%	Inflation increase
	1		r				
	£0-£1,000		£130.00	£130.00	£153.92	18.40%	Increase following peer review.
Table C - Cost of	£1,001 - £5,000		£212.50	£212.50	£251.60	18.40%	Increase following peer review.
Works - Amount of Building Notice	£5,001 - £10,000		£333.33	£333.33	£353.32	6.00%	Inflation increase
•	£10,001 - <b>£30,000</b>		£460.00	£460.00	£487.60	6.00%	Inflation increase
O Charge	£30,001 - <b>£50,000</b>		£745.83	£745.83	£790.58	6.00%	Inflation increase
ľ	£50,001 - <b>£75,000</b>		£937.50	£937.50	£993.75	6.00%	Inflation increase
	£75,001 - <b>£100,000</b>		£1,050.00	£1,050.00	£1,113.00	6.00%	Inflation increase
	Undertaking inspections through to completion on unfinished buildings works 5 years after the date of deposit		POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	

Category	Quantity	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Undertaking inspections through to completion on bulding works that have been occupied for more than 6 months and where intended occupation was not notified to Building Control.		POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	
NEW Table D - Supplementary Charges and Services	Withdrawal of an application post validation		£83.33	£83.33	£88.33	6.00%	Plan fees to also be retained where a full plan appraisal through to a decision has been made.
Scivices	Copy of decision notices/completion certificates		£62.50	£62.50	£66.25	6.00%	Inflation increase
	Letter confirming exemption from building regulations		£83.33	£83.33	£88.33	6.00%	Inflation increase
Page 93	Pre application advice after the first hour (free of charge) where a building regulation application is subsequently not submitted or an Initial Notice is lodged.		£60.00	£60.00	£63.60	6.00%	Inflation increase
	Issuing of a demolition notice		£75.00	£75.00	£79.50	6.00%	Inflation increase
	Redirection of inspection fee invoices		£30.00	£30.00	£31.80	6.00%	Inflation increase
	Personal Searches requiring a response within 48 hrs by email		£77.50	£75.00	£79.50	6.00%	Inflation increase
	Existing private dwelling						
	name change		£75.00	£90.00	£95.00	5.56%	Inflation increase
NEW Table E Street	Existing business property name change		£100.00	£125.00	£132.50	6.00%	Inflation increase

### PLANNING

## Planning Fees

The latest planning permission fees can be obtained by clicking on the following link:-

https://en.powys.gov.uk/article/6040/Planning-permission-fees

# **BURIAL FEES**

Category	SERVICE	2	021/22		2022/23		2023/24	% increase /decrease from previous charge
	Burial - Adults: Single Depth	£	820.91	£	820.91	£	905.00	10.24%
Excavation	Burial - Adults: Double Depth	£	1,034.75	£	1,034.75	£	1,140.00	10.17%
Excavation	Burial - Children: Children under 18 years	£	-	£	-	£	-	TBC
	Cremated Remains: Adults (over 18 years)	£	259.79	£	259.79	£	286.00	10.09%
	Right to erect a headstone & first inscription Adults (over 18 years old)	£	236.83	£	236.83	£	261.00	10.21%
Monument Registrations	Right to erect a headstone & first inscription Children (under 18 years old)	£	-	£	-	£	-	TBC
	Subsequent inscriptions Adults (over 18 years old)	£	60.08	£	60.08	£	66.00	9.85%
Purchase of Exclusive Right of	Adults (over 18 years old)	£	945.23	£	945.23	£	1,042.00	10.24%
Burial (ERB)	Children - under 18 years	£	-	£	-	£	-	TBC
	Cremation Space Adults (over 18 years old)	£	468.34	£	468.34	£	516.00	10.18%
Registration of Burial	Adults (over 18 years old)	£	294.56	£	294.56	£	325.00	10.33%
Dulla	Children (under 18 years old)	£	-	£	-	£	-	TBC
	Scattering of Ashes Adults (over 18 years old)	£	294.56	£	294.56	£	325.00	10.33%
	Home burial visit	£	120.00	£	120.00	£	132.00	10.00%
	Genealogy Research Requests*	£	70.18	£	70.18	£	77.00	9.72%
Miscellaneous	Saturday cremations (additional cost) Adults (over 18 years old)	£	264.00	£	264.00	£	291.00	10.23%
	Saturday burials (additional cost) Adults (over 18 years old)	£	528.00	£	528.00	£	582.00	10.23%

# DOGS & PEST CONTROL

Category	SERVICE	2021/2	2	2022/23	2023/24	% increase /decrease from previous charge
DOG	Kennelling fee	£5	50.00	£50.00	£50.00	0.00%
WARDEN	Cost per day	£ 1	.3.00	£13.00	£13.00	0.00%

# **CATERING**

Category	SERVICE	2021/22	2022/23	2023/24	from previous charge	Comments
	Meal	£2.35	£2.35	£2.45	4.2070	Part of the MTFS
Primary School	Free Meal	£2.35	£2.35	£2.45	4 26%	savings plan of 10p a meal, takes the cost
	Meal of the day	£2.45	£2.45	£2.55	4.08%	Part of the MTFS
High School	Free Meal	£2.45	£2.45	£2.55	4.08%	savings plan of 10p a meal

# **CLEANING**

Category	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
External Sites	Cleaner	£13.84	£14.11	£16.98	20.34%
External Sites	Cleaner in Charge	£13.84	£14.11	£16.98	20.34%
Schools	Cleaner	£13.82	£13.82	£13.82	0.00%
	Cleaner	£13.82	£13.82	£13.82	0.00%
Internal Sites	Cleaner in Charge	£13.82	£13.82	£13.82	0.00%
	Cleaner Supervisor	£14.39	£14.39	£14.39	0.00%
	·				·
Other sites	Fire Stations small Not including materials	£13.77	£14.11	£16.98	20.34%

	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
	Fines – books	Branches: Adult: 15p per open day overdue for each item (max. £5.00 per item). Mobile libraries: 15p per item per missed visit. Children: no fines on children's items.	Branches: Adult: 15p per open day overdue for each item (max. £5.00 per item). Mobile libraries: 15p per item per missed visit. Children: no fines on children's items.	All fines for overdue books were removed by Delegated Decisions September 2022	100% decrease
Page 99	Fines – other	for each item, to a maximum of £5.00. No fines on children's items. DVDs: childrens, information and music: 20p per open day DVDs - feature films and boxed sets: 50p	Talking books: Adult – 15p per day overdue for each item, to a maximum of £5.00. No fines on children's items. DVDs: childrens, information and music: 20p per open day DVDs - feature films and boxed sets: 50p per open day to a maximum of £5.00	All fines for overdue items were removed by Delegated Decisions September 2022	100% decrease

SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
Reservations	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter-library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter- library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter- library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	no change
100 DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	no change
Talking Books	Hire charge: £3.00. No charge for children's items.	Hire charge: £3.00. No charge for children's items.	Hire charge: £3.00. No charge for children's items.	no change
Replacement tickets	Adult / children: £2	Adult / children: £2	Adult / children: £2	no change
Photocopies	A4, 20p per side A3, 40p per side	A4, 20p per side A3, 40p per side	A4, 20p per side A3, 40p per side	no change
Paper	A4 10p per sheet	A4 10p per sheet	A4 10p per sheet	no change

SERVICE	2021/22	2022/23	2023/24	% increase /decre from previous cha
Printouts	<ul> <li>A4: 20p black &amp; white, 40p colour</li> <li>Microfiche/film printout: -</li> <li>A4: 30p self-service, 50p postal (where available) Standard charge through public icam printer</li> <li>Digital copies and printouts undertaken by staff: £1.00 each</li> </ul>	A4: 20p black & white, 40p colour Microfiche/film printout: - A4: 30p self-service, 50p postal (where available) Standard charge through public i-cam printer Digital copies and printouts undertaken by staff: £1.00 each	A4: 20p black & white, 40p colour Microfiche/film printout: - A4: 30p self-service, 50p postal (where available) Standard charge through public i-cam printer Digital copies and printouts undertaken by staff: £1.00 each	no change
Damaged & lost items	Books: In print: current published price Out of print: current average cost for book type DVDs: Individually priced	Out of print: current average cost for	Books: In print: current published price Out of print: current average cost for book type DVDs: Individually priced	no change
Use of Computers	Free bookable sessions	Free bookable sessions	Free bookable sessions	no change
Sale of memory sticks	8gb memory stick £6	8gb memory stick £6	8gb memory stick £6	no change

	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
Page 102	Room hire	£30.00 per 3 hour session; £15.00 per hour; £50 per 3 hour session out of library opening hours <b>Other organisations:</b> £50.00 per 3 hour session during library opening hours; £20 per hour plus caretaker costs for opening/closing per session outside of library opening hours Use of kitchen facilities (Brecon £10.00, others £5.00) Reduced rates for regular bookings: 10%	of library opening hours <b>Other organisations:</b> £50.00 per 3 hour session during library opening hours; £20 per hour plus caretaker costs for opening/closing per session outside of library opening hours Use of kitchen facilities (Brecon £10.00, others £5.00)	Large meeting rooms - £50/£30 for 3- hour sessions and £20/£15 per hour Small meeting rooms and pods - £30/£20 for 3-hour sessions and £7.50/£10 per hour Co-working desks - £5 per half day and £10 for a day. Reduced rates for regular bookings: 10% reduction for regular bookings (10 per year and over)	TBC

SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
Exhibitions	Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions Local organisations information displays: FREE at the discretion of the Branch Librarian	Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions Local organisations information displays: FREE at the discretion of the Branch Librarian	Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions Local organisations information displays: FREE at the discretion of the Branch Librarian	no change
Fax	Incoming: 50p per page Outgoing: UK £1.00; Europe - £2.00 for 1st page, £1.00 for each subsequent page; World - £3.00 for 1st page, £1.00 for each subsequent page	Incoming: 50p per page Outgoing: UK £1.00; Europe - £2.00 for 1st page, £1.00 for each subsequent page; World - £3.00 for 1st page, £1.00 for each subsequent page	No longer used	delete
Laminating (where available)	A4 size: £1.50 A3 size: £2.00	A4 size: £1.50 A3 size: £2.00	A4 size: £1.50 A3 size: £2.00	no change
Local studies research	£20 per half hour	£20 per half hour	£20 per half hour - private research; £25 per half hour - commercial research	ТВС

# **MUSEUMS**

CATEGORY	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
			•	• •	
	Photocopy: Single A4/ BW	£0.25	£0.25	£0.25	0.00%
	Photocopy: A4 colour	£0.50	£0.50	£0.50	0.00%
COPY CHARGES	Photocopy - laminated	£1.00	£1.00	£1.00	0.00%
	Photocopy: A3 B/W	£0.50	£0.50	£0.50	0.00%
	Photocopy: A3 colour	£1.00	£1.00	£1.00	0.00%
		•	•	•	
	Half day incl. tea & coffee	£30.00	£30.00	£30.00	0.00%
ROOM HIRE	Full day incl. tea & coffee	£60.00	£60.00	£60.00	0.00%
		Negotiable –	Negotiable –	Negotiable –	
VENUE HIRE	Filming etc. per day	depending on	depending on	depending on	TBC
		requirements	requirements	requirements	
SALES	Exhibition art work sales, commission, pictures / books / cards	33% of wall price	33% of wall price	33% of wall price	ТВС
	SLA - school annual agreement	N/A	N/A	N/A	TBC
	Visit to Museum by an educational organisation (with Education & Access Officer)	£50.00	£50.00	£50.00	0.00%
	Visit to school or other educational institution (with Education & Access Officer)	£70.00 (Discount of £15.00 for 2 or more bookings made within the same financial year)	or more bookings made within the same	of £15.00 for 2 or more bookings made within the same	TBC
EDUCATION CHARGES	Visit to Museum / Outreach visit by Education & Access Officer to Special schools / Adults with disabilities	£30.00	£30.00	£30.00	0.00%

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# **MUSEUMS**

	Visit to Museum / Outreach visit by Education & Access Officer to Adult groups	£55.00	£55.00	£55.00	0.00%
		£0-£3.00	£0-£3.00	£0-£3.00	
	Craft activities / holiday activities – per child / adult	Depending on	Depending on	Depending on	TBC
		activity	activity	activity	
	Visit to retirement / nursing home	£25.00	£25.00	£25.00	0.00%
		£20.00 - £60.00	£20.00 - £60.00	£20.00 - £60.00	
	3rd Age / Adult Learning visits	Depending on	Depending on	Depending on	ТВС
	Sid Age / Addit Learning visits	requirements /	requirements /	requirements /	IDC
		activity	activity	activity	
	Visit to Museum by an educational organisation	Free	Free	Free	TBC
	Use of handling collection at museum	£25 per Topic	£25 per Topic	£25 per Topic	TBC
Education Charges (Rad and Mont)	Use of of Victorian/WW2 school room - (Mont only)	£25	£25	£25	0.00%
	Rental of handling collection	£40 per Topic	£40 per Topic	£40 per Topic	TBC
	Transport of above (delivery/return)	£0.45 per mile	£0.45 per mile	£0.45 per mile	TBC
	Crafts	£2 per child	£2 per child	£2 per child	TBC

CATEGORY	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
			•	•	
	A4 per sheet	£0.50	£0.50	£0.50	0.00%
	A3 per sheet	£1.00	£1.00	£1.00	0.00%
Photocopies	Micro film / fiche printout	£1.00	£1.00	£1.00	0.00%
	Postal requests (cost of copies, plus postage)	£3.00	£3.00	£3.00	0.00%
	Images digitised from the original document, printout,	charged as per			ТВС
	per image	staff time	staff time	staff time	
	Images of existing digital images, on CD, per image	charged as per staff time			TBC
	Images of existing digital images, printout, per image	charged as per staff time			ТВС
Dessent Comits	Half an hour quick "look-up" (parish registers and census only)	£20.00	£20.00	£20.00	0.00%
Research Service	One hour research	£40.00	£40.00	£40.00	0.00%
	Two hours research	£80.00	£80.00	£80.00	0.00%
Photography Permit	Annual permit to take digital photographs of archive documents (for private research only)	Daily permit £9; weekly permit £20; annual permit £50	weekly permit £20; annual permit	weekly permit £20; annual permit	

# **ARCHIVES**

Family and Local	One-to-one sessions on family or local history sources on the Internet, one hour	£5 per individual in	£5 per individual in	£5 per individual in	
History Internet		group; £10	group; £10	group; £10	ТВС
Sessions		individual	individual	individual	

#### PRIVATE SECTOR HOUSING

	Category	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge
			F		F	
		Landlord Loans	up to 15% of loan value (up to £25K per unit recovered over 5 years)		up to 15% of loan value (up to £25K per unit recovered over 5 years)	ТВС
		ICO2LLoans (ZILE)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	твс
			up to £495 administration fee, plus £50 land registry fee		up to £495 administration fee, plus £50 land registry fee	ТВС
	Renewals:		up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	ТВС
		WG Lown Centre Loans	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to £25K per unit recovered over 5 years)	твс
		Safe Warm & Secure Assistance	up to 15% of approved works - e.g. to support delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided applications, or Housing Standards Enforcement Guidance.	delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided	up to 15% of approved works - e.g. to support delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided applications, or Housing Standards Enforcement Guidance.	TBC
		HMO Mandatory Licensing	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	ТВС
	Enforcement:	Immigration Inspection fee	£150 per inspection	£150 per inspection	£150 per inspection	TBC
			£360 fee per session - training provider for Cardiff City Council who manage scheme on behalf of W.G.	, , , , , , , , , , , , , , , , , , , ,	N/A - Powys is no longer a training provider for Cardiff	N/A

#### **FREEDOM WEBSITE LINK**

#### Powys Leisure Centres - for latest activity prices please click on the link below

**Brecon Leisure Centre** 

http://www.freedom-leisure.co.uk/centres.asp?section=1975&sectionTitle=brecon+leisure+centre

Bro Ddyfi Leisure Centre <u>http://www.freedom-leisure.co.uk/centres.asp?section=2014&sectionTitle=bro+ddyfi+leisure+centre</u> Builth Sports Centre and swimming pool <u>https://www.freedom-leisure.co.uk/centres/builth-wells-sports-centre-and-swimming-pool/</u>

Caereinion Leisure Centre <a href="http://www.freedom-leisure.co.uk/centres.asp?section=2028&sectionTitle=caereinion+leisure+centre">http://www.freedom-leisure.co.uk/centres.asp?section=2028&sectionTitle=caereinion+leisure+centre</a>

East Radnor Leisure Centre http://www.freedom-leisure.co.uk/centres.asp?section=2029&sectionTitle=east+radnor+leisure+centre

Knighton Leisure Centre http://www.freedom-leisure.co.uk/centres.asp?section=2030&sectionTitle=knighton+sports+centre

Llandrindod Wells Leisure Centre http://www.freedom-leisure.co.uk/centres.asp?section=2031&sectionTitle=llandrindod+wells+sports+centre

Llanfyllin Leisure Centre

http://www.freedom-leisure.co.uk/centres.asp?section=2032&sectionTitle=llanfyllin+sports+centre

Llanidloes Leisure Centre

http://www.freedom-leisure.co.uk/centres.asp?section=2033&sectionTitle=llanidloes+sports+centre

Maldwyn Leisure Centre

http://www.freedom-leisure.co.uk/centres.asp?section=2034&sectionTitle=maldwyn+leisure+centre

Rhayader Leisure Centre

http://www.freedom-leisure.co.uk/centres.asp?section=2035&sectionTitle=rhayader+leisure+centre

## FREEDOM WEBSITE LINK

The Flash Leisure Centre <u>http://www.freedom-leisure.co.uk/centres.asp?section=2037&sectionTitle=the+flash+leisure+centre</u>

Ystradgynlais Leisure Centre https://www.freedom-leisure.co.uk/centres/ystradgynlais-sports-centre/

CATEGORY	SERVICE	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	Summons (subject to Court approval)	£ 50.00	£50.00	£50.00	0.00%	as per Legislation maximum costs that can be charged in Wales is £70.00 (any combination).
	Liability Order	£ 20.00	£20.00	£20.00	0.00%	
	Council tax Premium- second homes	50%	50%	75%	50.00%	Housing (Wales) Act enables a 100% premium to be charged on second homes. Council determined 09/03/2016 to charge a premium of 50% from 01/04/2017 and then 75% from 01/04/23. Exceptions to premium apply
	Council tax Premium -Long Term empties	50%	50%	100%	100.00%	Housing (Wales) Act enables a 100% premium be charged on Long-term empty properties. Council determined 09/03/2016 to charge a premium of 50% from <b>01/04/2017 and ten 100% from</b> <b>01/04/23.</b> Exceptions to premium apply
	Summons (subject to Court approval)	£ 50.00	£50.00	£50.00	0.00%	

CAR PARK FEES AND CHARGES	CATEGORY		UP	TO 1 HR			UP T	O 2 HRS			UP TO	O 4 HRS			OVE	R 4 HRS			OVE	RNIGHT	
LOCATION	TYPE OF VEHICLE	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge
Short Stay Car Parks	Motor Car	£1.00	£1.00	£1.40	40.00%	£2.00	£2.00	£2.50	25.00%												
	Hay on Wye - Market	t Square car	park   Bred	con - George	e Street, Viaduc	t Inner and Y	' Gaer car pa	rks   Llandrir	ndod Wells - Mi	ddleton Stre	et car park	Knighton - N	orton Arms ca	r park  Wels	hpool - Seve	rn Stars car p	bark				
	Motor car/cycle	£1.00	£1.00	£2.50	150.00%	£2.00	£2.00	£2.50	25.00%	£3.00	£3.00	£3.25	8.33%	£4.00	£4.00	£4.00	0.00%	£0.00	£0.00	£0.00	TBC
Long Stay Mixed Use Car Parks	Vehicle & Trailer/caravan	£2.00	£2.00	£5.00	150.00%	£4.00	£4.00	£5.00	25.00%	£6.00	£6.00	£6.50	8.33%	£8.00	£8.00	£8.00	0.00%	£0.00	£0.00	£0.00	TBC
	Van <3t	£1.00	£1.00	£2.50	150.00%	£2.00	£2.00	£2.50	25.00%	£3.00	£3.00	£3.25	8.33%	£4.00	£4.00	£4.00	0.00%	£0.00	£0.00	£0.00	TBC
Builth Wells - Smithfield and The Groe car parks	Crickhowell - Beaufort Street	car park   H	ay-on-Wye	- Oxford Ro	ad car park   Br	econ - Prom	enade car pa	ırk   Knightoi	n - Bowling Gre	en Lane car p	oark   Rhayad	der - Dark Lar	ne car park   N	lewtown Bac	k Lane and (	Gravel car pa	rks   Welshpo	ol - Berriew S	street and Ch	urch Street o	car parks
					L	lanidloes - M	ount Street	car park   Ma	achynlleth - Ma	engwyn Stre	et car park										
Long Stay Motorcars/Cycles plus Trailer/Caravan	Motor car/cycle/van <3t	£1.00	£1.00	£2.50	150.00%	£2.00	£2.00	£2.50	25.00%	£3.00	£3.00	£3.25	8.33%	£4.00	£4.00	£4.00	0.00%	£0.00	£0.00	£0.00	TBC
Long stay motorcars, cycles plus mallely caravan	Vehicle & Trailer/caravan	£2.00	£2.00	£5.00	150.00%	£4.00	£4.00	£5.00	25.00%	£6.00	£6.00	£6.50	8.33%	£8.00	£8.00	£8.00	0.00%	£0.00	£0.00	£0.00	TBC
	Brecon - Alexandı	a Road, Ker	nsington, Di	nas Road, S	cout Lane, Viad	uct Outer an	d Canal Road	d car parks	Ystradgynlais -	Heol Maes y	Dre and Heo	l Eglwys   Pro	esteigne - Here	eford Street a	and High Str	eet car parks					
Long Stay Motorcars/Cycles only	Motor car/cycle	£1.00	£1.00	£2.50	150.00%	£2.00	£2.00	£2.50	25.00%	£3.00	£3.00	£3.25	8.33%	£4.00	£4.00	£4.00	0.00%	£0.00	£0.00	£0.00	TBC
Brecon	Brecon - Alexandra Road, Kensington, Dinas Road, Scout Lane, Viaduct Outer and Canal Road car parks   Ystradgynlais - Heol Maes y Dre and Heol Eglwys   Presteigne - Hereford Street and High Street car parks   Llandrindod Wells - Town Hall car park																				

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CAR PARK FEES AND CHARGES	CATEGORY		Pe	er Day			OVE	RNIGHT				
Long Stay Coach and Lorry Park	Coach/Goods Vehicle	£8.00	£8.00	£8.00	0.00%	£0.00	£0.00	£0.00	TBC			
Brecon - Canal Road Coach and Lorry Park												

							PERM	1ITS										
ס	LOCATION	TYPE OF VEHICLE	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge	21/22	22/23	2023/24	% increase /decrease from previous charge
n I		TYPE OF VEHICLE									6 MO	NTH			12 ma	onths		
צ ו		Motor Cars	£40.00	£40.00	£40.00	0.00%	£115.00	£115.00	£115.00	0.00%	£205.00	£205.00	£205.00	0.00%	£370.00	£370.00	*	TBC
2		Cars and Trailers	£70.00	£70.00	£70.00	0.00%	£185.00	£185.00	£185.00	0.00%	£340.00	£340.00	£340.00	0.00%	£610.00	£610.00	*	TBC
DI	CAR PARK PERMITS	Motorhomes	£70.00	£70.00	£70.00	0.00%	£185.00	£185.00	£185.00	0.00%	£340.00	£340.00	£340.00	0.00%	£610.00	£610.00	*	TBC
		Goods Vehicles	£70.00	£70.00	£70.00	0.00%	£185.00	£185.00	£185.00	0.00%	£340.00	£340.00	£340.00	0.00%	£610.00	£610.00	*	TBC
<u> </u>		Bus/Coach	£70.00	£70.00	£70.00	0.00%	£185.00	£185.00	£185.00	0.00%	£340.00	£340.00	£340.00	0.00%	£610.00	£610.00	*	TBC
<u> </u>																		

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## WASTE COLLECTION

Category	SERVICE	21/22	22/23	2023/24	% increase /decrease from previous charge	Comments
Household Waste	Bulky Household Waste (subject to conditions)	£30 (up to 3 items)	£35 (up to 3 items)	£38.50 (up to 3 items)	10.00%	10% increase to reflect increase in disposal costs
Misc	Purple Sacks (domestic) 26 per roll	£57.07	£59.90	£65.90	10.02%	10% increase to reflect increase in disposal costs
	HWRC Trade Recycling permit (annual fee)	£225	£250	£275	10.00%	10% increase to reflect increase in HWRC costs
Greenwaste	Domestic Garden (Graden Sacks) Annual Charge	£ 32.00	£ 34.00	£ 35.00	2.94%	Below inflation increase to retain customer base
	Domestic Garden (240 Litre) Annual Charge	£ 37.00	£ 39.00	£ 40.00	2.56%	Below inflation increase to retain customer base

Category	Service	Typical Minimum Notice Period	Proposed charges Ap 2021/22 £		Proposed charges 2022/23	2023/24	% increase /decrease from previous charge	Notes
Temporary Traffic Signals	2 way lights	1 week	Notification Only No Charge		Notification Only No Charge	Notification Only No Charge	N/a	Each period of installation
	3 / 4 way lights	6 weeks County 12 weeks Trunk	Notification Only No Charge		Notification Only No Charge	Notification Only No Charge	N/a	Each period of installation
			1					
	Consideration of an application to erect over a highway any scaffolding or other structure.	1 week	£	98	£ 100.00	£ 106.00	6.00%	Initial consideration and first 2 weeks
Scaffolding	Consideration of an application to retain on or over a highway any scaffolding or other structure.	1 week	£	57	£ 60.00	£ 65.00	8.33%	Each additional week or part thereof
		•						
	Consideration of an application for permission to retain a skip on any highway.	1 week	£	29	£ 30.00	£ 30.00	0.00%	Each additional week or part thereof
Hoarding	Consideration of an application for consent to erect a hoarding or fence.	1 week	£	97	£ 100.00	£ 106.00	6.00%	Initial consideration and first 2 weeks
riodiding	Consideration of an application for consent to retain a hoarding or fence.	1 week	£	56	£ 60.00	£ 65.00	8.33%	Each additional week or part thereof
Seasonal Decs,Banners/Bunting	Consideration of application to erect short term banners & decorations within or over a highway or street.	2 weeks	£ 1	11	£ 111.00	£ 115.00	3.60%	
			T					
Materials storage/Working	Consideration of an application for consent to temporarily deposit building materials rubbish or other things in a street that is maintainable at public expense.	1 week	£	97	£ 100.00	£ 106.00	6.00%	Initial consideration and first 2 weeks
areas on the Highways	Consideration of an application for consent to continue temporarily depositing building materials rubbish or other things in a street that is maintainable at public expense.	1 week	£ 56 £		£ 60.00	£ 65.00	8.33%	Each additional week or part thereof

Category	Service	Typical Minimum Notice Period	cha	arges April	c	harges	2023/24	% increase /decrease from previous charge	Notes
Vehicle Access	Vehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.	1 month	£	136	£	140.00	£ 150.00	7.14%	
	Vehicle Access - Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.	1 month	£	275	£	280.00	£ 300.00	7.14%	
	Single dwelling, non-commercial development and the like. New Connections up to 100 metres	1 month	£	327	£	330.00	£ 350.00	6.06%	
	Multiple dwellings, commercial development and the like. New Connections up to 100 metres	1 month	£	489	£	490.00	£ 520.00	6.12%	
Private apparatus placed in the Highway	Repair, renewal or replacement of existing where no previous licence exists up to 100 metres.	1 month	£	272	£	275.00	£ 290.00	5.45%	
	Repair, renewal or replacement of existing where licence already granted up to 100 metres.	1 month	£	185	£	185.00	£ 195.00	5.41%	
	New connections, repair, renewal or replacement. Extra over for each additional 100 metres of excavation or part thereof.	1 month	£	185	£	185.00	£ 195.00	5.41%	
			1						
	Authorisation for temporary excavations in streets such as foundations of adjacent walls, trial pits etc.	1 month	£	273	£	275.00	£ 290.00	5.45%	Initial consideration and first 2 weeks
Excavations in Streets	Structural calculations in connection with works in Highways or Streets Checking of submitted calculations in connection with applications for consents, authorisation etc.	1 month		Quote		Quote	Quote	TBC	
	Cellars under Streets Consideration for construction or control of openings to cellars etc. under the street. (Includes checking of submitted structural calculations)		£	507	£	510.00	£ 540.00	5.88%	
	Private apparatus placed in the Highway	Vehicle Access         Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required. Vehicle Access           Vehicle Access         Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.           Single dwelling, non-commercial development and the like. New Connections up to 100 metres Multiple dwellings, commercial development and the like. New Connections up to 100 metres           Private apparatus placed in the Highway         Repair, renewal or replacement of existing where no previous licence exists up to 100 metres.           Repair, renewal or replacement of existing where licence already granted up to 100 metres.         New connections, repair, renewal or replacement. Extra over for each additional 100 metres of excavation or part thereof.           Excavations in Streets         Authorisation for temporary excavations in streets such as foundations of adjacent walls, trial pits etc.           Cellars under Streets         Checking of submitted calculations in connection with applications for consents, authorisation etc.	Category         Service         Notice Period           Vehicle Access         Vehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.         1 month           Vehicle Access         Vehicle Access - Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.         1 month           Single dwelling, non-commercial development and the like. New Connections up to 100 metres         1 month           Private apparatus placed in the Highway         Single dwelling, commercial development and the like. New Connections up to 100 metres         1 month           Repair, renewal or replacement of existing where no previous licence exists up to 100 metres.         1 month           Repair, renewal or replacement of existing where licence already granted up to 100 metres.         1 month           New connections, repair, renewal or replacement. Extra over for each additional 100 metres of excavation or part thereof.         1 month           Excavations in Streets         Authorisation for temporary excavations in streets such as foundations of adjacent walls, trial pits etc.         1 month           Excavations in Streets         Checking of submitted calculations in connection with applications for consents, authorisation etc.         1 month	Category         Service         Typical Minimum Notice Period         chain chain           Vehicle Access         Vehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.         1 month         £           Vehicle Access         Single dwelling, non-commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.         1 month         £           Private apparatus placed in the Hig.         Single dwelling, non-commercial development and the like. New Connections up to 100 metres         1 month         £           Private apparatus placed in the Highway         Repair, renewal or replacement of existing where no previous licence exists up to 100 metres.         1 month         £           Repair, renewal or replacement of existing where licence already granted up to 100 metres.         1 month         £           New connections, repair, renewal or replacement. Extra over for each additional 100 metres of excavation or part thereof.         1 month         £           Excavations in Streets         Structural calculations in connection with works in Highways or Streets Consideration for construction or control of openings to cellars etc. under the structural         1 month         £	Category         Service         Notice Period         2021/22 £           Vehicle Access         Vehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.         1 month         £         136           Vehicle Access         Vehicle Access - Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works         1 month         £         275           Single dwelling, non-commercial development and the like.         1 month         £         327           Vehicle Access + Commercial development and the like.         1 month         £         327           Private apparatus placed in the Highway         Single dwelling, commercial development and the like.         1 month         £         489           Private apparatus placed in the Highway         Repair, renewal or replacement of existing where in o previous licence exists up to 100 metres.         1 month         £         185           New Connections, repair, renewal or replacement of existing where licence already granted up to 100 metres.         1 month         £         185           New connections, repair, renewal or replacement.         1 month         £         273           Repair, renewal or replacement of existing where licence already granted up to 100 metres.         1 month         £         185           Excavations in Streets         Auth	CategoryServiceTypical Minimum Notice Periodcharges April 2021/22r 2Vehicle AccessVehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.1 month£136£Vehicle AccessCommercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.1 month£275£Single dwelling, non-commercial development and the like.1 month£327£New Connections up to 100 metres1 month£327£Multiple dwellings, commercial development and the like.1 month£272£New Connections up to 100 metres1 month£272£Private apparatus placed in the HighwayRepair, renewal or replacement of existing where licence exists up to 100 metres1 month£272£New connections, repair, renewal or replacement of existing where licence already granted up to 100 metres.1 month£185£New connections, repair, renewal or replacement. 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Authorisation of access and inspection of the works as required.1 month£275£280.00Vehicle AccessSingle dwelling, non-commercial development and the like.1 month£327£330.00Private apparatus placed in the HighwaySingle dwelling, con-commercial development and the like.1 month£489£490.00Private apparatus placed in the HighwayRepair, renewal or replacement of existing where no previous licence exists up to 100 metres.1 month£185£185.00Repair, renewal or replacement of existing where licence already granted up to 100 metres.1 month£185£185.00Repair, renewal or replacement. Extra over for each additional 100 metres of such as foundations of adjacent walls, rial pits etc.1 month£273£275.00Excavations in StreetsAuthorisation for temporary excavations in streets such as foundations of adjacent walls, rial pits etc.1 month£273£275.00Excavations in StreetsConsideration for construction or control of openings to cellars etc.1 month£273£275.00	CategoryServiceTypical Minimum Notice Periodcharges 2021/22 £2023/22 charges 2022/23Vehicle AccessVehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works a required.1 month£136£140.00£150.00Vehicle Access- Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.1 month£275£280.00£300.00Single dwelling, non-commercial development and the like. New Connections up to 100 metres1 month£327£330.00£520.00Perivate apparatus placed in the HighwayRepair, renewal or replacement of existing where no previous licence exists up to 100 metres.1 month£272£275.00£290.00Private apparatus placed the HighwayRepair, renewal or replacement of existing where no previous licence exists up to 100 metres.1 month£185€185.00£195.00Excavations in StreetsAuthorisation of acquert walls, trial pits etc.1 month£273£275.00£290.00Excavations in StreetsChecking of submitted calculations in connection with applications for consents, authorisation etc.1 month£28222222222202Private apparatus placed the Highway or Streets Checking of submitted calculations in connection with applications for consents, auth	CategoryServiceTypical Minimu Notice Periodcharges April 2021/22proposed therages April 2021/222023/24decrease from previous hargesVehicle AccessVehicle Access - Residential property verge and/or Authorisation of access and inspection of the works1 month£136£140.00£150.007.14%Vehicle Access- Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works1 month£275£280.00£300.007.14%Vehicle Access- Single dwelling, non-commercial development and the like. New Connections up to 100 metres1 month£327£300.00£350.006.06%Private apparatus placed in the like. New Connections up to 100 metres1 month£327£350.006.12%Private apparatus placed in the like. New Connections up to 100 metres.1 month£275£290.00£545%New Connections up to 100 metres.1 month£285£185.00£541%New connections, repair, renewal or replacement of existing where licence already granted up to 100 metres.1 month£285£195.005.41%New connections, repair, renewal or replacement of existing where licence already granted up to 100 metres.1 month£285£290.005.45%Excavation or part thereof.Structural calculations in connection with applications for consents, authorisation etc.1 month </td

Category	Service	Typical Minimum Notice Period	Proposed charges April 2021/22 £	Proposed charges 2022/23	2023/24	% increase /decrease from previous charge	Notes
	Temporary Traffic Regulation Orders (TTRO) and Temporary Traffic Regulation Notices (TTRN) for works in the highway	10 weeks	£ 1,101	£ 1,100.00	£ 1,100.00	0.00%	
	TTRO & TTRN amendments to existing orders and notices		£ 335	£ 335.00	£ 355.00	5.97%	
	Temporary for single events on the highway	10 weeks	£ 504	£ 505.00	£ 535.00	5.94%	First Event
Road Closures/Traffic Regulation Order etc.	Temporary for repeat events on the highway within 6 months of last event.	10 weeks	£ 362	£ 365.00	£ 385.00	5.48%	Repeat event (within 12 months)
	Traffic Regulation Order - Permanent	9 months	£ 3,303	£ 4,000.00	£ 4,300.00	7.50%	7% increase in advert
	Stopping up of Highways	9 months	£ 3,278	£ 3,500.00	£ 3,700.00	5.71%	Minimum deposit required. Costs above this must be met by applicant
Use of Council venue	Use of Council owned or operated car park for event	10 weeks	Loss of average daily income plus £77.25 administration	Loss of average daily income plus £77.25 administratio n	Loss of average daily income plus £82.00 administratio n	N/a	Charges calculated on full day basis only
			-				
	Cultivation of or planting within the Highway and maintenance thereafter.	3 months	£ 203	£ 205.00	£ 220.00	7.32%	
	Furniture placed on highway, street, walkway etc Authorisation to place furniture or similar	3 months	£ 203	£ 205.00	£ 205.00	0.00%	Full concession on charge linked to COVID recovery for 2023/2024
Cattle Grids	Consideration of application to install in a highway, assessment of contribution from the Council and Report.	12 months	£ 616	£ 620.00	£ 660.00	6.45%	
	Applicant's contribution towards the costs of installation and future maintenance.		50% to 100% of cost	0 to 100%	0 to 100%	N/a	

Category	Service	Typical Minimum Notice Period	Proposed charges April 2021/22 £	Proposed charges 2022/23	2023/24	% increase /decrease from previous charge	Notes
				r	r	F	
	View the record of highways maintainable at public expense at Headquarters.	By appointment	No charge	No charge	No charge	N/a	
	A4 print of highway register for residents in relation to their property.	2 weeks	No charge	No charge	No charge	N/a	
	Highway enquiries and advice		No charge	No charge	£ 90.00		Per hour or part thereof
Highway enquiries	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study max site length 0.5km (excludes rights of way).	6 weeks	£ 212	£ 215.00	£ 230.00	6.98%	
	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study & site visit max site length 0.5km (excludes rights of way).	6 weeks	£ 424	£ 425.00	£ 450.00	5.88%	
	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study and/or site visit site length over 0.5km (excludes rights of way).	variable	Quote	Quote	Quote	N/a	
	Supply of information in format to be agreed e.g. road and traffic schemes information, report copies/extracts, plans et (incl. where distributed by email).		£ 30	£ 30.00	Quote	TBC	
	Accident data - standard report		£ 12	£ 15.00	£ 20.00	33.33%	Per collision
	Traffic data - (existing) each individual type of report		£ 73	£ 75.00	£ 80.00	6.67%	Per site per report type
Highway information	Traffic data - Location plan (each plan max A3 size)		£ 43	£ 45.00	£ 50.00	11.11%	For collision or survey locations
	Traffic surveys - ATC including analysis & provision of data per site		£ 481	£ 490.00	£ 520.00	6.12%	Excludes traffic management which will be quoted individually under "Works"
	Traffic surveys - ATC - each additional site within 5km radius		£ 230	£ 230.00	£ 250.00	8.70%	Excludes traffic management which will be quoted individually under "Works"
	Section 38 Agreement - Vetting fee for review of proposals outside agreement.		£ 1,033	£ 1,050.00	£ 1,115.00	6.19%	
	Section 38 Agreement - Minimum inspection / administration fee.		the greater of 7% of bond or £3,430	the greater of 7% of bond or £3,500	the greater of 7% of bond or £3,750	N/a	
	APC's and Section 38 Agreement Unit rate per linear metre for carriageway - width up to 5.5 metres.		£ 917	£ 950.00	£ 1,120.00	17.89%	

Category	Service	Typical Minimum Notice Period	Proposed charges April 2021/22 £	Proposed charges 2022/23	2023/24	% increase /decrease from previous charge	Notes
	APC's and Section 38 Agreement						
	Unit rate per linear metre for carriageway - width		£ 1,069	£ 1,100.00	£ 1,300.00	18.18%	
	over 5.5 metres up to 7.3 metres.						
	Site inspection - Over and above that covered by		£ 173	£ 210.00	£ 225.00	7.14%	
	the agreement.		1 1/3	L 210.00	L 225.00	7.1478	
			2.5% of bond	2.5% of bond	2.5% of bond		
	Agreements - Extension beyond the initial period.		per year or part	per year or	per year or	N/a	
	Agreements - Extension beyond the initial period.		thereof	part thereof	part thereof	in/ d	
			thereof	part thereof	part thereof		
	Surface Water Drainage - connection to highway drainage (per dwelling where existing system has capacity).		£ 1,910	£ 2,500.00	£ 2,650.00	6.00%	
	Soakaways - Commuted sum for future		Specific	Specific	Specific		
	maintenance of soakaways to deal with highway		calculation	calculation	calculation	N/a	
	drainage.		for each site	for each site	for each site		
			Specific	Specific	Specific		
	Non-standard construction materials - Commuted		calculation for		calculation for	N/a	
	sum for future maintenance.		each site	each site	each site		
	Checking structural proposals and calculations		Quote	Quote	Quote	N/a	
	Consultancy		Quote	Quote	Quote	N/a	
	Attendance at site - following accidents or incidents of potential damage for traffic management, debris clearance, inspection, making safe, repairs etc.		At Cost	At Cost	At Cost	N/a	
	Works		Quote	Quote	Quote	N/a	
	Suspension of On-Street parking		£ 350	£ 350.00	£ 370.00	5.71%	
	Temporary parking dispensation in exceptional circumstances		£ 17	£ 20.00	£ 22.00	10.00%	Per vehicle per day. Maximum of 2 vehicles and limited to 5 days.
	Traffic signal switch off/on to allow temporary traffic management			£ 450.00	£ 480.00	6.67%	Covers initial application
Troffic Signa Signals and	Traffic signal switch off/on to allow temporary traffic management - additional visits		£ 224	£ 225.00	£ 240.00	6.67%	Per each additional visit
Traffic Signs, Signals and	H-Bar marking on the carriageway		£ 106	£ 110.00	£ 115.00	4.55%	
Parking	Advisory Disabled bay		Free	Free	Free	TBC	
	Tourist Signing - Consideration of a request for						
	tourist signing.		£ 126	£ 130.00	£ 140.00	7.69%	
	Excluding cost of sign(s) and installation.						
	Provision of Design and Manufacture of Tourism		Quote	Quete	Queta	ТВС	
	signs			Quote	Quote	IBC	
	Notices for road humps and/or traffic calming			£ 1,500.00	£ 1,600.00	6.67%	New Charge

Category	Service	Typical Minimum Notice Period	cha	oposed rges April 021/22 £	С	roposed harges 2022/23		2023/24	% increase /decrease from previous charge	Notes
	Sustainable Drainage (SuDs) Pre-Application		£	250.00	£	250.00	£	250.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application		£	600.00	£	600.00	£	600.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application		£	1,000.00	£	1,000.00	£	1,000.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space does not exceed 999 sq.m.		£	250.00	£	250.00	£	250.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space between 1,000 sq.m. to 1,999 sq.m.		£	600.00	£	600.00	£	600.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space exceeds 1,999 sq.m.		£	1,000.00	£	1,000.00	£	1,000.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site area does not exceed 0.49 ha		£	250.00	£	250.00	£	250.00	0.00%	Note, set by WG and update mid year
NEW	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site area is 0.5 ha to 0.99 ha		£	600.00	£	600.00	£	600.00	0.00%	Note, set by WG and update mid year
Flood Risk & Sustainable Drainage	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site		£	1,000.00	£	1,000.00	£	1,000.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – All other Construction not detailed above (site area less than 1 ha)		£	250.00	£	250.00	£	250.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – All other Construction not detailed above (site area more than 1 ha)		£	600.00	£	600.00	£	600.00	0.00%	Note, set by WG and update mid year
	Sustainable Drainage (SuDs) Pre-Application Advice – Site Meeting		£	60.00	£	60.00	£	60.00	0.00%	Per hour or part thereof
	Sustainable Drainage (SuDs) Pre-Application Advice – Office Meeting		£	30.00	£	30.00	£	30.00	0.00%	Per hour or part thereof
	Sustainable Drainage (SuDs) Full Application		Se	et by WG	S	et by WG	S	et by WG	TBC	Applicants should check for current price, charge set by Welsh Government. EIA = Environmental Impact Assessment.
	Land Drainage - Ordinary Watercourse Consent		£	50.00	£	50.00	£	50.00	0.00%	Applicants should check for current price, charge set by Welsh Government.

## **REGISTRATIONS**

	Category	SERVICE	202	1/22		2022/23		2023/24	% increase /decrease from previous charge	Comments
		Standard service – issued at time of registration, or if requested later then processed within 15 working days	£	11.00	£	11.00	£	11.00	0.00%	Statutory Fee
Page		Priority Service – issued on or before next working day (orders up to 3pm)	£	35.00	£	35.00	£	35.00	0.00%	Statutory Fee
120	Attending a civil ceremony	at the register office - Mon - Friday	£	46.00	£	46.00	£	46.00	0.00%	Statutory Fee
		Statutory priority certificate fee for 24-hour service	£	35.00	£	35.00	£	35.00	0.00%	Statutory Fee

Category	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	LLC1 Search of the Local Land Charges Register - view only	£0.00	£0.00	£0.00	TBC	Statutory
Searches of	LLC1 Search of the Local Land Charges Register - tailored report	£6.00	£6.00	£6.00	0.00%	Statutory
the Land	LLC1 Search of the Local Land Charges Register - electronic via NLIS	£4.00	£4.00	£4.00	0.00%	Statutory
Charges	Personal Search of Local Land Charges Register - view only	£0.00	£0.00	£0.00	TBC	Statutory
Register	Additional Parcel - tailored report - per parcel	£1.00	£1.00	£1.00	0.00%	Statutory
	Additional Parcel - electronic via NLIS - per parcel	£1.00	£1.00	£1.00	0.00%	Statutory
	<b>CON29R</b> - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. VIEW ONLY	£78.67	£80.54	£87.67	8.85%	& VAT
	<b>CON29R</b> - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. TAILORED REPORT	£122.50	£125.83	£138.33	9.93%	& VAT
Property Enquiries	<b>CON29R</b> - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. ELECTRONIC VIA NLIS	£122.50	£125.83	£138.33	9.93%	& VAT
	CON290 - Optional enquiry No. 22 View Only	n/a	n/a	n/a	TBC	& VAT
7	CON290 - Optional enquiry No. 22 Tailored Report	£22.75	£23.33	£25.83	10.72%	& VAT
	CON290 - Optional enquiry No. 22 Electronic Via NLIS	£22.75	£23.33	£25.83	10.72%	& VAT
	Drafted Enquiries - tailored report	£22.75	£23.33	£25.83	10.72%	& VAT
	Drafted Enquiries - electronic via NLIS	£22.75	£23.33	£25.83	10.72%	& VAT
	Additional Parcel - tailored report - per parcel	£12.50	£12.92	£15.00	16.10%	& VAT
2	Additional Parcel - electronic via NLIS - per parcel	£12.50	£12.92	£15.00	16.10%	& VAT
	<b>Full Standard Search LLC1 &amp; CON29R:</b> Search of the Local Land Charges Register together with standard property enquiries, and further additional enquiries have now been included- Tailored Report	£128.50	£131.83	£144.33	9.48%	& VAT on CON29
	<b>Full Standard Search LLC1 &amp; CON29R:</b> Search of the Local Land Charges Register together with standard property enquiries, and further additional enquiries have now been included- Electronic via NLIS	£126.50	£129.83	£142.33	9.63%	& VAT on CON29
	Additional Parcel - tailored report - per parcel	£13.50	£13.92	£16.00	14.94%	& VAT on CON29
	Additional Parcel - electronic via NLIS - per parcel	£13.50	£13.92	£16.00	14.94%	& VAT on CON29
	1.1 a-i Planning Application Decisions and Pending Applications - view only	£0.00	FOC	FOC	0.00%	
	1.1 a-i <i>Planning Application Decisions and Pending Applications</i> - compiled report	£21.00	£21.67	£23.83	9.97%	
	1.1 j-I Building Control Decisions and Pending Applications - view only	£18.50	£19.00	£19.04	0.21%	
	1.1 j-l Building Control Decisions and Pending Applications - compiled report	£18.50	£19.00	£19.04	0.21%	

Category	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	1.2 Planning Designations and Proposals - view only	£4.43	£4.56	£5.04	10.53%	
	1.2 Planning Designations and Proposals - compiled report	£4.43	£4.56	£5.04	10.53%	
	2.1 a-d Roads If a road, footpath or footway is not a highway, there might be					
	no right to use it. The Council cannot express and opinion, without seeing the					
	title plan of the property and carrying out an inspection, whether or not any	£0.00	FOC	FOC	0.00%	
	existing or proposed highway directly abuts the boundary of the property. VIEW ONLY					
	2.1 a-d Roads If a road, footpath or footway is not a highway, there might be					
	no right to use it. The Council cannot express and opinion, without seeing the					
	title plan of the property and carrying out an inspection, whether or not any	£18.50	£19.20	£20.96	9.17%	
	existing or proposed highway directly abuts the boundary of the property					
	compiled report					
	2.2-2.5 Public Rights of Way - view only	£20.60	£21.00	£23.33	11.10%	
	2.2-2.5 Public Rights of Way - Compiled Report	£20.60	£21.00	£23.33	11.10%	
	3.1 Land Required for Public Purposes. View only.	£1.23	£1.25	£1.42	13.60%	
	3.1 Land Required for Public Purposes. Compiled Report	£1.23	£1.25	£1.42	13.60%	
	3.2 Land to be Acquired for Road Works. View only.	£1.23	£1.25	£1.42	13.60%	
	3.2 Land to be Acquired for Road Works. Compiled Report.	£1.23	£1.25	£1.42	13.60%	
	<b>3.3</b> Drainage Agreements and Consents. Please contact the relevant water authority. View only.	£1.01	£1.01	£1.16	14.85%	
	<b>3.3</b> <i>Drainage Agreements and Consents.</i> Please contact the relevant water authority. Compiled Report.	£1.01	£1.01	£1.16	14.85%	
	3.4 Nearby Road Schemes. View only.	£4.89	£5.00	£5.49	9.80%	
	3.4 Nearby Road Schemes. Compiled report.	£4.89	£5.00	£5.49		
	3.5 Nearby Railway Schemes. View only.	£1.85	£1.90	£2.09		
	3.5 Nearby Railway Schemes. Compiled report.	£1.85	£1.90	£2.09		
	3.6 Traffic Schemes. View only.	£4.89	£5.00	£5.49		
	<b>3.6 Traffic Schemes.</b> Compiled report.	£4.89	£5.00	£5.49		
	3.7 Outstanding Notices. View only.	£5.82	£5.99	£6.61	10.35%	
	3.7 Outstanding Notices. Compiled report.	£5.82	£5.99	£6.61	10.35%	
	3.8 Contravention of Building Regulations. View only.	£2.88	£2.97	£3.25	9.43%	
	3.8 Contravention of Building Regulations. Compiled report	£2.88	£2.97	£3.25		
	<b>3.9</b> Notices, Orders, Directions and Proceedings under Planning Acts. View only.	£2.16	£2.22	£2.91		
	3.9 Notices, Orders, Directions and Proceedings under Planning Acts.	£6.49	£6.64	£8.78	32.23%	
	Compiled report.	C4 04	C4 04	CA 4C	14.050/	
Individual	3.10 Community Infrastructure Levy - View Only	£1.01	£1.01	£1.16		
CON29R	3.10 Community Infrastructure Levy - Compiled Report	£1.01	£1.01	£1.16		
<b>Question Fees</b>	3.11 Conservation Areas. View only.	£2.16	£2.22	£2.45		
- Available to	3.11 Conservation Areas. Compiled report.	£2.16	£2.22	£2.45		
heel lead	3.12 Compulsory Purchase. View only.	£1.29	£1.33	£1.45	9.02%	

Category	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
Charge Office	3.12 Compulsory Purchase. Compiled report.	£1.29	£1.33	£1.45	9.02%	
-	3.13 Contaminated Land. View only.	£2.11	£2.17	£2.37	9.22%	
subject to the	3.13 Contaminated Land. Compiled report.	£2.11	£2.17	£2.37	9.22%	
following	3.14 Radon Gas. View only.	£1.60	£1.65	£1.83	10.91%	
fees:	3.14 Radon Gas. Compiled report.	£1.60	£1.65	£1.83	10.91%	
	3.15 Assets of Community Value- View Only	£1.01	£1.01	£1.16	14.85%	
	3.15 Assets of Community Value- Compiled Report	£1.01	£1.01	£1.16	14.85%	
	4. Road Proposals by Private Bodies - view only.	£12.50	£12.92	£15.00	16.10%	
	4. Road Proposals by Private Bodies - compiled report.	£12.50	£12.92	£15.00	16.10%	
	5. Advertisements. View only.	£12.50	£12.92	£15.00	16.10%	
	5. Advertisements. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	6. Completion Notices. View only.	£12.50	£12.92	£15.00	16.10%	
	6. Completion Notices. Compiled Report.	£12.50	£12.92	£15.00	16.10%	
	7. Parks and Countryside. View only.	£12.50	£12.92	£15.00	16.10%	
	7. Parks and Countryside. Compiled Report.	£12.50	£12.92	£15.00	16.10%	
	8. Pipelines. View only.	£12.50	£12.92	£15.00	16.10%	
	8. Pipelines. Completion only.	£12.50	£12.92	£15.00	16.10%	
	9. Houses in Multiple Occupation. View only	£12.50	£12.92	£15.00	16.10%	
	9. Houses in Multiple Occupation. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	10. Noise Abatement. View only.	£12.50	£12.92	£15.00	16.10%	
	10. Noise Abatement. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	11. Urban Development Areas. View only.	£12.50	£12.92	£15.00	16.10%	
	11. Urban Development Areas. Completion only.	£12.50	£12.92	£15.00	16.10%	
	12. Enterprise Zones. View only.	£12.50	£12.92	£15.00	16.10%	
	12. Enterprise Zones. Completion only.	£12.50	£12.92	£15.00	16.10%	
	13. Inner Urban Improvement Areas. View only.	£12.50	£12.92	£15.00	16.10%	
	13. Inner Urban Improvement Areas. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	14. Simplified Planning Zones. View only.	£12.50	£12.92	£15.00	16.10%	
	14. Simplified Planning Zones. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	15. Land Maintenance Notices. View only.	£12.50	£12.92	£15.00	16.10%	
	15. Land Maintenance Notices. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	16. Mineral Consultation Areas. View only.	£12.50	£12.92	£15.00	16.10%	
	16. Mineral Consultation Areas. Compiled report	£12.50	£12.92	£15.00	16.10%	
	17. Hazardous Substance Consents. View only.	£12.50	£12.92	£15.00	16.10%	
	17. Hazardous Substance Consents. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	18. Environmental and Pollution Notices. View only.	£12.50	£12.92	£15.00	16.10%	
	18. Environmental and Pollution Notices. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	19. Food Safety Notices. View only.	£12.50	£12.92	£15.00	16.10%	
	19. Food Safety Notices. Compiled report.	£12.50	£12.92	£15.00	16.10%	
	20. Hedgerow Notices. View only.	£12.50	£12.92	£15.00	16.10%	
	20. Hedgerow Notices. Compiled report.	£12.50	£12.92	£15.00	16.10%	

Category	Service	2021/22	2022/23	2023/24	% increase /decrease from previous charge	Comments
	21. Flood Defence & Land Drainage Consents	£12.50	£12.92	£15.00	16.10%	
	21. Flood Defence & Land Drainage Consents	£12.50	£12.92	£15.00	16.10%	
	22. Common Land, Town and Village Greens: Information also available free of charge by inspection of the definitive plan held at Llandrindod Wells. Compiled report. View only.		£23.33	£25.83	10.72%	
	22. Common Land, Town and Village Greens: Information also available free of charge by inspection of the definitive plan held at Llandrindod Wells. Compiled report. Compiled report.		£23.33	£25.83	10.72%	

### SOCIAL CARE

н	Home Care (domiciliary care) (per hour)				/decrease from previous charge	Comments	
		£20.50 up to max of £100pw, as set by WG	£23.50 up to max of £100pw, as set by WG	£23.50 up to max of £100pw, as set by WG	ТВС	The fees and charges	
A	Attendance at a Older Day Centre (per day)/Day and Employment Centre	£15 per day up to max of £100pw, as set by WG	£15 per day up to max of £100pw, as set by WG	£15 per day up to max of £100pw, as set by WG	ТВС	for Community Based	
A	Attendance at Learning Disabilities services in the community (per day)	£15 per hour up to max of £100pw, as set by WG	£15 per hour up to max of £100pw, as set by WG	£15 per hour up to max of £100pw, as set by WG	ТВС	for community based	
Т	Fransport to Older Day Centre	Free as directed by WG	Free as directed by WG	Free as directed by WG	ТВС	Services will be	
2.	24 hour Support (supported tenancy) (per week)	max of £100 per week, as set by WG	max of £100 per week, as set by WG	max of £100 per week, as set by WG	ТВС		
Miscellaneous Items SI	Shared Lives (short terms/respite placements)	£9.00 per night up to max of £100pw as set by WG	£9.00 per night up to max of £100pw as set by WG	£9.00 per night up to max of £100pw as set by WG	ТВС	increased in line with	
SI	Shared Lives - sessional support		ТВС	£26 per hour up to max of £100pw, as set by WG	ТВС	Welsh Government	
Ρ,	Package of care i.e. a range of services - maximum	Up to a max of £100.00 as set by WG	Up to a max of £100.00 as set by WG	Up to a max of £100.00 as set by WG	TBC		
R	Respite i.e. a stay not exceeding 8 weeks	Up to a maximum of £100pw per single episode of care, as set by WG	Up to a maximum of £100pw per single episode of care, as set by WG	Up to a maximum of £100pw per single episode of care, as set by WG	TBC	Guidelines when	
D	Direct Payment Scheme - service provision	£20.50 up to max of £100pw, as set by WG	ot f100pw as set of f100pw as set I BC		ТВС	known	
			c		0.00%	r	
	Level 1: Community alarm only (per week) Level 2: Warden Service 9.00am - 5.00pm Mon - Fri (per week)	f 2.00 f 9.90			0.00%		

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### SOCIAL CARE

Support:	Level 3: Warden Service, including 24 hour emergency call-out (per week)	£	60.00	£ 60.00	£ 60.00	0.00%	
	Level 4: Individual room, live-in housekeeper and meals (per week)	£	60.00	£ 60.00	£ 60.00	0.00%	
	Meal provided by Powys County Council: Meals at home (per meal)						
Meals	Meals at the day centre (per meal)		7.50	7.50	7.50	0.00%	
					£40 per hour		
	Protection of property	£35 per month		£35 per month	including mileage, in		
		Loo per month		ESS per month	line with Court of		
					Protection guidance		
	Storage of paperwork (per month)	£	25.00	£ 25.00	£0	-100.00%	
	Storage of belongings (per month)	£	55.00	£ 55.00	£0	-100.00%	
Appointee & Deputyship					Tiered from £350		
20000000					to a maximum of		
	Winding up fee	£	350.00	£ 350.00	£700, in line with		
					Court of Protection		
					guidance		
	Delay in responsibility (Deceased asset in administration) (per month)	£	25.00	£ 25.00	£25	0.00%	
	Treasury Solicitor for Deceased (per referral)	£	350.00	£ 350.00	£0	-100.00%	
	Annual Property management fee - CAT3				£300	TBC	

## **DIGITAL SERVICES**

	Category	ITEM/SERVICE	21/22	22/23	2023/24	% increase /decrease from previous charge
Careline		Careline	£ 50.77	£ 50.77	£ 50.77	0.00%
			2 30.77	2 30.77	2 50.77	1

#### COUNTRYSIDE

	Category	SERVICE	2021-22	2022-23	2023/24	% increase /decrease from previous charge	Comments
		Copy Definitive Map extract - A4 or A3 sheet	£ 20.00	£20.00	£20.00	0.00%	Includes scanned and emailed copies
		Section 33 Motorsport authorisation	£ 30.00	£30.00	£30.00		Approved by Cabinet as part of revised protocol March 2020
	PUDIIC rights	Section 135 authorisation for works disturbing surface of public right of way	£275 plus actual advertisin	£282.50 plus actual advertising costs	£312.73 plus actual advertising costs	ТВС	
		Public path Order (diversion, extinguishment or creation)	£1652 plus inflation and actual advertising costs	£1697 plus actual advertising costs	£1878 plus actual advertising costs	IBC	Subject of separate charging policy - pre- approved. Costs increase annually in line with inflation where positive
ź							
00 2 00		Copy Commons Register extract - Register plan	£6 minimum, £0.50 per A4 or A3 sheet thereafter	£6 minimum, £0.50 per A4 or A3 sheet thereafter	£6 minimum, £0.50 per A4 or A3 sheet thereafter		Under review - Portfolio Holder report being prepared
				£1 for first A4 or A3 sheet, £0.50 per sheet thereafter	£1 for first A4 or A3 sheet, £0.50 per sheet thereafter	TBC	
		Copy Commons Register extract - Supplemental plans	£1 per plan	£1 per plan	£1 per plan	ТВС	
	Commons	Commons Register Investigations	Minimum £20 plus VAT	Minimum £20 plus VAT	Minimum £20 plus VAT	ТВС	
	Registration	Commons Register 'Corrective' applications	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Actual costs of officer time to be re-assessed annually to ensure full cost recovery. Indicative costs and hourly rates published on Council website in line with Regulations.

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	Commons Act 2006	, ,	· ·	Costs being developed - subject of separate Portfolio Holder report		Will need to be full cost recovery
Outdoor reci	Play area and open space inspections for external reorganisations	£51.50 plus VAT	£52.90 plus VAT	£58.50 plus VAT	ТВС	E.g. land transferred to Community Councils

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## Briefing Paper to accompany the Fees and Charges Register

## 1. Summary

The purpose of this report is to consider and approve the changes to charges detailed within the Council's fees and charges register. The fees and charges register is maintained and updated for submission as part of the budget setting process on an annual basis, with the new fees agreed as a whole rather than on an individual basis.

The fees and charges register, contains details of all items for which a charge is made. It is important that these fees are reviewed at least annually as part of the budget setting process and reviewed during the year, in line with the Councils income policy. This will ensure existing targets are being met and to explore any further income potential to maximise the Councils resources.

Improving income management and service cost recovery has a key role to play in enabling the Council to achieve its financial and wider strategic objectives.

The fees and charges are being reviewed by each Service area, and appropriate uplifts proposed. Some of the fees have been increased in line with Welsh Government guidance, while others have been increased to reflect the increasing cost associated with these fees and linked to inflation, whilst other areas have increased charges below this rate in order to retain their customer base. Further detail of changes is discussed below. Some of the charges are still to be confirmed but will be available for full council next February.

There are several fees and charges which are outside of the council control as these are set by statue or the HSE and these will be updated when we have confirmation of fees for the coming financial year.

## 2. Changes to Note to the Register

**Car Parks** – A new set of charges will be introduced in order to meet the savings target of  $\pounds$ 50k as set out in the Finance RM. The major change is in respect of Long Stay parking where the minimum length of stay is a two hourly charge of  $\pounds$ 2.50 replacing the previous one hourly charge of  $\pounds$ 1.

There will be no increases in respect of parking for longer than four hours nor for car park permits.

**LAPAAN** – The highways technical team have reviewed the charges made for Licences, Authorisations, Permissions, Agreements, Approvals and Notices. Fees have been reviewed, the average increase across these sources of income is 5.6%. Some charges have a greater increase due to increasing costs and future increased cost risks associated with these sources of income.

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		2023/24	2024/25	2025/26	2026/27	2027/28
		2023/24 £	2024/25 £	2025/26 £	2026/27 f	2027/28
Service		L	-	L	-	-
	Corporate Pressures					
corp	Council Tax Reduction Scheme (5%CT increase)	470,000	493,500	518,175	544,084	571,288
corp	BBNP (62k) and Fire (£21k) gap in base budgets	83,000	0	0	0	0
corp	Transfer of Fire Firelink Grant as part of stopped by WG	85,831	0	0	0	0
corp	Transfer of Fire Pension Grant as part of final settlement RSG transfer	267,208	0	0	0	0
corp	RSG Transfer Fire Pension Grant as part of final settlement RSG transfer	(267,208)	0	0	0	0
corp	Fire Levy (13% then 5%)	1,002,297	385,499	385,499	385,499	385,499
corp	BBNP 5%	30,776	18,466	18,466	18,466	18,466
corp	Apprenticeship levy increase linked to pay award - around 0.8% of pay	48,000	0	0	0	0
		1,719,904	897,464	922,139	948,048	975,252
	Growth Demography (+)					
Schools	Schools Delegated - Pupil number - change in formula	(184,997)	0	0	0	0
	ASC Learning Disabilities Transitions - based on a known list of service users attaining age of 18, current costs v adult	490,910	721,830	734,270	734,270	734,270
ASC	possible placement i.e., right sized					
		305,913	721,830	734,270	734,270	734,270
	Covid Pressures					
ASC	a. 'AMHP - x2 SW's due to increased referrals following pandemic - Grade 11	112,152	(28,038)	(28,038)	(28,038)	(28,038)
	b. 'Older Social Worker Team - x3 SW's increased throughput at the Front door, due to frailty following lack of Health					
ASC	provision during the pandemic - Grade 11	159,228	(39,807)	(39,807)	(39,807)	(39,807)
ASC	c. 'Hospital Team x 3 SW's Grade 11	159,228	(39,807)	(39,807)	(39,807)	(39,807)
	d. 'Loss of income - due to pandemic, O of C LD, 'Fairer charging' drop in disposable income to meet £100 max cap,			_		_
ASC	ODC Meals	220,000		0	0	0
ASCAD	e.' External providers increase in Travel from 35p per mile to 50p per mile - per cabinet report	220,000	(110,000)	(110,000)	0	0
ASICO O	f. 'Contract recommissioned	109,456	0	0	0	0
<u>ح</u>	=	980,064	(217,652)	(217,652)	(107,652)	(107,652)
ယ်						
	Service Specific Pressures (+)	0	200 220	210 726	220 672	241 156
Schools	Utility Pressures above 2%	0	208,320	218,736	229,673	241,156
Schools	Utility Pressures for 22-23	443,522	0	0	0	0
Schools Schools	Utility pressures - continued impact of energy costs on schools from 2023-24 onwards	0	2,000,000	260.000	· ·	0
Schools	Formula Change - Secondary Formula ( see below for transformation savings offset) ICT - Schools Sustainability Programme	134,133	146,647	360,000 350,000	240,000 0	0
Schools	1 x cover supervisor per school to reduce high costing agency and supply cover	250,000	0	330,000	0	0
Schools	Reduce contact ration to 0.815 which will benefit all secondaries	390,000				
Schools	Nurture Access	36,000	0	0	0	0
Schools	TYFU System	28,000	0	0	0	0
Schools	Catering Management & School Cashless System - ring fenced pool	75,000	0	0	0	0
Schools	Smoothwall	20,000	0	0	0	0
Schools	Compliance monitoring officer proposed/to be confirmed by Property Services	46,710	0	0	0	0
	Fire risk assessment (possible £250 per Primary/£450 per Secondary & Special) proposed/to be confirmed by	27,200	0	0	0	0
Schools	Property Services	,				
Schools	Post-16 transitional costs - committed year 13 courses	200,000	0	0	0	0
Schools	, School rationalisation - implementation completed - Schools Funding Formula costs / savings (-)	(62,797)	0	0	0	0
Schools	School rationalisation - implementation completed - potential Schools Transport costs / savings (-)	13,458	0	0	0	0
	School rationalisation - proposals agreed & partially implemented - Schools Funding Formula costs / savings (-)	11,441	(29,294)	(26,762)	0	0
Schools						
	School rationalisation - proposals agreed & implementation delayed - Schools Funding Formula costs / savings (-)	(108,636)	(59,263)	(63,697)	(45,498)	0
Schools			- · · · ·	•		
	School rationalisation - proposals agreed & implementation delayed - Schools Transport costs / savings (-)	25,492	18,208	0	0	0
Schoole		,	10,200	Ũ	0	0
Schools Schools	School rationalisation - proposals agreed & implementation delayed - Schools Catering costs / savings (-)	(9,139)	(6,528)	(20,860)	(14,900)	0

		2023/24	2024/25	2025/26	2026/27	2027/28
Schools	School replacement - proposals agreed by Cabinet - Schools Funding Formula costs / savings (-)	0	0	34,852	24,894	0
	Increasing / Improving Welsh medium provision - pilot stage - needs consultation & Cabinet approval - Schools	52,514	39,613	0	0	0
Schools	Funding Formula costs / savings (-)					
Education	Freedom Leisure Contract inflation CPI %	306,006	100,642	47,825	48,782	49,757
Education	Out of County CLA pupils and Inter Authority additional placements	411,804	0	0	0	0
Education	Additional Income Inter Authority Recoupment	(114,807)	0	0	0	0
Education	ALN Strategy funded from reserves previously	182,000	0	0	0	0
Education	ALN Strategy - Savings not achieved	348,880	0	0	0	0
Education	Welshpool Football Club	5,500	0	0	0	0
Education	Tyfu Inclusion Platform - Statutory (new undertaking)	0	0	46,710	0	0
	Sustainable Communities for Learning Programme funding ceasing March 2025 - permanent posts / Schools	0	0	649,622	0	0
Education	Transformation team/ ALN Transformation Teams/Corporate services					
		1 100 000	0	0	0	0
HCD	a. Freedom leisure utilities impact - still to be considered (see how much contract uplift is est at £300k)	1,100,000	0	0	0	0
HCD	g - Catering - overall loss on catering (cause being investigated - FSM/paid meals)	170,000	0	0	0	0
HCD	Replace reserve with FL funding provided in 2022-23	287,000	(287,000)	0	0	0
	j - Business Case for 'Compliant Homeless Services for Powys' Part One: Instant Access 24-7 Triage Service – Clients	0	38,688	38,688	(59,920)	0
	aged 16 to 25 years old; Instant Access 24-7 Triage Service – Clients aged 25+ (Please refer to Business Case for					
HCD	details of potential savings in bed-and-breakfast costs).					
	k - Business Case for 'Compliant Homeless Services for Powys' Part Two: 24/7 Supported Accommodation for	0	244,204	0	0	0
HCD	Households with Higher Support Needs. (Please refer to Business Case for details).		·			
	a. ' Demography 2022/23 held at risk in FRM and managed via risk reserve - too soon to gauge, so risk at present as	500,000	500,000	500,000	500,000	500,000
ASC	winter pressures approaching	,	,	,	,	,
	Not in forecast outturn - Actual service pressures in 2022/23, Impacting on 2023/24 (Full Year effect of previous part	500,000	500,000	500,000	500,000	500,000
ASCU	year clients	500,000	500,000	500,000	500,000	300,000
a a	inflation uplifts that include RLW reduced for budget held over from 22-23	(283,760)	0	0	0	0
ASC <b>D</b> ASC ASC ASC ASC	initiation upints that include NEW reduced for budget field over from 22 25	(203,700)	0	0	Ū	0
<u>ح</u>	1. Older, PD, LD & MH Nursing & Residential in Powys and O of C - Fair cost of care - estimate only as contract	3,889,501	4,336,793	2,102,402	2,207,522	2,317,898
34	formula based on November indices - estimated 11.5% excluding H & L (includes CPI est, RLW est £1 & increase and					
ASC	Food)					
	2. 'Powys Leased Care Homes - estimate 11.5% only as contract formula based on December indices, excluding H & L	789,678	880,492	426,847	448,189	470,599
ASC	(includes RPI est, RLW estimated £1 increase)					
	4. 'Valuing Domiciliary Care' - from 2020/21 onwards to increase the rates of existing packages of care annually at	881,624	925,705	971,990	1,020,590	1,071,619
	least by £1.50 per hour, up to and not exceeding the UKHCA rate. Domiciliary Care - introduce a ceiling price of the					
	UKHCA rate and a floor price for any new packages commissioned through the DPS. Increase floor and ceiling prices					
ASC	annually estimated £1.00 RLW increase and travel					
	5. 'Supported Living in Powys - estimated 10% - RLW £1 increase and RPI, Head Office H & L ?	1,319,550	1,444,907	666,178	692,826	720,539
ASC		_,=_;==;===	_, ,	,		0,000
	6. 'All other contracts uplift in respect of RLW estimated at £1 - 5% - Direct payment packages, External ODC,	584,054	778,031	663,723	510,071	525,373
ASC	External Day & Employment (LD Based Services), CES, Extra Care, Respite, Shared Lives,	501,051	,,0,001	000,720	510,071	323,373
ASC	Statutory requirement - 'Backfill re AMHP training to increase sustainability, as legal requirement	79,500	0	0	0	0
AJC	New Responsibility	, 5,500	0	0	0	0
Childrens	d - UASC Placements - 7 current Placements - net of income age known	347,000	0	0	0	0
Childrens	-		0	0	0	0
Childrens	e - UASC Placements - 13 Pending Placements (then overall total of 20) - net of income - age unknown, so estimated	121,660	0	0	0	0
Childrens	at under 18	(50.000)	0	0	0	0
Childrens	f - Reduction of support to UASC placements post 18 years	(50,000)	0	0	0	0
	Placements	0	0	0	0	0
	a - Full Year effect of previous part year (2022/23) Placements in 2023/24 - based on Pd 6/Qtr. 2 current costs	1,211,951	0	0	0	0
Childrens						
Childrens	Savings from Placements turning 18 in 2022/23 and 2023/24 (part year)	(2,483,122)	0	0	0	0
	b - Full Year effect on leaving care from children (prior CLA, not all placements) turning 18 in 2022/23 and 2023/24	2,221,384	0	0	0	0
Childrens	(Part Year)					
Childrens	Saving from stepping down/leaving the care system - young adults no longer having financial support	(120,676)	0	0	0	0

		2023/24	2024/25	2025/26	2026/27	2027/28
Childrens	c -Assured balance of Savings in 22/23 in regards to Placements, yet to deliver (included in pressure above).	(717,540)	0	0	0	0
erniarens	d - Demography (children coming into care or placement costs increasing) from period 6-12, 22/23. When	697,567	0	0	0	0
Childrone	placements breakdown for a numerous of reasons, Pd 1 -5 table in Notes.	007,007	C C	0	Ũ	0
Childrens			0	0	0	0
	e - Full Year effect of previous part year Direct Payments in 2022/23 (calculation as at payments being made) -	55,500	U	U	0	U
Childrens	current cohort of children having same level of care in 2023/24					
Childrens	f - Direct Payments - Uplift to RLW-10%	46,860	0	0	0	0
	g - Placements Contract Inflation - Residential, Semi Independent, & Independent Fostering (IFA) - 7%. Risk is they	568,430	0	0	0	0
Childrens	serve notice, and new placement procured is higher rate and disruptive for the children.					
	h - Placements Contract Inflation - Foster Carers, SGO - 5%. Risk is they serve notice, and new placement procured is	123,527	0	0	0	0
Childrens	higher rate and disruptive for the children.					
	I - Placements Contract Inflation- Short Breaks - 5%. Risk would need to reduce number of nights or children	21,350	0	0	0	0
Childrens	receiving.					
Childrens	j - Placements Contract Inflation - Foster Carers Respite - 5%. Linked to Foster Carer inflation uplift above.	3,480	0	0	0	0
Childrens	I - Residential Welshpool. Developed instead of unregulated bespoke placement	137,190	0	0	0	0
Childrens	m - Residential - Safer Accommodation - Predicted Revenue shortfall	0	140,000	0	0	0
	p - Emergency Accommodation Newtown - Rent/utilities. Instead of using holiday accommodation in emergency and	12,000	0	0	0	0
Childrens	numerous moves.					
Childrens	s - Supported Lodgings Coordinator Regrade (Increase grade 6 to 7) 1 FTE	3,940	0	0	0	0
PPPP	b - Local Development Plan 2	(137,380)	70,670	1,720	(295,040)	0
PPPP	d - Planning income deficit	425,000	0	0	0	0
PPPP	Revised planning income deficit - improved income trend	(80,000)	0	0	0	0
PPPP	e - Environmental Health pay review	69,000	0	0	0	0
PPPP	G - Proceeds of crime act income deficit	44,000	0	0	0	0
PPP	I - Memorial safety works	0	40,000	0	(40,000)	0
Firte	a. Contract inflation on Advanced / Northgate systems	25,000	0	0	0	0
Finance	b. Contract inflation on Swap and AW fees	25,000	0	0	0	0
Finance	c. Cessation of transformation funding for scale 9 post	39,000	0	0	0	0
HTŔ	Newtown De-trunked streetlights - adoption of former Trunk lights and signs in Newtown	46,200	0	0	0	0
HTR	Home to School Transport historic budget deficit (excluding impact of inflation)	517,500	0	0	0	0
HTR	ALN retender 2022 pressures	86,000	0	0	0	0
HTR	ALN additional route additional route from Knighton to Newtown	17,050	0	0	0	0
HTR	ALN transport - additional learner to Hereford Bluecoat School	72,010	0	0	0	0
	Inflation on materials used in Highways Operations & Fleet workshps expected at 9%, no award included in non pay	342,430	373,000	135,340	139,350	143,480
HTR	inflation row 12 above					
	Inflation on contractors used in Highways Operations, Waste Collection, fleet workshops, Design Consultancy	766,570	835,510	303,300	312,320	321,610
HTR	Services and HWRCs expected at 9%, no award in non pay inflation row 12 above					
	Inflation on payments to bus operators for public transport routes expected at 9%, no award included in the non pay	540,420	589,040	214,060	220,430	226,990
HTR	inflation row 12 above					
HTR	Mitigation of of public transport using BES funding for 23/24?	(540,420)	540,420	0	0	0
HTR	Other inflation (stores materials, dipsosal of materials and other third party payments (waste bins))	12,150	13,280	4,800	4,960	5,130
	Inflation on payments to bus operators for the reimbursement of concessionary fares on public bus contracts	88,270	96,220	34,960	36,010	37,090
HTR	expected at 9%, no award in non pay inflation row 12 above					
	Inflation on payments to agency staff within Waste Collection & Highways Design Consultancy service assumed at	14,550	14,990	15,440	15,900	16,370
HTR	3%, no award in non pay inflation row 12 above					
HTR	Impact of fossil fuel vehicle purchase inflation on revenue depreciation	0	0	173,850	254,320	254,320
HTR	20mph speed limits introduction - staff resource requirement.	(60,000)	0	0	0	0
HTR	Extension of 20mph speed limits introduction - staff resource requirement	60,000	(60,000)	0	0	0
HTR	Winter Maintenance standby allowance review - changes to HGV driver rates	18,560	0	0	0	0
	Mitigation to Winter Maintenance standby allowance review - changes to driver rates - contribution from NMWTRA	(6,700)	0	0	0	0
HTR						
HTR	HWRC retender impact	363,199	0	0	0	0

		2023/24	2024/25	2025/26	2026/27	2027/28
	Additional Grade 10 post for Network Management in response to SWAP audit plan to support the AMX system and	65,000	0	0	0	0
HTR	system development costs					
wod	To achieve Objective 2 - Additional HR / Organisational Development resource costs (2 FTES)	102,873	0	0	0	0
digital	c - Cyber Security Contracts inflation	31,540	0	100,000	0	0
digital	d - ICT contract inflation (over 2%) - Based on RPI of 12.3% (For contracts affected by Inflation)	87,000	0	0	0	0
digital	e - Careline contract inflation based on RPI of 12.3%	78,000	0	0	0	0
digital	f - Cyber Security tooling	28,080	0	0	0	0
digital	g - Cyber Security (Post)	51,700	0	0	0	0
digital	h - Management of electronic information (Post)	51,700	0	0	0	0
digital	i - Information Compliance Officer (Post to deal with growth in SAR's)	39,740	0	0	0	0
digital	j - Automation applications specialist	0	42,240	0	42,240	42,240
legal	Inflation on locum ASC Lawyer fees ( estimated at 9.5%)	5,760	2,500	2,500	2,500	2,500
legal	Third Property Lawyer ( £43,780 less identified saving of £19,510)	24,270	0	0	0	0
legal	Reduction in Land Charges income due to LLC1 migration to HMLR (estimated loss)	14,500	0	0	0	0
corp	2% pay award held centrally	2,927,740	0	0	0	0
corp	Other pressures in future years not identified	0	1,000,000	1,000,000	1,000,000	1,000,000
corp	Increase Risk budget to cover pressures held at risk	1,000,000	0	0	0	0
		21,985,241	15,478,036	9,452,225	8,295,219	8,946,671
	Total	24,991,122	16,879,678	10,890,983	9,869,885	10,548,542

## **Powys County Council Reserves Policy**

## Introduction

This policy establishes a framework within which decisions will be made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used.

The requirement for Financial Reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 requires authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

There are also a range of safeguards in place that help prevent local authorities over committing themselves financially. These include:

- The balanced budget requirement
- Chief finance officers' duty to report on the robustness of estimates and adequacy of reserves when the authority is considering its budget requirement (Section 25 of the Local Government Act 2003)
- The legislative requirement for each local authority to make arrangements for the proper administration of their if their financial affairs and that the chief finance officer has responsibility for the administration of those affairs as set out in Section 151 of the Local Government Act 1972.
- The requirements of the Prudential Code.

These requirements are reinforced by section 114 of the Local Government Finance Act 1988 which requires the chief financial officer to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the Authority will not have resources to meet its expenditure in a particular financial year.

## **Definitions**

Reserves are sums of money held by the Council to meet future expenditure.

## Types of Reserve

**General Fund Reserves** – to meet short term, unforeseeable expenditure arising from unexpected events or emergencies. To enable significant changes in resources or expenditure to be properly managed over the period of the Medium Term Financial Strategy.

**Earmarked and Specific Reserves** – to meet known or predicted requirements, or established by statute.

**Unusable reserves** – these arise out of the interaction of legislation and proper accounting practice either to store revaluation gains or as adjustment accounts to reconcile requirements driven by reporting standards to statutory requirements. These reserves are not backed by resources and cannot be used for any other purpose.

Reserves should not be held without a clear purpose.

## **General Fund Reserves**

In assessing the appropriate level of reserves the Authority will ensure that the reserves are not only adequate but also necessary and will be appropriate for the risk (both internal and externa) to which it is exposed.

In assessing its financial risk the Chartered Institute of Public Finance and Accountancy (CIPFA) has issued guidance on the factors that should be considered:

- Budget Assumption for inflation and interest rates
- Estimates of the level and timing of capital receipts
- The treatment of demand led pressures
- The Authorities track record in budget and financial management
- Treatment of planned efficiencies/savings
- The financial risk inherent in any significant new funding partnerships, major outsourcing and capital developments
- The likely level of Government support to deal with major unforeseen events
- The adequacy of the authority's Insurance arrangements
- The Authority's virement and end of year procedures in relation to budget under and over spends
- The general financial climate and future funding assumptions

The risk assessment will be reviewed annually.

The appropriate level of General Fund Reserves will be determined annually as part of the Budget Setting process and Medium Term Financial Strategy and will be subject to approval by the Cabinet and Full Council.

The Financial Strategy will set out the level of planned reserve balances including financial arrangements for any replenishing of reserves, it will also confirm acceptable thresholds above and below the balance. If the balance falls outside of these thresholds a plan will be agreed by Cabinet to restore balances to the appropriate level.

## Earmarked and Specific Reserves

These are required for specific purposes and are a means of building up funds to meet known or predicted liabilities. By nature these reserves balances do not have minimum and maximum thresholds. Creation of such reserves must be approved by the Strategic Director of Resources.

Balances should be reasonable for the purpose held and must be used for the item for which they have been set aside, if circumstances arise to which the reserve is no longer required for its original purpose they will transfer to the General Fund Reserve.

## **Ringfenced Reserves**

## Housing Revenue Account

The Housing Revenue Account is ringfenced this means that HRA resources may only be expended with the HRA. Councils are not allowed to transfer resources between the HRA and their general funds. The Balance on the HRA is held in a ringfenced reserve.

## Schools Reserves

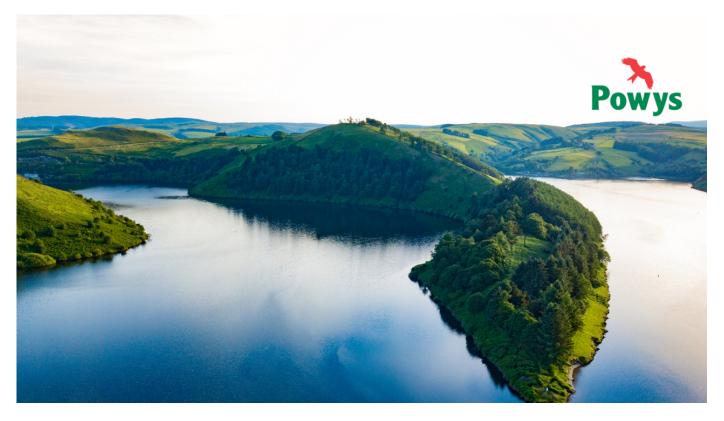
Schools are able to carry forward surplus and deficit balances from one year to the next and utilise these balances for managing changes in pupil numbers and funding, or the funding of projects and future liabilities. The balances are held by individual schools, they are not for general Council use. Guidance on the level of balances held, and possible clawback of funds by the Authority is documented within section 4 of Powys' Scheme for the Financing of Schools.

## **Reporting of Reserves**

The balances and movement of all reserves is required to be reported within the Authorities Annual Statement of Accounts.

The balance held and projected movement of useable reserves is reported monthly as part of the Budget Monitoring Report to Cabinet, this includes the level of reserves held against the threshold set for the year. This page is intentionally left blank

# Capital Strategy and Treasury Management Strategy 2023-28



Including Minimum Revenue Provision Policy Statement and Annual Investment Strategy

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# Introduction

- 1.1 The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council's priorities and Corporate Plan. The provision of the right asset in the right place at the right time will ensure the effective and efficient delivery of a comprehensive range of quality services.
- 1.2 This strategy document provides a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, an overview of how the associated risk is managed and the implications for future financial sustainability.
- 1.3 It sets out an integrated plan for the future management of the Council's assets and its capital programme. It is a key document running alongside the Corporate Plan and the Medium-Term Financial Strategy (MTFS) and will provide the framework to facilitate a seamless interface between business planning and the management of assets and capital resources. This will ensure that the provision of resources and future investment are prioritised and ensures the effective and affordable management of the Council's assets.
- 1.4 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a **Capital Strategy** report which will provide the following: -
  - a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
  - an overview of how the associated risk is managed
  - the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

- 1.5 This Strategy document provides both the **Capital Strategy** and the **Treasury Management Strategy** as they are inherently linked through the activities they undertake. The document sets out the Capital Programme over a five year period from 2023/24 to 2027/28 and the funding approach through treasury management activities.
- 1.6 The Authority is currently required to receive and approve, as a minimum, three main **Treasury Management** reports each year, which incorporate a variety of policies, estimates and actuals.
  - a. **Prudential and treasury indicators and treasury strategy** (this report) The first, and most important report is forward looking and covers: -
    - the capital plans, (including prudential indicators)
    - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
    - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
    - an Annual Investment Strategy, (the parameters on how investments are to be managed)
  - b. A mid-year treasury management report This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Authority will receive quarterly update reports.
  - c. **An annual treasury report** This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

- 1.7 **Scrutiny** The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the **Governance and Audit Committee**.
- 1.8 **Quarterly reports** In addition to the three major reports detailed above, from 2023/24 quarterly reporting is also required. These reports are prepared for the **Governance and Audit Committee** and **Cabinet**. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

## **1.9 Treasury Management Strategy for 2023/24**

The strategy for 2023/24 covers two main areas:

## Capital issues

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

## Treasury management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers
- 1.10 These elements cover the requirements of the Local Government Act 2003, Welsh Government Investment Guidance and MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

## 1.11 Training

- 1.12 The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.
- 1.13 Furthermore, pages 47 and 48 of the Code state that they expect "all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.
- 1.14 The scale and nature of this will depend on the size and complexity of the organisation's treasury management needs. Organisations should consider how to assess whether treasury management staff and board/council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.
- 1.15 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:
  - Record attendance at training and ensure action is taken where poor attendance is identified.
    - Prepare tailored learning plans for treasury management officers and board/council members.
    - Require treasury management officers and board/council members to undertake selfassessment against the required competencies (as set out in the schedule that may be adopted by the organisation).

- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis."
- 1.16 In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.
- 1.17 Members are required to attend two sessions each year provided by the Council's Treasury Advisors Link Group, Link Treasury Services Limited, the sessions for 2022/23 were held in October 2022 and January 2023. A further two sessions will be arranged for 2023/24 and further training will be arranged as required.
- 1.18 The training needs of treasury management officers are periodically reviewed.
- 1.19 A formal record of the training received by officers central to the Treasury function will be maintained by the Capital & Financial Planning Accountant. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by Democratic Services.

#### 1.20 Treasury Management Consultants

- 1.21 The Authority uses Link Group, Link Treasury Services Limited as its external treasury management advisors.
- 1.22 The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.
- 1.23 It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

#### 1.24 Capital Strategy

- 1.25 The key aims of the Capital Strategy are to:
  - Provide a clear context within which proposals for capital expenditure are evaluated to ensure all capital investment is targeted to deliver the Council's priorities.
  - Clarity about how the Council identifies and prioritises capital requirements and proposals arising from various strategies including the Corporate Plan, Service Improvement Plans, and other corporate strategies, and how they will be managed within the limited capital resources available.
  - Challenge our current estate, continue with the programme of asset rationalisation, ensuring that assets retained are effective, efficient and economically sustainable to deliver services.
  - Identify and consider options available to fund capital expenditure that minimises the ongoing revenue implications of historic capital expenditure and of any new investments.
  - Use partnerships, both public and private, more effectively to support our overall strategy.
  - Establish effective arrangements for managing capital schemes including assessment of outcomes and achievement of value for money.

- Ensure there is a full understanding of the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
- 1.26 It is a requirement that the capital strategy demonstrates that the Local Authority takes both capital and investments decisions in line with service objectives. The capital strategy shows that the key drivers of the Council's Capital plans are captured through various plans across the authority. These include
  - Highways Asset Management Plan (HAMP)
  - Welsh Housing Quality Standard Plan (WHQS)
  - Strategic Asset Management Plan (including Asset Review, paragraph 2.18)
  - Schools Transformation Plan
  - Health and Care Strategy
  - Service Integrated Business Plans
  - Digital Powys

#### 1.27 Treasury Management

1.28 The Treasury Management Strategy and Annual Investment Strategy report is a requirement of the CIPFA Code of Practice on Treasury Management and a requirement under the Local Government Act 2003. It has regard to the Guidance on Local Government Investments issued by the Welsh Government which requires the Treasury Management Strategy and Annual Investment Strategy to be approved by Full Council.

CIPFA defines treasury management as:

'The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'

- 1.29 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.30 A key function of the treasury management service is arranging the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.31 The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

1.32 This authority has engaged in only minimal commercial investments and has no (or immaterial) nontreasury investments.

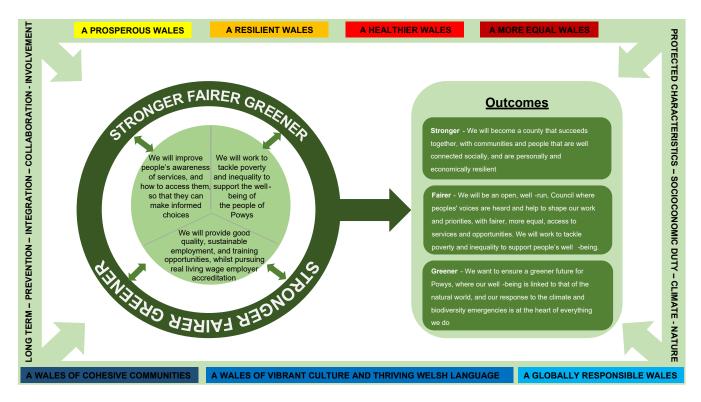
### **Capital Strategy**

#### 1.33 Background

- 1.34 Part 1, Section 3 of the Local Government Finance Act 2003 requires that the Authority shall determine and keep under review how much it can afford to borrow. The Act is supported by the Prudential Framework for local authority capital investment and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Code). The CIPFA Prudential Code was revised in December 2017. The revised Code introduced a new requirement that all authorities produce a capital strategy, which sets out the long-term context in which capital expenditure and investment decisions are made.
- 1.35 The Capital Strategy and Treasury Management Strategy (TMS) are closely linked, and both are revised annually. The Capital Strategy defines the Council's spending and the TMS sets out how it will be funded and its impact on the overall financial standing of the Council.

#### 1.36 Aims, Priorities and Principles

- 1.37 The purpose of this strategy is to set out the objectives, principles and governance framework to ensure that the Authority takes capital expenditure and investment decisions in line with service objectives that underpin the delivery of the Corporate Improvement Plan. The Council's Vision sets out the key priorities and objectives of the Council.
- 1.38 The Councils' new administration is in the process of finalising its ambitious five-year plan and their priorities are set out below.



- 1.39 The priorities align to the 5 ways of working and the 7 Well-being goals of The Well-being of Future Generations (Wales) Act (2015) and meet statutory requirements and legislative changes are defined. In finding sustainable solutions for service delivery objectives broadly align to any 1 of the following requirements:
  - Objectives to redesign services to deliver them more efficiently, effectively or in an alternative manner.
  - Objectives that identify key delivery partnerships or outsourcing opportunities

- Objectives that contribute positively to support Climate Change
- Objectives that realise opportunities to stop delivering services because requirements or priorities have changed, allowing the planned release of resources.
- Objectives that realise opportunities to generate additional income.

It is essential that the Council priorities are funded through either revenue or capital to ensure that they can be delivered over the short to medium term.

#### 1.40 **Programme Overview**

- 1.41 The Capital Programme is a key enabler to deliver the Council's ambition. Broadly the programme covers three areas of expenditure:
  - a core programme of schemes that are regulatory / statutory in nature, and minimise legal challenge or revenue risk, these schemes are related to day-to-day activities that will ensure the Council meets its statutory requirements
  - a retained asset programme to improve or enhance the life of existing assets, and
  - an investment programme in schemes linked to the Council's strategic priorities, such as schemes to increase the diversification of the Council's property portfolio or reduce the revenue costs of running and maintaining the assets.

#### **Capital Investment across Services**

- 1.42 The Council has developed its capital strategy which sets out a five year long-term plan and demonstrates that the capital / investment decisions are taken in line with priorities and considers both risk/reward and impact; as well as properly taking account of stewardship, value for money, prudence, sustainability and affordability.
- 1.43 The Council will continue to invest in services that underpin the priorities set out above, the key themes have clear service projects:

Residents and the Community - We will support our Residents and Communities.

 $\triangleright$ Housing -The Council will continue to maintain, for all the homes it owns, the Welsh Housing Quality Standard (WHQS) with an ongoing capital programme in part funded through Welsh Government Funding and Borrowing. The Housing Revenue Account Thirty Year Business Plan demonstrates an affordable capital strategy alongside delivering the day-to-day landlord service and has key objectives linked to the Council's Corporate Plan. The Council has completed the construction and letting of 61 new homes in 2022-2023 with a further 56 under construction and 142 additional homes under active consideration for future development (dependent upon site acquisitions, viability assessments and resolution of the phosphates issues affecting development of all types). The Council will continue to fund a major programme of Disabled Facilities Grants enabled works and improvements to homes to improve the quality of life for people who need help to live as independently as possible. In addition, Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm & Secure). Landlord Loans and the ZILF Co2i loan schemes. The Council will, using ECO4 and ORP3 funding, improve the energy efficiency of at least 74 Council owned homes that currently have EPC ratings of E, F or G. An application has been submitted to the Welsh Government as part of the Empty Homes Grant scheme, which will be in addition to the Council's interest free loans programme for owners of privately owned properties that need woks to make suitable for use as homes. Work on bringing into use empty properties as homes will be supported by an Empty Property Officer funded by the Council Tax Premium.

- Leisure Centres The Leisure portfolio contributes to the preventative agenda, supporting the  $\triangleright$ Public Health Wales Long Term Strategy (2018-30) as well as, health interventions such as the NERS program (National Exercise Referral Scheme), in collaboration with Powys Teaching Health Boards and General Practices, within Powys. Since 2019 the Council has approved a five-year programme which has already enabled significant, essential replacement of plant, fixtures, end-oflife equipment, structural materials, playing surfaces and decoration. The Capital commitment supports the Council's 'landlord' responsibilities as part of the leisure contract but also ensures that the buildings are fit for purpose, compliant, attractive and provide a positive customer experience. Leisure Services in Powys not only support the overall well-being of our 'residents and communities' and now more than ever, contribute to the 'health & care' agendas, providing early intervention and prevention programmes to help reduce the burden on health services. Also, as a collaborative partner to the School's Transformation Programme, enabling learning and development though specific opportunities that the service provides or facilitates. Leisure Services support and contribute to the 'economy' by hosting and delivering local, regional and national events and competitions which draws significant numbers of visitors from across the UK to utilise the facilities we have in Powys and demonstrates the need for the facilities to be maintained and improved to an appropriate standard. The requirement for a sustainable long term capital investment strategy will be a key component of the forthcoming Leisure Services Review.
- Waste Strategy Powys County Council faces a stringent Welsh Government (WG) statutory recycling target of 64% for 2019/20 through to 70% for 2024/25. There is also a non-statutory WG target to reduce landfill to 10% by 2019/20 reducing to 5% by 2024/25. This has required a step change in the way all local authorities approach waste and recycling. The continued capital investment in the Waste and Recycling service will ensure that the Council is able to meet the targets whilst obtaining maximum value from the service. A network of assets under the Council's control allows flexibility to adapt to any changing requirements within the industry and Government policy and legislation. Some of these schemes are linked to efficiency savings and service improvements in future years.
- Health and Care We will lead the way in providing effective, integrated Health and Care in a rural environment
- Social Care The capital programme focuses on supporting those who wish to remain in their own home rather than residential care and supports the integrated Health and Care Strategy for Powys. This strategy acknowledges that people in Powys live longer and healthier lives than elsewhere in Wales and that Powys is a place aspiring to help improve the wellbeing of all people. Capital funding mainly focus on accommodation options, including supporting the building and redevelopment of facilities to increase the stock of supported living and extra care housing in collaboration with Powys Teaching Health Board and local Registered Social Landlords. There are also capital funding requirements for the 13 Powys owned care homes.

#### Children's Services

In order to ensure a sufficient supply of appropriate, safe placements for children in care, as close to home as possible, investment is mostly focused upon small residential homes for children, with accommodation development of a range of placements in County to support the complex needs of young people who remain under the local authority's care. Funding is being utilised to ensure property refurbishment to meet Care Inspectorate Wales registration requirements. Welsh Government have been particularly supportive in offering investment to progress such developments, as mirrored in current Ministerial direction in line with the not for profit care agenda for children in care.

The development of Oldford Family Centre in Welshpool and additional Flying Start childcare provision in Brecon will support the work to expand flying start provision across the County. Phase 1 is complete and Phase 2 of the expansion will continue 23/24 and 24/25.

Assistive Technology - has a key role to play in the modernisation of health and social care. With ever increasing technological advances, it offers a range of possibilities for greater choice, not only of how people can access the support they need, but also where and when they access support. In doing so, assistive technology enables people to take greater control, and to live independently for longer by preventing hospital admissions and premature moves to residential care. Enabling access to better accommodation options is essential in order to support independent living and reduce demand for other types of care.

#### Learning and Skills – We will strengthen learning and skills.

 $\triangleright$ Transforming Education Programme - The Council has developed a ten-year Strategy to Transform Education in Powys 2020-30 with the implementation of a major capital investment programme that will ensure that schools in Powys have inspiring, environmentally sustainable buildings that can provide opportunities for wider community activity, including where possible childcare services, early years, Additional Learning Needs (ALN), multi-agency support and community and leisure facilities. This will also include developing a reliable, high quality digital infrastructure. The Council is investing £123m over the next five years in its schools through the Welsh Government's Sustainable Communities For Learning Programme (SCLP). The SCLP has a 65% capital intervention rate for mainstream schools, 75% for special schools and it also offers a new and innovative funding route where the intervention rate is 85% for the Mutual Investment Model. Welsh Government has recently confirmed that the SCLP is now a rolling programme, rather than being time-bound, and is expecting local authorities to submit new Strategic Outline Programmes to support new school projects once they are ready to do so. Welsh Government has also issued a directive that all projects need to achieve Carbon Zero in Operation, with additional funding available to support this until 2026. The Council will develop its strategies to ensure maximisation of the potential investment opportunities that may be available via WG funding.

However, to deliver the full Transforming Education Programme in Powys, significant funding sources above what is currently included in the current Capital Programme will be required. That said, the cost of transformation over the lifetime of the schools' assets is cheaper than the status quo in the majority of localities.

Alongside this, capital funding through our major repairs programme will be focussed on where the need is greatest, as identified through the Schools Service's Asset Management Plan.

#### The Economy – We will develop a vibrant economy.

Highways and Environment - The Council has a statutory duty to maintain the adopted highway, maintained at public expense in a safe condition for the passage of the user. A strategic approach has been used to develop the Highways Asset Management Plan (HAMP) in identifying and allocating resources for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers. Current gross replacement cost of these assets is estimated at £4.4bn.

The highway network includes public rights of way, which are a major attraction to the county for visitors. There are 1,700 recorded bridge structures on the public rights of way network; most are Council assets. Several major bridges (over £100,000 each) need to be replaced within the next 5 years due to age. Additional grant funding is being sought to replace five of these major bridges.

In addition, storm damage with increased rates of riverside erosion and rotting of timber is affecting many small to medium bridges (up to £50,000 each). Over the 2020-21 and 2021-22 financial years, eight of these medium bridges have been replaced using Access Improvement Grant capital funding. A further four are programmed for replacement in 2022-25 under the same grant. Where the locations are logistically challenging to reach or particularly wet with an increased risk of rot, recycled glass reinforced plastic bridges have been installed with a design life of over 30 years and reduced maintenance requirements. Ongoing inspection is required to monitor rates of deterioration in timber bridges and performance of plastic structures.

A county wide inventory of all bridges on the rights of way network is being developed, to record bridge condition and forward plan for their replacement. Proactive inspection of small bridges is under way with proactive cleaning to reduce the rate of rot in timber structures. Previously, this has

been reactive.

Outdoor recreation assets are also a significant tourist attraction and can provide valuable opportunities to maintain and enhance biodiversity. There are two remaining building assets under management by the Service; investment is needed in one of them, to enable ongoing lease arrangements.

Work has been carried out in autumn 2022 to address the designation of Llandrindod Lake as a reservoir; this structure will require ongoing monitoring. The Llandrindod Rock Park woodland has several bridge structures, not on public paths but on publicly accessible land. The largest of these has just been replaced using grant funding, following a period of closure. Again, steel beams have been included in the design to increase longevity, but timber parts will eventually require replacement.

- Property The vision is to ensure that through the Corporate Landlord initiative, the Council's assets are appropriately managed to provide safe, efficient, sustainable properties in the right locations to support the delivery of services and the achievement of key priorities. The Strategic Asset Board and Asset Management Plans are the mechanisms in place to help deliver these priorities, which will ensure close working and collaboration across all service areas and partner organisations such as Neath Port Talbot College / Powys Teaching Health Board (PTHB). The Property team will be supported in this crucial work with investment provided to procure a new Property Management database which will provide a single point of reference for all aspects of the Council's operational and investment estate. A property disposals programme is being developed.
- $\triangleright$ Regeneration, Property and Development - The Council needs to intervene where the private sector is not able (for economic reasons) to create or facilitate investment in business units in order to keep and attract business to the County. Abermule business park is one such scheme that sees the Authority developing a former Welsh Government site which otherwise would not have been developed in the short to medium term. Capital investment will also form an important part of supporting the regeneration and viability of town centres complementing the Welsh Government's Transforming Towns funding programme. An initial annual allocation of £2 million starting in 2024-25 has been included as the Council's contribution towards the Mid Wales Growth Deal. As the investment plans for the deal develop the funding will be released to the relevant projects on completion of the relevant governance and approval processes. Both National and Welsh Government are providing a capital injection in the south of the county for a purpose-built, modern railway infrastructure and rolling stock testing facility. This is expected to form an important addition to the UK rail industry and would be the only test facility in the UK that includes circuits tracks, would offer significantly more efficient testing than shunting facilities, which require trains to change direction of travel at the end of track.
- County Farms It is essential that the Council manages its agricultural estate prudently, efficiently, and professionally. Effective management of County Farms estate will enable the continued opportunities already enjoyed by current tenant farmers and maintain an income stream. The financial demands of the Estate need to be evaluated against the competing demands across the council whilst noting the estate produces an annual surplus in its trading account. The opportunity for capital receipts will continue to arise as reviews are undertaken at each tenant departure from the Estate. An Invest to Save initiative is being developed which will see investments made to the Farm Estate which should create opportunities for capital receipts and reduced revenue expenditure, for example barn conversions and subsequent sales.
- Information Technology (IT) The service engages with change programmes so that investment and resource meets identified Council priorities. In respect of infrastructure, IT will seek to invest in up-to-date cloud-based technologies including 'Azure' cloud technologies, core infrastructure and improved telephony and mobile systems, Web and share-point and improved wireless as well as further enabling our staff to work in an agile manner. Cyber resilience is also a key programme, since 2017 an active Cyber Security improvement plan has been in place which details improvements required to maintain our Cyber Security resilience and to maintain standards and accreditations such as Cyber Essentials Plus and Public Service Network Accreditation. In order to maintain the council's

resilience and standards, this investment and programme of work is key. This includes investment in tools to detect and prevent malicious activity, tools, processes and resources to maintain systems to prevent vulnerabilities from exploitation, systems to enable us to share and collaborate information digitally and securely without risk of unintended exposure and ultimately damage or complete loss of any of the council's data or systems. The funding also ensures that the Council has an effective device refresh programme in place, ensuring that staff have the necessary devices to undertake their work effectively.

#### **Investment in Regenerative Commercial Activity**

- 1.44 The commercial activity undertaken in the Council relates to holding properties that are utilised by tenants, these include livestock markets, caravan park, restaurant and office space. These are held primarily for their regenerative benefits to the local economy.
- 1.45 Around £240,000 in rental income is received each year.
- 1.46 The Council has registered a trading company (currently dormant) that may become the vehicle that supports greater commercial activity, but any investment must evidence the following criteria:
  - Support the strategic community objectives of the council.
  - Have a balanced investment approach.
  - Improve covenant strength.
  - Drive income generation and maintain yield.
- 1.47 To ensure that the council is able to benefit from the lower borrowing rates offered by the Public Works Loans Board (PWLB) the council will currently not consider investing in any commercial property where yield is the primary investment driver.

#### Funding the Capital Strategy

- 1.48 The cost of funding the capital programme is closely monitored due to the impact on the budget and the ongoing funding constraints of the MTFS. The Council aims to minimise the cost of borrowing on the Financial Resource Model (FRM) and other sources need to be maximized such as grant funding. Funding capital from borrowing incurs extra costs from interest on the loan and the minimum revenue provision, repayment of the principal. Capital projects are prioritised where they can evidence a reduction in the cost of revenue, such as digital technologies or generate income such as building council dwellings.
- 1.49 The Housing Revenue Account (HRA) supports its own capital expenditure and provision for this is included in the HRA Business Plan. The surplus on the HRA account (excess of rental income over expenditure) is used to fund capital expenditure. This does not impact on the Council Fund. Although the HRA operates separately from the Council Fund, the Council does not borrow separately for Council Fund and HRA expenditure, all borrowing is combined, and the costs apportioned to the two funds based on the level of expenditure funded from borrowing for the two funds. The apportionment method is kept under review to ensure that it remains the most equitable method.

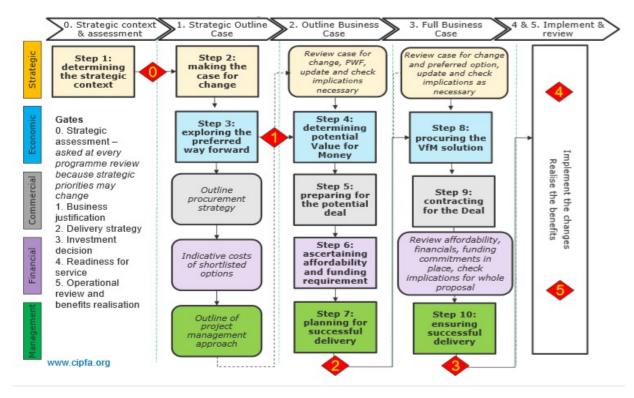
The Capital programme detailed at Appendix A, sets out how the programme is funded, the sources are explained below:

- **General Capital Grant** This is a sum of money which is provided by the Welsh Government as part of the annual settlement. The Council is free to use the capital grant on any capital project it wishes.
- **Supported Borrowing** The Council will borrow from establishments including the Public Works Loans Board (PWLB) to fund the expenditure. The revenue costs arising from the borrowing (Interest Costs and Minimum Revenue Provision) are funded by the Welsh Government through the annual revenue settlement, hence the term "Supported Borrowing".

- **Unsupported Borrowing** Again, the Council borrows the funding but is required to finance the revenue costs from its own resources. Projects funded by means of unsupported borrowing tend to be projects which deliver revenue savings, and these savings contribute to meet the additional revenue costs arising from the borrowing.
- **Specific Capital Grants** The Council will be awarded capital grants which partly or fully fund the cost of a project. Capital grants usually come with restrictions surrounding the expenditure which can be funded and by when the expenditure must be incurred.
- Revenue Contribution Services can contribute from their revenue budgets to fund projects. These contributions tend to be as a match funding to a project which is mainly funded from a specific capital grant.
- Capital Receipts The funds generated from the sale of assets can be used to contribute to the funding of the capital programme. These are usually generated from the sale of surplus assets (normally land or buildings). The Councils' Capital Receipts Policy is set out in Appendix B.
- **Reserves** Funding held in reserve, e.g., unapplied capital receipts, can be used to support the capital programme. Specific reserves can also be built up and set aside for this purpose.
- 1.50 An asset review is underway to review each property to understand the benefit each asset is providing for service delivery and quantify any future capital and maintenance liabilities. This will ensure that the Council has the right asset in the right place at the right time and will ensure the effective and efficient delivery of a comprehensive range of quality services. Once this is complete, any future capital investment together with the proceeds from the sale of surplus assets will be included in the capital programme.

#### Governance and Approval Approach

1.51 Welsh Government have adopted the Better Business Case approach to building, reviewing, and agreeing business cases. These principles have been adopted in the Councils' Capital Governance Framework. This approach introduces a more formal regime to follow and ensures consistency and a robust approach to developing each project. The diagram below sets out the gates and steps necessary to develop a capital from proposal through to a successful delivery. There has been an urgency in adopting this new regime to evidence stronger governance based on robust business cases from services.



1.52 The governance of this Capital Strategy follows the same process as the Revenue Budget Setting

Capital Strategy and Treasury Managemene Strategy 2023-28

Process and is presented to the Cabinet as part of the MTFS which is then recommended to full Council for approval.

- 1.53 The three stages of the Governance Framework are:
- Stage 1 The Strategic Outline Case (SOC), these must be completed for the new bids and have necessary approval.
- Stage 2 Once the SOC is approved, managers will need to complete more detailed work, particularly on the economics of the case, finances (detailed costings) and submit the Outline Business Case (OBC) for approval through the Strategic Asset Board, who provide challenge and then make recommendation to EMT / Cabinet to approve.
- Stage 3 The Final Business Case (FBC) is the final gateway, and the project would move to the procurement stage. At this point the tender price for the project would be known and the risks quantified. Only when the FBC becomes a live project does the capital budget get allocated, which will improve our budget forecasting and profiling. Any revenue contributions including MRP costs would need to be built into the budget at stage 3.
  - For business cases between £75k and £1m a less formal business justification case will be used, being simpler and quicker to develop and proceed to project.
  - Each year there is a small bids programme funded by an allocation in the Capital Programme for capital projects under £75k, these are dealt with through the Strategic Asset Board.
  - The Council is moving away from an annual capital cycle and using the new framework will have an ongoing process of projects in development through to approval through Cabinet and Council as needed with the necessary prudential indicators updated and presented.
- 1.54 As a significant part of the capital programme and future ambitions covers investment in the Councils school's estate. The Schools Capital Programmes Oversight Board is in place which will strengthen Council's oversight of all school capital projects and provide additional scrutiny and assurance.

#### Capital Programme 2023-2028

- 1.55 The overall capital programme for the Council in 2023/24 is £93.29 million, which includes £23.48 million for the Housing Revenue Account (HRA). Appendix A provides a full list of all the schemes.
- 1.56 The General Fund includes schemes which have previously been approved or are in progress and expected to continue into future years. These total £69.81 million. The programme includes a list of schemes that have had their Strategic Outline Case approved and have been progressed to Outline Business case. Providing the economic and financial justification stacks up these schemes are likely to develop to Final Business Case stage and become live projects, totalling £12.27 million. Split over two years, £4.45 million in 2023/24, £5.51 million in 2024/25 and £2.31 million in 2025/26. An initial annual allocation of £2.00 million starting in 2024/25 has been included as the Council's contribution towards the Mid Wales Growth Deal. As the plans for the deal develop, the funding will be released to the relevant projects on completion of the relevant governance and approval processes.
- 1.57 The need to maintain the highways infrastructure through the HAMP has been highlighted at strategic level as a critical area of the Council's long-term strategy. The programme includes £5.00 million per annum for the HAMP and an additional £1.00 million per annum for street lighting column upgrades.
- 1.58 An additional £10.00 million has been included in 2027/28 to continue school transformation once the existing Band A and B funding allocations have been fully utilised. This additional funding can only be drawn down once the relevant business case(s) has been approved and it is assumed that Welsh Government will continue to provide grant funding towards 65% of the costs of these

schemes.

- 1.59 Overall additional borrowing requirements are estimated at £32.18 million in 2022/23 which includes £12.08 million for the HRA. However, it is likely that this figure will be less based on previous years slippage on spend and grants that are received in year.
- 1.60 The capital programme remains within budget for 2023/24 however additional revenue funding will need to be identified to fund investment in future years. The impact of the capital programme is set out through the following prudential indicators:

#### **Capital Prudential Indicators**

1.61 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

#### Capital Expenditure

1.62 This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.

£'m	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Non-HRA	73.64	69.81	76.78	39.61	20.07	32.71
HRA	19.72	23.48	30.31	34.61	21.91	19.55
Total	93.36	93.29	107.09	74.22	41.98	52.26

- 1.63 **Other long-term liabilities** The financing need set out in the table above excludes other long-term liabilities, such as leasing arrangements that already include borrowing instruments.
- 1.64 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a requirement to fund through borrowing, this figure is shown as the net financing need.

£'m	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Capital receipts	2.29	5.25	5.25	4.25	4.25	4.25
Capital grants	43.37	49.12	52.98	15.80	10.54	17.04
Revenue/Reserves	8.68	6.74	11.33	9.96	8.92	11.24
Net financing need for the year	39.02	32.18	37.53	44.21	18.27	19.73

#### The Council's Borrowing Need (the Capital Financing Requirement)

1.65 This is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

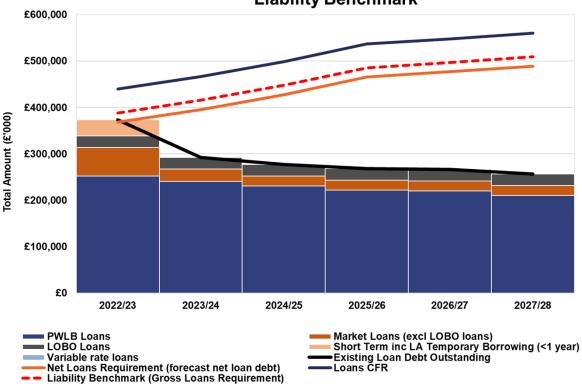
- 1.66 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset life, and so charges the economic consumption of capital assets as they are used.
- 1.67 The greater the CFR the larger the impact will be on the revenue budget, therefore in the long-term there will be a need to keep capital expenditure funded by borrowing at a level below the MRP budget in order to maintain the revenue budget at a sustainable level.

£'m	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
CFR – non HRA	331.21	347.34	362.92	379.59	382.67	389.39
CFR – HRA	108.50	119.45	135.79	157.13	165.38	171.05
Total CFR	439.71	466.79	498.71	536.72	548.05	560.44
Movement in CFR	34.50	27.08	31.92	38.01	11.33	12.39
Net financing need for the year (above)	29.97	29.97	22.00	26.33	31.81	4.43
Less MRP/VRP and other financing movements	4.53	4.53	5.09	5.60	6.20	6.92
Movement in CFR	34.50	27.08	31.92	38.01	11.33	12.39

1.68 The Council is asked to approve the CFR projections below:

#### Liability Benchmark

- 1.69 A new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Liability Benchmark is effectively the Net Borrowing Requirement of a local authority plus a liquidity allowance. In its simplest form, it is calculated by deducting the amount of investable resources available on the balance sheet (reserves, cash flow balances) from the amount of outstanding external debt and then adding the minimum level of investments required to manage day-to-day cash flow.
- 1.70 There are four components to the LB: -
  - **Existing loan debt outstanding**: the Authority's existing loans that are still outstanding in future years.
  - **Loans CFR**: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
  - **Net loans requirement**: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
  - Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.



#### **Liability Benchmark**

#### 1.71 Core Funds and Expected Investment Balances

1.72 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources	2021/22	2022/23	2023/24	2024/25	2025/26
£m	Actual	Estimate	Estimate	Estimate	Estimate
Fund balances / reserves	64.27	50.00	38.00	38.00	38.00
Capital receipts	12.44	7.00	4.00	4.00	4.00
Provisions	3.93	3.00	3.00	3.00	3.00
Other	7.08	0.00	0.00	0.00	0.00
Total core funds	87.72	60.00	45.00	45.00	45.00
Working capital	2.26	5.00	5.00	5.00	5.00
Under borrowing	42.00	45.00	30.00	30.00	30.00
Expected investments	43.46	10.00	10.00	10.00	10.00

#### Minimum Revenue Provision Policy Statement

1.73 MRP is an annual charge that Councils are required to pay for their debt liability in respect of capital expenditure funded by borrowing, for both the general fund and the Housing Revenue Account debt. This capital expenditure is set out as part of the CFR calculation and updated regularly to reflect borrowing need changes and the resultant costs; it is important to ensure that the debt is repaid over

a period commensurate with that over which the capital expenditure provides benefit.

- 1.74 The debt repayment is a revenue charge, the minimum revenue provision (MRP), although additional voluntary payments are allowed if required voluntary revenue provision (VRP).
- 1.75 Welsh Government regulations have been issued which require the Council to approve the **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision set out.

# 1.76 Recommendation - The Council is recommended to approve the following MRP Statement for the 2023/24 financial year:

- For capital expenditure incurred before 1 April 2020 or which in the future will be Supported Capital Expenditure, the MRP policy will be:
  - To calculate the MRP over a 50 year life on an on annuity basis using the Authority's average rate of borrowing.
- From 1 April 2020 for all unsupported borrowing (including PFI and finance leases), the MRP policy is:
  - To charge MRP over the weighted average asset life on an annuity basis using the Authority's average rate of borrowing.
  - MRP will be deferred on any investment in the GCRE which is funded through a reciprocal loan provided by WG until the loan repayment date.
- For HRA Historic and Settlement Debt, the MRP policy will be:
  - To calculate the MRP over a 60 year life on an on annuity basis using the Authority's average rate of borrowing.
- For HRA Post Settlement Debt, the MRP policy will be:
  - To calculate the MRP over a weighted average asset life on an on annuity basis using the Authority's average rate of borrowing.
- > Repayments included in annual PFI or finance leases are applied as MRP.
- In addition, the guidance allows for MRP to be deferred for assets under construction and this part of the guidance is adopted because the asset is not used by the authority until it is operational and therefore the MRP will match the life of the asset.
- 1.77 **MRP Overpayments** A change introduced by the revised Welsh Government MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. At the 31st of March 2022 the total balance of previous voluntary revenue provision (VRP) stands at £7.11 million, of which £1.41 million relates to the HRA. There is no intention to reclaim any of this at this point.

#### **Risk Management**

- 1.78 All large capital projects are managed under the Council's Project Management Methodology, which incorporates risk identification and risk management. The Council also has a Risk Management Policy which is applied to all its projects and activities.
- 1.79 For all capital projects, project managers update financial forecasts on a monthly basis identifying any areas subject to risk of overspend, underspend or slippage.

- 1.80 There is also a degree of funding risk in the Capital Programme, reliant as it is on future capital receipts, and the ability to be able to afford borrowing if necessary. These risks need to be managed and monitored on a regular basis, and action taken where necessary.
- 1.81 Risk appetite in this context is the level of risk that the Council is prepared to accept to be exposed to at any point in time in relation to its activities. It involves knowing what risks the Council wishes to avoid, what risks it is willing to accept and what risks it is willing and able to manage (including by transferring them to a third party, e.g., through insurance).
- 1.82 The risks are regularly monitored and managed both financially and operationally in accordance with council processes.
- 1.83 The Council is willing to accept the risks set out in this Strategy for projects that have Council approval provided that the project management ensures the appropriate mitigations are put in place to bring the project within acceptable risks margins.
- 1.84 The key financial risks inherent in the Council's Capital Programme include:

Description of Risk	Potential Impact
The longer a project takes to come to fruition, the greater the risk that the financial cost of the project will have increased, both due to the additional staff time spent on the project and the inflationary impact on the costs involved in bringing the asset into operation.	May result in financial pressures on the other projects/ programmes and service delivery.
There is a degree of correlation between the length of time a project spends in the feasibility and development stage and an increased risk of project failure or abandonment. Should a project fail for any reason, the regulations require all capital costs to be returned to revenue, which may create significant pressures, depending on the level of spend at that point.	May result in additional revenue pressures on delivery/services.
Project expenditure is higher than forecast estimates – in the current climate due to the rising cost of materials and access to skilled contractors in a limited labour market	May result in increased financial pressures/ limitations on future investment options.

Description of Risk (cont.)	Potential Impact (cont.)
Once a project has been delivered successfully the cash expended is then bound in the asset. In the case of the assets that are for service delivery and do not generate a rental income stream, the money invested in the asset is only recovered if and when the asset is sold at a future date. This carries inherent financial risks in that the asset may have decreased in value, depending on market conditions, or may not have increased in value sufficiently to mitigate the effects of inflation.	pressures/limitations on future investment options.

### **Treasury Management Strategy**

#### Background

- 1.85 The Council is required to operate a balanced budget which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned with cash being available when it is needed.
- 1.86 The second main function of the treasury management service is the funding of the Council's capital plans. These plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash involves arranging short or long-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.
- 1.87 The contribution the treasury management function makes to the authority is critical as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

"The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

1.88 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities as they usually arise from capital expenditure and are separate from the day-to-day treasury management activities.

#### **Current portfolio position**

1.89 The overall treasury management portfolio as at 31<sup>st</sup> March 2022 and the estimated position as at 31<sup>st</sup> March 2023 are shown below for both borrowing and investments.

Treasury Portfolio							
	Actu	ual	Estimate				
	31st Marc	ch 2022	31st Mar	ch 2023			
	£'m	%	£'m	%			
Borrowing							
PWLB	260.64	3.4%	287.12	3.3%			
LOBO Loans	35.00	3.9%	25.00	5.3%			
Market/Other Local Authorities	30.00	2.1%	40.00	1.7%			
Welsh Government	33.00	0.0%	17.60	0.0%			
Other	10.98	0.4%	3.89	2.6%			
Total External Borrowing	369.62		373.60				
Investments							
Banks (deposit accounts)	43.46	0.5%	10.00	1.3%			
Total Investments	43.46		10.00				
Net Position	43.46	0.5%	10.00	1.3%			

- 1.90 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate increases over the first half of 2023.
- 1.91 Against this background and the risks within the economic forecast, caution will be adopted with the 2023/24 treasury operations. The Head of Financial Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
  - if it was felt that there was a significant risk of a sharp fall in borrowing rates, (e.g., due to a marked increase of risks around relapse into recession or of risks of deflation), then borrowing will be postponed.
  - if it was felt that there was a significant risk of a much sharper rise in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.
- 1.92 Any decisions will be reported to the appropriate decision making body at the next available opportunity.

#### 1.93 Policy on Borrowing in Advance of Need

- 1.94 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
- 1.95 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

#### 1.96 Debt rescheduling

1.97 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a large difference between premature redemption rates and new borrowing rates. If rescheduling is to be undertaken, it will be reported at the earliest meeting following its action.

#### 1.98 New Financial Institutions as a source of Borrowing and / or types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a "cost of carry" or to achieve refinancing certainty over the next few years)
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

#### 1.99 Approved Sources of Long and Short term Borrowing

On Balance Sheet	Fixed	Variable
PWLB	•	•
Municipal bond agency	•	•
Government/Local authorities	•	•
Banks	•	•
Pension funds	•	٠
Insurance companies	•	•
Market (long-term)	•	•
Market (temporary)	•	•
Market (LOBOs)	•	•
Stock issues	•	•
Local temporary	•	•
Local Bonds	•	
Local authority bills	•	٠
Overdraft		٠
Negotiable Bonds	•	•
Internal (capital receipts & revenue balances)	•	•
Commercial Paper	•	
Medium Term Notes	•	
Finance leases	•	٠

#### **Capital Prudential and Treasury Indicators**

1.100 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

#### Ratio of financing costs to net revenue stream

1.101 This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue budget or HRA rental income (net revenue stream). The estimates of financing costs include current commitments and the proposals in this budget report. The future net revenue streams are estimated based on worst case scenarios.

£'m	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Financing Costs	11.35	13.66	14.49	14.65	14.76	14.89

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Net Revenue Stream	302.33	326.54	338.53	348.39	358.59	369.16		
Council Fund	3.8%	4.2%	4.3%	4.2%	4.1%	4.0%		
Financing Costs	4.58	5.02	5.49	6.08	6.97	7.35		
Net Revenue Stream	27.38	27.55	28.10	28.66	29.24	29.82		
HRA	16.7%	18.2%	19.5%	21.2%	23.8%	24.6%		

#### **HRA Ratios**

- 1.102 This indicator shows the total outstanding debt attributable to the Housing Revenue Account (HRA) and the average debt per dwelling. The total debt is made up of
  - The self-financing buyout
  - Borrowing required for capital works to the existing housing stock (historic and planned)
  - Borrowing required for the construction of new Council Housing (historic and planned)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
HRA debt	£108.50m	£119.45m	£135.80m	£157.14m	£165.39m	£171.06m
Number of HRA dwellings	5,433	5,502	5,528	5,568	5,624	5,812
Debt per dwelling	£19,971	£21,710	£24,566	£28,222	£29,408	£29,432

#### Maturity structure of borrowing

- 1.103 These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing and are required for upper and lower limits.
- 1.104 The Council is asked to approve the following treasury indicators and limits:

Maturity structure of borrowing 2023/24							
	Lower	Upper					
Under 12 months	0%	40%					
12 months to 2 years	0%	40%					
2 years to 5 years	0%	40%					
5 years to 10 years	0%	40%					
10 years to 20 years	0%	40%					
20 years to 30 years	0%	40%					
30 years to 40 years	0%	40%					
40 years to 50 years	0%	40%					
50 years to 60 years	0%	40%					

1.105 Affordability prudential indicators

1.106 Prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following borrowing indicators:

#### **Borrowing Indicators**

- 1.107 The capital expenditure plans set out in the capital strategy provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.
- 1.108 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement CFR), highlighting any over or under borrowing.

£'m	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Council Fund						
Debt at 1st April	268.18	286.21	317.35	332.93	349.60	352.70
Expected change in Debt	18.03	31.14	15.58	16.67	3.10	6.73
Estimated Gross Debt at 31st March	286.21	317.35	332.93	349.60	352.70	359.43
CFR	331.21	347.35	362.93	379.60	382.70	389.43
Under / (Over) Borrowing	45.00	30.00	30.00	30.00	30.00	30.00
HRA						
Debt at 1st April	101.44	108.50	119.45	135.80	157.14	165.39
Expected change in Debt	7.06	10.95	16.35	21.34	8.25	5.67
Estimated Gross Debt at 31st March	108.50	119.45	135.80	157.14	165.39	171.06
CFR	108.50	119.45	135.80	157.14	165.39	171.06

#### **Change in External Debt**

- 1.109 Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.
- 1.110 The Head of Financial Services (Section 151 Officer) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the next few years. This view considers current commitments, existing plans, and the proposals in this budget report. The projected increase in the CFR over the medium and longer term must be reviewed annually to ensure that the capital investment plans remain affordable, prudent and sustainable.

#### 1.111 Treasury Indicators: limits to borrowing activity

#### **Operational Boundary**

1.112 The Operational Boundary is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

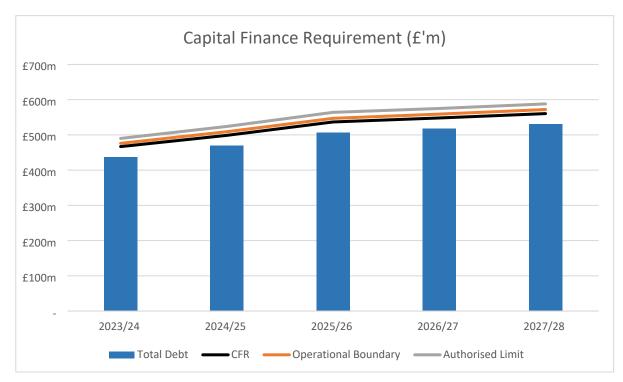
£'m	2023/24	2024/25	2025/26	2026/27	2027/28
Operational Boundary	476.00	509.00	547.00	559.00	572.00

#### Authorised Limit

- 1.113 This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.
- 1.114 This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
- 1.115 The Council is asked to approve the following authorised limit.

£'m	2023/24	2024/25	2025/26	2026/27	2027/28
Authorised Limit	490.00	524.00	564.00	575.00	588.00

1.116 The chart below shows the relationship between the Total Debt, the Capital Financing Requirement (CFR), the Operational Boundary and Authorised Limit.



#### **Annual Investment Policy**

1.117 **Management of risk** - The Welsh Government and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This strategy deals solely with financial investments, (as managed by the treasury management team). Nonfinancial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.

The Council's investment policy has regard to the following.

- Welsh Government's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

- 1.118 The above guidance from the Welsh Government and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:
  - Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
  - Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
  - Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
  - This authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are categories of 'specified' and 'non-specified' investments.
    - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year except deposits with local authorities which can be for any period.
    - Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e., an 18 month deposit would still be non-specified even if it has only 11 months left until maturity.

- Lending limits (amounts and maturity), for each counterparty will be set in conjunction with Link's matrices.
- This authority will set a limit for the amount of its investments which are invested for longer than 365 days.
- Investments will only be placed with counterparties from countries with a specified minimum sovereign rating.
- All investments will be denominated in sterling.
- As a result of the change in accounting standards for 2020/21 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. The Welsh Government has passed a statutory override to allow Welsh local authorities time to adjust their portfolio of all pooled investments by delaying implementation of IFRS 9 for five years until 31st March 2023.
- 1.119 The council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance.

#### 1.120 Creditworthiness policy

- 1.121 This Council applies the creditworthiness service provided by Link Group. This service employs a sophisticated modelling approach, utilising credit ratings from the three main credit rating agencies Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:
  - "watches" and "outlooks" from credit rating agencies.
  - CDS spreads that may give early warning of likely changes in credit ratings.
  - sovereign ratings to select counterparties from only the most creditworthy countries.
- 1.122 This modelling approach combines credit ratings, and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will, therefore, use counterparties within the following durational bands:

Yellow	5 years *
Dark pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
Light pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	100 days
No colour	not to be used

Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt.

*Please note: "fund" ratings are different to individual counterparty ratings, coming under either specific "MMF" or "Bond Fund" rating criteria.* 

1.123 The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue

preponderance to just one agency's ratings.

- 1.124 Typically, the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 1.125 Credit ratings will be monitored daily through use of the Link Group's creditworthiness service.
  - If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
  - In addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 1.126 Sole reliance will not be placed on the use of this external service. In addition, this Council will also use market data and market information, as well as information on any external support for banks to help support its decision making process.

#### 1.127 Creditworthiness

1.128 Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, more recently the UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in the wake of the Truss/Kwarteng unfunded tax-cuts policy. Although the Sunak/Hunt government has calmed markets, the outcome of the rating agency reviews is unknown at present, but it is possible the UK sovereign debt rating will be downgraded. Accordingly, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

#### 1.129 CDS Prices

1.130 Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

#### 1.131 Limits

- 1.132 Due care will be taken to consider the exposure of the Authority's total investment portfolio to nonspecified investments, countries, groups and sectors.
  - Non-specified treasury management investment limit. The Authority has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being 10% of the total treasury management investment portfolio.
  - Country limit. The Authority has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in paragraph 3.66. This list will be added to, or deducted from, by

officers should ratings change in accordance with this policy.

#### 1.133 Other limits. In addition:

- no more than 5% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies/institutions;
- sector limits will be monitored regularly for appropriateness.

#### Investment strategy

- 1.134 **In-house funds** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.
- 1.135 Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

#### 1.136 Investment returns expectations

1.137 The current forecast shown below, includes a forecast for Bank Rate to reach 4.5% in Q2 2023. The suggested budgeted investment earnings rates provided by Link Group for returns on investments placed or periods up to about three months during each financial year are as follows:

2022/23 remainder	3.95%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%
Years 10+	2.80%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

#### 1.138 Investment treasury indicator and limit

- 1.139 The Investment treasury indicator and limit total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each yearend.
- 1.140 The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days						
£m	2021/22	2022/23	2023/24			
Principal sums invested for longer than 365 days	£10m	£10m	£10m			
Current investments as at 31.12.21 in excess of 1 year maturing in each year	Nil	Nil	Nil			

1.141 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access accounts, money market funds and short-dated deposits.

#### 1.142 Investment performance / risk benchmarking

1.143 This Council will use an investment benchmark to assess the investment performance of its investment portfolio of overnight, 7 day, 1, 3, 6 or 12 month compounded / SONIA.

#### 1.144 End of Year Investment Report

1.145 At the end of the financial year, the Authority will report on its investment activity as part of its Annual Treasury Report

#### **Treasury Management Practice – Credit and Counterparty Risk Management**

1.146 **Specified Investments** - All such investments will be sterling denominated with maturities up to maximum of 1 year (except for deposits with local authorities which can be for any period), meeting the minimum 'high' quality criteria where applicable. (If a deposit is made for say 2 years, it starts as being a non-specified investment and remains as a non-specified investment even when it's time to maturity falls under 12 months). The criteria, time limits and monetary limits applying to institutions or investment vehicles are.

Institution	Maximum Investment per Group/Institution	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	£30m	Up to 364 days	As per Link's matrices
Foreign Banks	£5m	Up to 364 days	As per Link's matrices
Other Local Authorities	£25m	Up to 5 years	N/A

1.147 **Non specified Investments** - These are any investments which do not meet the specified investment criteria. A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Institution	Maximum Investment per Group/Institution	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	£10m (£5m limit with any one institution)	Up to 2 years	As per Link's matrices
Foreign Banks	£2m	Up to 2 years	As per Link's matrices
Money Market Funds (max. of 5)	£10m	N/A	All are AAA rated
Other Local Authorities	£10m	Up to 5 years	N/A

1.148 In addition to treasury management investment activity, local authorities can utilise their powers to borrow in order to invest in other financial assets. Such activity includes loans supporting service outcomes, investment in or loans to subsidiaries, and investment property portfolios primarily for a financial return. Whilst these impact on treasury management activity, they are managed outside of

this Treasury Management Strategy and approved separately as part of the Council's Capital expenditure plans arising from its Capital Strategy. Regulator concerns in relation to the extent of this activity have resulted in recent updates to CIPFA professional Codes of Practice including the Treasury Management Code. Whilst no national monetary, financial, or other controls or limits are in place currently, regulations have been updated to ensure the risks and implications of such activities are clearly governed and understood over a long term period.

#### 1.149 Approved Countries for Investments

- 1.150 This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's, and S&P) and also, (except at the time of writing for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link Asset Services credit worthiness service.
- 1.151 Based on lowest available rating

AAA Australia Germany Norway Sweden	Denmark Netherlands Singapore Switzerland
<b>AA+</b> Canada Finland	U.S.A.
AA Abu Dhabi (UAE)	France
<b>AA-</b> Belgium U.K.	Qatar

1.152 **Prospect for Interest rates** - The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates, their latest update is provided at Appendix C and D.

#### **Treasury Management Scheme of Delegation**

- 1.153 The governance of the key decisions is set out below:
- > Full Council
  - approval of annual strategy

#### **Governance and Audit Committee**

• reviewing the treasury management policy and procedures and making recommendations to the responsible body.

#### Cabinet

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of amendments to the Authority's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers.

#### The Treasury Management Role of the Section 151 Officer

1.154 The role of the section 151 officer is set out below:

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.
- 1.155 The above list of specific responsibilities of the S151 officer in the 2021 Treasury Management Code has not changed. However, implicit in the changes in both codes, is a major extension of the functions of this role:
  - preparation of a capital strategy to include capital expenditure, capital financing, and treasury management, with a long term timeframe
  - ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money.
  - ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority.
  - ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
  - ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources
  - ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities

- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
  - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
  - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of nontreasury investments;
  - Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to nontreasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
  - Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
  - Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

## Appendix A - Capital Programme 2023/28

	2022-23 £'m	2023-24 £'m	2024-25 £'m	2025-26 £'m	2026-27 £'m	2027-28 £'m	Total £'m
Education	0.005	0.504	00.000	40.044	0.400		40 770
Ysgol Bro Hyddgen Walabaaal C in W Sabaal	2.235 0.048	8.504	20.338	13.214	2.483		46.773 0.048
Welshpool C in W School Ysgol Gymraeg y Trallwng	0.048 5.107	0.249					0.048 5.356
Ysgol Brynllywarch	1.996	3.048	3.497				8.541
Ysgol Cedewain	7.210	12.559	0.370				20.139
Other 21st Century School Schemes	1.320	6.144	19.252	5.566		10.000	42.282
Schools Major Improvements	5.356	2.500	2.500	2.500	2.500	2.500	17.856
Schools Other	0.679						0.679
Free School Meals Grant	3.138						3.138
Child Care Grant	1.261						1.261
	28.349	33.005	45.956	21.280	4.983	12.500	146.073
Highways, Transport and							
Recycling_							
Integrated Transport	0.352	4 0 0 0	4	4	4	4	
Highways Lighting	1.262	1.200	1.000	1.000	1.000	1.000	6.462
Major Remedial Earthworks	0.690						0.690
Structural Drainage Improvements	0.266						0.266
Highways Strengthening Structural Repairs Town Centre	3.629						3.629
Footway	0.100						0.100
Structures Strengthening	1.280	0.650	0.500	0.100	0.200	3.000	5.730
Structural Maintenance - Roads	1.500	6.500	5.000	5.000	5.000	5.000	28.000
Surface Dressing	2.200	0.000	0.000	0.000	0.000	0.000	2.200
Road Safety & Small Schemes	0.234						0.234
Local Road Safety	0.682						0.682
Salt Barns	0.029	0.030	0.750				0.809
Safe Route In Communities	0.350						0.350
Newtown De-Trunking Works	0.177						0.177
Countryside & Outdoor Recreation	0.719	0.406	0.479	0.015	0.015	0.015	1.650
Recycling	0.269	0.943	1.000				2.212
Local Transport Fund	0.285						0.285
Vehicle Replacement	2.432	1.452	5.202	3.710	2.651	4.949	20.396
Major Strategic Schemes	0.581	1.500	1.500	1.500	1.500	1.500	8.081
Flood Alleviation Schemes	0.568						0.568
Active Travel Fund	2.660	40.004	45 404	44 005	40.000	45 404	2.660
	20.267	12.681	15.431	11.325	10.366	15.464	85.534
Property, Planning and Public							
Protection							
Regulatory Services	0.139						0.139
County Farms	0.396	0.100					0.496
Business Parks	1.345						1.345
Office Accommodation	0.544						0.544
Depots	0.204 <b>2.627</b>	0.100	0.000	0.000	0.000	0.000	0.204 2.727
	2.021	0.100	0.000	0.000	0.000	0.000	2.121

	2022-23 £'m	2023-24 £'m	2024-25 £'m	2025-26 £'m	2026-27 £'m	2027-28 £'m	Total £'m
Community Development							
Libraries	0.080						0.080
Sports and Leisure Centres	2.225	0.922					3.147
Arts and Museums	0.022						0.022
	2.326	0.922	0.000	0.000	0.000	0.000	3.248
Housing							
General Fund Housing	1.197						
Safe, Warm & Secure	0.200	0.200	0.200	0.200	0.200	0.200	1.200
Co2l	0.048	0.048	0.048	0.048	0.048	0.048	0.288
Disabled Adaptation	1.100	1.200	1.200	1.300	1.300	1.300	7.400
Empty Homes Grant		0.100	0.100				0.200
Enable	0.262						0.262
Landlord Loans	0.100	0.200	0.200	0.200	0.200	0.200	1.100
	2.907	1.748	1.748	1.748	1.748	1.748	11.647
Economy and Digital Services							
Community Halls Economic Development	6.622	1.860	1.840				10.322
Shared Prosperity Fund	0.022	0.977	2.881				3.858
Levelling Up	7.934	12.300	0.486				20.721
IT Refresh Strategy	0.230	0.408	0.428	0.449	0.472	0.495	2.482
IT Infrastructure	0.200	0.003	0.420	0.440	0.472	0.400	0.003
Other IT		0.102					0.102
Share Point		0.070					0.070
System Rationalisation	0.016	0.104					0.120
Cloud Services	0.022	0.327					0.349
Unified Communications	0.006	0.046					0.052
Careline Alarms	0.029						0.029
	14.859	16.196	5.635	0.449	0.472	0.495	38.107
Childrens' Services							
Redevelopment Golwg y							
Bannau/Camlas	0.016						0.016
Priory C In W Primary School	0.591						0.591
Safe Accommodation	0.042						0.042
Open Door Former Oldford Primary							
School	0.462						0.462
	1.111	0.000	0.000	0.000	0.000	0.000	1.111
Adult Services	0.007	0.000					0.407
Care Homes Arlais/Lant Avenue	0.267	0.200					0.467
Telecare	0.023 0.112						0.023 0.112
Mobile Working and Transformation	0.112						0.112
Specialist Equipment	0.100						0.100
Innovative Use of Robotics	0.100						0.400
Community Equipment	0.130						0.130
Castell Y Dail, Newtown	0.019						0.019
,	1.151	0.200	0.000	0.000	0.000	0.000	1.351
				-	-		

	2022-23 £'m	2023-24 £'m	2024-25 £'m	2025-26 £'m	2026-27 £'m	2027-28 £'m	Total £'m
Finance							
Small Capital Bids	0.046	0.500	0.500	0.500	0.500	0.500	2.546
Pipeline Projects		4.453	5.508	2.308			12.269
Mid Wales Growth Deal			2.000	2.000	2.000	2.000	8.000
	0.046	4.953	8.008	4.808	2.500	2.500	22.815
Total	73.643	69.806	76.779	39.610	20.068	32.707	312.614
Financed by							
Supported Borrowing	7.211	4.587	4.587	4.587	4.587	4.587	30.146
Prudential Borrowing	23.792	15.510	15.266	16.652	3.400	7.217	81.836
Welsh Government Grant	26.429	25.860	39.070	5.253		6.500	103.112
General Capital Grant	3.167	4.711	4.711	4.711	4.711	4.711	26.722
Other Grants	7.884	12.717	3.367				23.968
Capital Receipts	2.285	4.248	4.248	4.248	4.248	4.248	23.525
Revenue/Reserves	2.875	2.173	5.530	4.159	3.122	5.444	23.304
	73.643	69.806	76.779	39.610	20.068	32.707	312.614
Housing Revenue Account							
Welsh Housing Quality Standard	8.996 0.070	7.018	5.645 0.120	5.693	6.646	6.059	40.058 0.310
Community Alarms Compliance 100	0.070	0.120 0.400	0.120	0.250	0.250	0.250	1.901
Fit For Life	2.489	1.650	1.450	0.250	0.250	0.250	6.339
Green Powys	0.250	0.425	0.575	0.230	0.230	0.230	2.825
Love Where You Live	0.505	0.500	0.500	0.500	0.150	0.150	2.305
Drainage Improvements	0.063	0.000	0.000	0.000	0.100	0.100	0.063
Housing R&M System	0.087						0.087
Housing Vehicles	1.037						1.037
New Builds / Repurchase	5.723	13.369	21.770	27.341	14.111	12.342	94.656
·	19.722	23.482	30.310	34.609	21.907	19.551	149.582
Financed by							
Prudential Borrowing	8.027	12.080	17.678	22.977	10.275	7.919	78.957
Welsh Government Grant	5.886	5.832	5.832	5.832	5.832	5.832	35.046
Capital Receipts		1.000	1.000				2.000
Revenue/Reserves	5.809 <b>19.722</b>	4.570 <b>23.482</b>	5.800 <b>30.310</b>	5.800 <b>34.609</b>	5.800 <b>21.907</b>	5.800 <b>19.551</b>	33.579 149.582

### **Appendix B - Capital Receipt Policy**

#### Introduction

This policy is introduced to provide guidance to Senior Managers on the rules governing the application of Capital Receipts in Powys County Council. This guidance has been drafted in line with the two codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). These publications are:

- The Prudential Code for Capital Finance in Local Authorities
- The Code of Practice on Local Authority Accounting

The two publications referred to above contain guidance on capital receipts and local authority accounting that complements guidance issued by the Welsh Government.

In England and Wales, capital receipts are defined by Section 9(1) of the Local Government Act 2003 to include all instances where property, plant or equipment is disposed of for cash (subject to a £10,000 de minimis). All references to Capital Receipts in this policy therefore refers to this definition.

#### Application

This guidance should be read alongside any relevant direction issued by Welsh Ministers.

#### **Use of Capital Receipts**

The current policy for the use of Capital Receipts is contained in the Corporate Asset Policy.

- Capital Receipts will normally be credited to the Central Fund and will be used to progress the Council's principal objectives defined in the Corporate Improvement Plan. However, up to 4% of the capital receipt may be used by Property, as permitted to cover directly attributable costs of sale.
- Capital receipts from the sale of Farm or Agricultural land under the County Farm Estate and property vested in the HRA will be subject to the following apportionment:

This policy proposes the use of Capital Receipts to continue to be based on the following:

Туре	Service Area	Corporate	
Agricultural	0%	100%	
HRA Dwellings and Land	100%	0%	
Home finder receipts	100%	0%	
Vehicles	100%	0%	
All other properties / assets	0%	100%	

### Appendix C – Economic Background - December 2022

## The Council has appointed Link Group as its treasury advisor who have provided the following Economic Background.

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	3.5%	2.0%	4.25%-4.50%
GDP	-0.2%q/q Q3 (2.4%y/y)	+0.2%q/q Q3 (2.1%y/y)	2.6% Q3 Annualised
Inflation	10.7%y/y (Nov)	10.1%y/y (Nov)	7.1%y/y (Nov)
Unemployment Rate	3.7% (Oct)	6.5% (Oct)	3.7% (Nov)

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22nd February 2022.

Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3.5% in December and the market expects Bank Rate to hit 4.5% by May 2023.

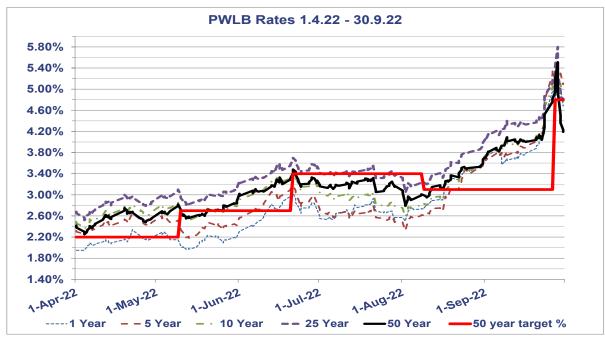
Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17<sup>th</sup> November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have almost completely reversed the increases seen under the previous tenants of No10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one, if not more, quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be

as bad as first anticipated by the Bank.

The £ has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government's "fiscal event", to \$1.22. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first half of 2022/23 is clear to see.



However, the peak in rates on 28<sup>th</sup> September as illustrated in the table covering April to September 2022 below, has been followed by the whole curve shifting lower. PWLB rates at the front end of the curve are generally over 1% lower now whilst the 50 years is over 1.75% lower.

	1 Year	5 Year	10 Year	25 Year	50 Year	
Low	1.95%	2.18%	2.36%	2.52%	2.25%	
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022	
High	5.11% 5		5.35%	5.80%	5.51%	
Date	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022	
Average	e 2.81% 2.92%		3.13%	3.44%	3.17%	
Spread	3.16%	3.26%	2.99%	3.28%	3.26%	

After a shaky start to the year, the S&P 500 and FTSE 100 have climbed in recent weeks, albeit the former is still 17% down and the FTSE 2% up. The German DAX is 9% down for the year.

#### **CENTRAL BANK CONCERNS – DECEMBER 2022**

In December, the Fed decided to push up US rates by 0.5% to a range of 4.25% to 4.5%, whilst the MPC followed by raising Bank Rate from 3% to 3.5%, in line with market expectations. EZ rates have also increased to 2% with further tightening in the pipeline.

Having said that, the sentiment expressed in the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

## Appendix D – Interest Rate Forecasts – December 2022

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. These are forecasts for certainty rates, gilt yields plus 80bps:

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

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The integrated approach to support effective decision making

This Impact Assessment (IA) toolkit, incorporates a range of legislative requirements that support effective decision making and ensure compliance with all relevant legislation. Draft versions of the assessment should be watermarked as "Draft" and retained for completeness. However, only the final version will be made publicly available. Draft versions may be provided to regulators if appropriate. In line with Council policy IAs should be retained for 7 years.

ervice Area	Council Wide	Head of Service	Jane Thomas	Director	Portfolio Holder	Cllr David Thomas
roposal			uncil 2023-24 Draft			
BACKGROUND By law the Counci	l has to agree a b	alanced budget annu	ally. This impact a	assessment concentrate	s on the net revenue budget for 2023	3-24
nd Scrutiny Com	mittees. The full t		ppendix A shows	the governance approa	eads of Service, Executive Managem ch and challenge meetings that have	
	uary / early Febru				he three Subject Scrutiny Committee agreement on 23rd February 2022.	
				tion. This assessment a I the cost reductions pro	ssesses the cumulative impact of the posed.	e budget on Pow
					D property), and then 5% for the follo e-related increases. The Council Tax	
	ncil on 2nd March				-related increases. The Council ray	Resolution will

#### Inescapable Cost Pressures

The 2023-24 budget includes £45 million to meet inescapable cost pressures, including pay and price/contract inflation as well as service specific pressures like the real living wage increase, utility increases and demographic growth. These must all be recognised in the budget as the Council is required by law to set a viable and balanced budget.





Powys residents will benefit from investment in these pressures as they will ensure that services can be improved or maintained at current levels and the Council's statutory obligations can be delivered. However, the value of the pressures included in the budget exceed the funding settlement the Council has received from the Welsh Government creating a budget gap of £26.7 million which will be funded in part by £16.4 million of cost reductions and 5% council tax and base changes totalling £6.4 million.

#### **Cost Reductions**

To bridge the budget gap in 2023-24 all services were asked to identify possible cost reductions that could be made to reduce the Council's spending requirement. £16.4 million of cost reductions have been identified which are deemed to be achievable within an acceptable level of risk. In addition, Governing Bodies will need to identify cost reductions of around £3.8 million in School budgets, of which £0.9 million relates to delivering energy efficiency reductions. This leaves a residual budget gap of £6.4 million which it is proposed is found by increasing Council Tax by 5%. If Council Tax was to be increased by less than 5% the Council would need to make further cost reductions, in addition to the £16.4 million already proposed and is deemed to be deliverable. In looking for additional cost reductions the Council would need to consider whether the impact on residents from any cost reduction would be greater than the impact on households of an additional 5% per annum in Council Tax. Work to develop the Draft Budget suggests that every element of the budget has been explored so the scope for additional cost reductions in the short term is very limited.

#### Council Tax

<sup>•</sup> The Council's net revenue budget is funded from Welsh Government grant known as Aggregate External Finance (AEF) and Council Tax. AEF is the total evel of support that the Government provides to local authorities, comprising Revenue Support Grant (RSG) and the amount distributed from business of ates (NNDR) and is distributed using a needs-based formula. Over the last decade the Council's finances have suffered, as the Council has received in many years the lowest AEF settlements compared to the other 21 counties in Wales primarily due to the costs of rurality not being adequately reflected in the formula.

In 2022-23 all Welsh Councils received a settlement of around 9.6% and this has been further improved by the 2023-24 provisional settlement of 8.7% for Powys. The settlement formula is based on Standard Spending Assessment (RSG & NNDR plus notional Council tax). What has been seen in previous years is that the notional Council Tax element of the settlement has increased at a greater rate than the AEF element, this results in councils with smaller tax bases having a greater share of the grant element and areas with higher tax bases like Powys received less grant because they had a greater relative share of the council tax pot. However, over the last couple of years the opposite has happened where AEF has increased greater than the notional council tax increase. Therefore, there is a reverse pattern. We receive roughly 30% of the Council's net revenue budget requirement from Council Tax and the rest from Welsh Government.

Council Tax income comes from residents but not all residents pay full Council Tax. Many residents benefit from the Council Tax Reduction Scheme (CTRS). Our annual expenditure to provide this support for Powys residents exceeds the level of funding included in the settlement by £1.8 million. The level of support provided by this scheme has increased during the pandemic as more people became eligible. Any increase in Council Tax will increase the CTRS shortfall and an allocation of £470k is included in the budget to cover a 5% increase in Council Tax.





In setting the Council Tax level each year the Council must strike an appropriate balance, the need to ensure the Council has sufficient funds to provide crucial often statutory services to local residents within a balanced budget (a legal requirement) with the ability of Powys taxpayers to afford to pay the level set.

Understanding the affordability of any Council Tax increase requires consideration of the cost of the increase in relation to household income. Council Tax can be measured in 'Band D' or in 'per dwelling' terms. Band D has historically been used as the standard for comparing Council Tax levels between and across local authorities. This measure is not affected by the varying distribution of properties in bands that can be found across authorities. The 'per dwelling' calculation uses chargeable dwelling figures which gives an indication of the average amount of Council tax that is actually paid per household. In 2022-23 the Average band D council tax set for Powys was £1,814 which was above the Welsh average of £1,777. These figures include Community Council and Police authority precepts. Council Tax can also be measured as average Council Tax per dwelling. In Powys the average Council Tax per dwelling for 2022-23 is £1,798, £210 a year (£4.04 a week) above the £1,588 average for Wales.

#### ECONOMIC CONTEXT

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National statistics<sup>1</sup> from the Office of National Statistics (ONS) show the average gross weekly earnings (full-time equivalent employees on adult rates) in Powys in 2022 to be £573.20 compared to an average for Wales of £598.10, placing Powys 7<sup>th</sup> lowest of 22 council areas in Wales.

 CPI inflation is set to peak at a 40-year high of 11% in the current quarter, and the peak would have been higher without the energy price guarantee limiting a typical household's annualised energy bill to £2,500 this winter and £3,000 next winter. Rising prices erode real wages and reduce living standards by √% in total over the two financial years to 2023-24 (wiping out the previous eight years' growth), despite over £100 billion of additional government support.
 CPI inflation is set to peak at a 40-year high of 11% in the current quarter, and the peak would have been higher without the energy price guarantee limiting a typical household's annualised energy bill to £2,500 this winter and £3,000 next winter. Rising prices erode real wages and reduce living standards by √% in total over the two financial years to 2023-24 (wiping out the previous eight years' growth), despite over £100 billion of additional government support.
 CPI he squeeze on real incomes, rise in interest rates, and fall in house prices all weigh on consumption and investment, tipping the economy into a recession lasting just over a year from the third quarter of 2022, with a peak-to-trough fall in GDP of 2%. Unemployment rises by 505,000 from 3.5% to peak at 4.9% in the third quarter of 2024.

Inflation is expected to drop sharply over the course of next year and is dragged below zero in the middle of the decade by falling energy and food prices before returning to its 2% target in 2027. The resulting recovery in real incomes, consumption, and investment sees GDP return to growth in 2024 and output recover its pre-pandemic level in the fourth quarter of that year.

Taking account of the above information the groups of people most likely to be impacted by an increase in Council Tax are families with children especially those headed by a working lone parent and people who rent their home (social or a private landlord). Those people less likely to be impacted by an increase in Council Tax are people on higher incomes and people wholly reliant on means tested benefits.

A 5% increase in Council Tax in 2023-24 for a Band D dwelling would be an increase of £72.59 for the year, equivalent to £1.40 per week (before Community Council and Police precept).

The integrated approach to support effective decision making



Based on previous year's figures it would be reasonable to assume that only around 48% of Powys' 65,000 households would pay the full increase, while just over 52% would receive partial or total exemption from payment.

The Council conducted a resident's survey which will close on the 5<sup>th</sup> January. A full report on the budget consultation will be provided with the budget papers in the Cabinet agenda 17<sup>th</sup> January and Council agenda 23<sup>rd</sup> February 2023.

#### Conclusion

The Council's financial position and outlook continue to be challenging over the medium term. Although the financial settlement provides additional funding which helps support the main core pressures such as pay and price inflation, there have been additional obligations that also have to be funded from the increase such as funding the £1 per hour increase in Real Living Wage for all care workers on top of pay and price inflation and specific service pressures. The next years settlement has been indicated at 3.1% and we have assumed 2% from then on, which are likely to be below current inflation levels and will leave the Council short in covering the basic uplifts. The Wales Fiscal analysis suggests that medium term settlements could be less than we have predicted. As the net budget is only financed by the settlement and Council Tax the only other way the Council can balance its budget is by making cost reductions or increasing fees and charges.

The Council has made more than £108 million cost reductions in the last decade making it harder each year to find more. A further £16.4 million of cost reductions are proposed for 2023-24, leaving a £6.4 million budget gap which it is proposed should be met by an increase in Council Tax. In future years we will need to re-design the Council to deliver services in a more sustainable way.

Although any increase in Council Tax is likely to impact to some extent on many residents, not all pay Council Tax as there are a number of discounts and exemptions in place which means that only 48% pay full Council Tax.

Despite the average Band D Council Tax Bill in Powys being £37 per annum higher than the Wales average and the average Council Tax per dwelling is £210 above the average, these figures need to be considered against the fact that in Powys only 70% of the net budget is funded from AEF which means 30% of the net budget has to come from Council Tax which is higher than all but three other council in Wales.

In terms of affordability a 5% increase in Council Tax for a Band D property would be £1.40 per week and £1.40 represents only 0.24% of the average weekly wage and in view of the means tested reductions, discounts and exemptions that are available to residents this is considered to be in the realms of affordability for residents.

1. Version Control (services should consider the impact assessment early in the development process and continually evaluate)

Version	Author	Job Title	Date
V1	Anne Phillips	Interim Deputy Head of Financial Services	5/1/23

### Cyngor Sir Powys County Council Impact Assessment (IA)



The integrated approach to support effective decision making

V2	Jane Thomas	Head of Financial Services	9/1/23	
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#### 2. Profile of savings delivery (if applicable)

£000	2023-24	2024-25	2025-26	2026-27	2027-28
Net budget - £k	£326,554	£348,854	£363,948	£378,648	£393,967
Council Tax increase of 5% (plus tax base changes in 2023-24) £k	6,384	4,898	5,143	5,400	5,670
Cost reductions total required - £k	£16,445	£502	£1,358	£577	£580

#### 3. Consultation requirements

Consultation Requirement	Consultation deadline/or justification for no consultation
ige 1	Budget engagement took place with the public by use of an online questionnaire. It was undertaken between 3 <sup>rd</sup> December 2022 and 5 <sup>th</sup> January 2023
OPublic consultation required	Full details of the questionnaire and communications and findings can be found at Appendix J in the Budget papers pack
	Consultation on specific cost reduction proposals will be undertaken and is set out in the individual Impact Assessments published as part of the budget pack

#### Impact on Other Service Areas

Does the proposal have potential to impact on another service area? (Including implication for Health & Safety and Corporate Parenting) PLEASE ENSURE YOU INFORM / ENGAGE ANY AFFECTED SERVICE AREAS AT THE EARLIEST OPPORTUNITY

The overall budget will see some service reductions, and each individual proposal has an impact assessment that has been scrutinised by the relevant committee to assess any detrimental effect on residents and the Council's delivery model.

5. How does your proposal impact on the council's strategic vision?



Council Priority	How does the proposal impact on this priority?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPAC AFTER MITIGAT N Please select fro drop dow box belo
The Economy We will develop a vibrant economy	The budget has been prepared with regard to the other funding streams that the Regeneration team have been successful in bidding for in Powys, Levelling Up and Shared Prosperity Funding of £50 million will support projects that aim to improve growth in the economy in terms of both revenue and capital spend. The budget for digital and economy will increase overall by £0.9 million next year.	Neutral	Funding the identified contract inflation pressures in services will ensure that providers can deliver the same level of service to the council and residents and maintain stability in their workforce, ensuring those wages remain in the local communities to support the economy	Good
Health and Care We will lead the way in effective, integrated rural health and care	Social Care will receive an additional £8.2 million in the budget of which £2.7 million covers pay and basic non pay inflation. The balance addresses demographic pressures and contract inflation including the additional £1 an hour to fun the real living wage increase.	Neutral	Many of the cost reductions on Social Care are linked to service redesign and improvements on delivery alongside plans to achieve greater income and better utilise grants, all of which have a minimal effect of service users	Good
Learning and skills We will strengthen learning and	There are budget savings that will result in staffing	Poor	To minimise the saving impact schools are able to utilise reserves that were built up through grants at year end 2022-23. Further additional funding could be provided through an increase council tax beyond the 5% proposed. In addition Welsh Government are also providing	Neutr
skills	reductions in schools		additional grant funding directly to schools. The impact of home to schools transport inflation is fully funded in the budget £0.5 million in addition funding transport for additional learning needs pupils of £0.2 million is agreed	



Council Priority	How does the proposal impact on this priority?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
Residents and Communities We will support our residents and communities	Funding for Council Housing is through a separate account, the HRA and is outside of the scope of this impact assessment. Rents are likely to continue to increase, in line with their business plan which supports the upkeep of properties to the appropriate quality standard. The service continues to build new council properties (ass set out in the Capital Strategy) and works closely with register social landlords to increase the numbers and address housing demand.	Neutral	Homelessness is a priority with Welsh Government and the council has not reduced this budget Leisure has been funded at additional £1.1 million to address the utilities pressure and ensure that centres remain open whilst a longer term review takes place.	Neutral

#### Source of Outline Evidence to support judgements

Each service has completed its own Integrated Business Plan that sets out the changing shape of the service delivery plan, and the need to fund pressures, and where 🗘 service reductions can be achieved, and is expected to remain aligned to the Corporate Plan. The reductions are underpinned by individual Impact Assessments which will be scrutinised before approval to ensure a minimal, or acceptable level of impact on the Council priorities. Individual Impact Assessments for all savings will be published as part of the budget papers

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6. How does your proposal impact on the Welsh Government's well-being goals?

Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
A prosperous Wales: An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.	Education is at the centre of a skilled and well educated population. The central school's budget is proposing to deliver £830k cost reductions but this is more than mitigated by their pressures being funded totalling £1.1 million, which is in addition to the £811k inflationary uplifts given. Schools received significant grant funding at the end of 2022- 23 and this will be used as a one off in 2023-24 to fund the cost of utilities inflation at £3.8 million. Pay inflation pressures have been funded. Pressures of £1.7 million are being funded. Schools continue to have a major capital programme of build and renovation, to improve the school's infrastructure and curriculum. Government's updated Programme for Government includes extending eligibility to free school meals to all primary school children. The cost implications on catering are being developed. There is a need for additional capital investment to meet increased demand. The inflation on provisions of 10% are being funded alongside Catering estimated revenue pressure of £233k has been funded alongside providing greater subsidisation of an extra £170k, whilst pupils will be charged an extra 10p per meal. The wider programme recognises the Mid Wales Growth Deal, Shared Prosperity (SPF) and Levelling Up funding which support economic growth across the county	Neutral	These are factors that add a positive impact to these goals: The capital programme continues to focus on 21 <sup>st</sup> Century Schools and the building and modernisation of schools linked to a newly updated transformation strategy that could see an additional £123 million spent on schools over the next five years. It is likely that the capital programme will bring up to £200 million capital funding to the regime over the next 15 years for economic growth and tourism. Levelling up funding of £23m has been approved for capital schemes in the county. This allows on the job training and support the jobs market. In addition £33 million Shared Prosperity Funding has been agreed for the next two years.	Good



	Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO <u>N</u> Please select from drop down box below
Page,	<b>A resilient Wales:</b> A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).	<ul> <li>Travel budgets - £108k are being cut as the new ways of working sees more staff working from home and less travelling is taking place that improves our carbon emissions.</li> <li>Energy efficiency measures of 890k will also be introduced into Council offices and schools to reduce energy use.</li> <li>Route optimisation for Waste vehicles will reduce the mileage travelled and save an estimated £52k</li> </ul>	Neutral	The capital strategy continues to fund an additional £1 million for street lighting and £5 million for the HAMP annually until 2030, and further capital bids will be considered to support this area. Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm & Secure), Landlord Loans and the ZILF Co2i loan schemes. The Council will, using ECO4 and ORP3 funding, improve the energy efficiency of at least 74 Council owned homes that currently have EPC ratings of E, F or G	Good



Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
A healthier Wales: A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.	<ul> <li>Social Care budgets are the main deliverer of this goal, alongside leisure and public protection. Both Adults and Children's Services have cost reductions to deliver but mainly linked to new models of delivery linked to early intervention and prevention and providing new facilities closer to home:</li> <li>Strength based reviews/assessments to maintain independence with the right sized level of care, using technology, direct payments and maintaining life in own homes</li> <li>Using health funding where available to support service user need through continuing healthcare</li> <li>TEC - To deploy (TEC) Technology Enabled Care in order to cost avoid. TEC includes lifelines emergency phones/alarms and sensors which support people to live independently in their own homes. These systems enable people to live at home for longer and for next of kin / informal carers to be assured of the individual's wellbeing.</li> <li>Bringing services closer to home, which may involve building facilities in county</li> <li>Recommissioning and decommissioning - We will continue to work in partnership with all service providers to review the way services are accessible, of the right quality and at an affordable cost for all people who need to arrange their support. Alongside this, and to generate further efficiencies we will continue to promote direct payments.</li> </ul>	Neutral	Extra funding for all registered carers, the real living wage will help retain and attract care workers to the profession. To support more vulnerable and frail service users. This is estimated at £4.6 million cost to the council and will fund external providers and direct payment carers. Welsh Government have funded £2.8 million of this additional cost, the council will fund the balance, as a priority. In addition, we are funding an additional 15p per mile for carers working for external providers, who will then have their travel costs fully reimbursed.	Good



	Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below	
Page 195	A Wales of cohesive communities: Attractive, viable, safe and well- connected Communities.	<ul> <li>Housing in the main is ring fenced through the Housing Revenue Account (HRA). Annual rent increases are set independently of the general fund budget process. The HRA business plan includes the cost of borrowing to deliver the construction and letting of 61 new homes in 2022-2023, with a further 56 under construction and 142 additional homes under active consideration for future development.</li> <li>General Fund Housing do not have any savings to deliver.</li> <li>Digital transformation is expected to address how residents want to engage with the council, whether that be face-to-face, by telephone or by 24/7 digital access. Digital service have additional funding of £368k to cover pressures and only a small saving of £24k</li> </ul>	Neutral	Extra care facilities continue to take priority from the Supported Housing Capital grant which is funded through Welsh Government and a number of new sites are now being built. Extra care Housing Schemes will enable residents to live more independent and fulfilled lives in our communities. This will also help to bring general needs housing back into the supply for allocation within the Homes in Powys register scheme.	Good	
	A globally responsible Wales: A nation which, when doing anything to improve the economic, social, environmental and cultural well- being of Wales, takes account of whether doing such a thing may make a positive contribution to global well- being.	Overall, the budget proposed makes a positive impact on the well-being of our residents across all the services. Despite there being some reductions to budgets, most are to be achieved through service redesign. There are plans to address any negative impacts arising through working proactively with partners and the public to develop new ways of working using new commissioning models and digital technology.	Neutral		Neutral	
	A Wales of vibrant culture and thriving Welsh language: A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.					
	Opportunities for persons to use the Welsh language, and treating the Welsh language no less favourable than the English language	N/A	Neutral		Neutral	
	Opportunities to promote the Welsh language	N/A	Neutral		Neutral	



	Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
	Welsh Language impact on staff		Neutral		Neutral
rage iso	People are encouraged to do sport, art and recreation.	The Leisure contract receives an annual uplift linked to inflation of £306k, but this falls short of the funding needed next year to keep all centres open, so the budget proposes additional support for the increased utility pressures with an extra £1.1 million paid over as part of the contract. Over the medium term the cost of inflation may leave the provider unable to manage all centres within the existing contract envelope. The Capital Strategy assumes £0.9 million funding for leisure over the next five years, but a significant amount of funding is required to maintain the buildings and fixtures and replace items that are at the end of life. The Strategy identifies a further £2.7 million as pipeline for next year, but this has not yet been approved and this places a risk as some centres may not be able to offer the full range of activities and become unviable In addition energy efficiency improvements need to be prioritised to help address the soaring utility costs. The Council has already enabled significant, essential replacement of plant, fixtures, end-of-life equipment, structural materials, playing surfaces and decoration. The Capital commitment supports the Council's 'landlord' responsibilities as part of the leisure contract but also ensures that the buildings are fit for purpose, compliant, attractive and provide a positive customer experience. Leisure Services in Powys not only support the overall well-being of our 'residents and communities' and now more than ever, contribute to the 'health & care' agendas, providing early intervention and prevention programmes to help reduce the burden on health services.	Poor	The Council will work with the provider to undertake a review of the leisure facilities to understand the future cost implications and affordability in terms of both revenue and capital. The Leisure offering may need to change if we want to fund good quality facilities around the county.	Neutral



Well-being Goal	How does proposal contribute to this goal?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
A more equal Wales: A so	ciety that enables people to fulfil their potential no matter what their backgrou	und or circumstanc	es (including their socio economic background and circumstances).	
Age	N/A	Neutral		Neutral
Disability	N/A	Neutral		Neutral
Gender reassignment	N/A	Neutral		Neutral
Marriage or civil partnership	N/A	Neutral		Neutral
Race	N/A	Neutral		Neutral
Religion or belief	N/A	Neutral		Neutral
Sex	N/A	Neutral		Neutral
Sexual Orientation	N/A	Neutral		Neutral
Pregnancy and Maternity	N/A	Neutral		Neutral
1	nce to support judgements mpact on the council's other key guiding principles?			
Principle	How does the proposal impact on this principle?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below

Sustainable Development Principle (5 ways of working)



	Principle	How does the proposal impact on this principle?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
Page 198	<b>Long Term:</b> Looking to the long term so that we do not compromise the ability of future generations to meet their own needs.	Although the focus of this impact assessment is the 2023-24 budget the Council is also being asked to approve the Medium-Term Financial Strategy which extends the revenue forecasting to 2028 and the capital programme to 2028, both of which help the Council to take a longer-term view. The Integrated Business Planning approach involves developing operational service and resource plans for the next three years which again encourages the organisation to take a medium-term view of planning which should lead to better outcomes for the citizen and future generations.	Good	The current in year budget is closely monitored to ensure only planned use of reserves takes place, and overspends are minimised. This is evident through the autumn this year when services brought back forecast overspends to the level expected at the start of the year. Limited reserve use will take place to maintain the buffer we need for the future	Good
	<b>Collaboration:</b> Working with others in a collaborative way to find shared sustainable solutions.	The budget will support significant collaborative working in terms of the Regional Partnership Board in respect to our shared Heath and Care Strategy; the Public Service Board in delivering Towards 2040; and with Ceredigion Council to develop the Mid Wales Growth Deal. In social care around 20% of the proposed cost reductions are predicated on closer working and realigning services in collaboration with others particularly health.	Good	Schools improvement Partnership now in place with Ceredigion, as is Shared Prosperity Funding planning and approach for the next few years	Good
	Involvement (including Communication and Engagement): Involving a diversity of the population in the decisions that affect them.	There was stakeholder engagement in the budget development process, including a public survey, and advertising that reached out to business rate payers for their input.	Neutral	A wider survey has recently concluded about the new Corporate Plan and delivery of council objectives, and this will be at the forefront of future service delivery and budgets	Good
	<b>Prevention:</b> Understanding the root causes of issues to prevent them from occurring.	The transformation of Adult and Children's Services is predicated on early intervention and prevention to help maintain independence. This is evidenced by the focus on early years and the developments around Technology Enabled Care and the development of extra care.	Neutral	In addition Children service are developing a model with in house local children homes, this allows greater influence on how the service is delivered and bring the service back into county	Good



	Principle	How does the proposal impact on this principle?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
	<b>Integration:</b> Taking an integrated approach so that public bodies look at all the well-being goals in deciding on their well-being objectives.	The budget has been developed using an integrated business planning approach during which each service assessed how best to achieve their objectives and milestones alongside delivery of the Corporate Plan.	Good	Well being goals are a key part of the Corporate Plan	Good
Page 199	<b>Preventing Poverty:</b> Prevention, including helping people into work and mitigating the impact of poverty.	The Corporate Plan sets out a number of actions that will be taken to help people into work and mitigate poverty, the service budgets have not been reduced as this is a priority area for the council As it is a priority area there is no reduction in spend on this area, and council tax will continue to support funding activities such as: Range of in and out of work awards & benefits, mainly Council Tax Reduction Scheme and Housing Benefit for pensioners along with its other ranges of support including Free School Meals, Social Care Assessments, Pupil Grants, Blue Badges etc. It also provides emergency support though the Discretionary Housing Payments Scheme and Cost of Living Grants support. Continue to support resident of Powys thought the series of statutory discounts and exemptions for Council Tax which reduce the cost of Council Tax, as well as targeted support through its exceptional circumstance's hardship scheme	Neutral	Now funds a Money Advice Team who will change to an holistic advice service that will still support people out of crisis (Last year helped 600 households in poverty with £1.75m gains), aims to prevent poverty as well as helping households out of poverty to help prevent the cycle. Maintaining current funding for homelessness related services, linked with more robust and efficient approaches to service delivery, will help prevent and resolve homelessness, itself a major cause of poverty.	Good
	<b>Unpaid Carers:</b> Ensuring that unpaid carers views are sought and taken into account	The Adults and Children's Service is engaging unpaid carers in the design and delivery of new service models.	Good		Good



	Principle	How does the proposal impact on this principle?	IMPACT Please select from drop down box below	What will be done to better contribute to positive or mitigate any negative impacts?	IMPACT AFTER MITIGATIO N Please select from drop down box below
	Safeguarding: Preventing and responding to abuse and neglect of children, young people and adults with health and social care needs who can't protect themselves.	The Children's and Adult Services transformation plans which underpin their budgets are design to strengthen our arrangements for safeguarding vulnerable children and adults	Good		Choose an item.
	Impact on Powys County Council Workforce	There will be a small number of work force reductions as a consequence of staff restructures that will deliver greater efficiency, resilience and agile working	Neutral	The Council is also implementing an Apprenticeship programme to encourage all entrant level posts being filled this way	Neutral
e 20(	Source of Outline Evidence to support judgements The Local Government Act 2003 requires the Chief Finance Officer, Section 151 Officer (the Head of Financial Services), to make a report to the Council when it i			il when it is	

es the Chiet Finance Otticer, Section 151 Officer (the Head of Financial Services), to make a report to the Council considering its budget and Council Tax. The report must provide assurance on the robustness of the estimates, highlighting the risks associated with its deliverability and the adequacy of the reserves allowed for in the budget proposals, and fundamentally a balanced budget must be set each year. Council can propose and consider alternative budget suggestions, these would have to be fully costed with identified funding to maintain a balanced budget, this is likely to mean other service reductions and changes to Council Tax.

Council Tax is agreed at Council, and is a political decision based on an assessment, not only between balancing council tax and service reductions, but also making spending choices that meet the immediate needs with those that meet future generation's needs.

#### 8. What is the impact of this proposal on our communities?

Severity of Impact on Communities	Scale of impact	Overall Impact
Low	Low	Low
Mitigation		

The overall impact of the budget and council tax setting on communities is low, as we have support in place to address those who are at most risk from these proposals. For specific savings individual impact assessments have been completed which provide greater detail on how those proposals affect communities.



9. How likely are you to successfully implement the proposed change?

Impact on Service / Council	Risk to delivery of the proposal	Inherent Risk	
Low	Low	Low	
Mitigation			
The overall council budget can be implemented from the first of April after the formal Council approvals have taken place on the 23 <sup>rd</sup> February for the budget and 2 <sup>nd</sup> March setting the Council Tax. It is then imperative that we closely monitor the budget pressures and savings to ensure Services deliver their budget objectives as per their plans.			

	Risk Identified	Inherent Risk Rating	Mitigation		Residual Rating	Risk
Page 201	An unacceptable risk is Council not agreeing a fully balance and agreed budget	d Medium	The budget has been prepared by Cab Leadership Team with engagement ar the public and the wider council member (pressures and reductions) have been and challenge and provide a balanced funding envelope from Welsh Gov affordable increase in Council Tax	nd consultation with ship. The proposals subject to scrutiny d budget within the	Low	
	Council tax collection levels may reduce due to the 59 increase, deemed unaffordable by some residents	6 Low	CTRS and certain discounts are available, in addition there are flexible ways to pay the bill over 12 months. The council have trained money advice officers to support those struggling to make ends meet.		Low	
		Choose an item.			Choose an ite	em.
	Overall judgement (to be included in project risk register					
	Very High Risk High Risk		Medium Risk	Low Risk		
				X		

#### 10. Overall Summary and Judgement of this Impact Assessment?

Outline Assessment (to be inserted in cabinet report)

**Cabinet Report Reference:** 

Low risk. There are individual risk assessments for each cost reduction proposal contained in the budget which shows they are deliverable within an acceptable level of risk and impact on residents.

#### Cyngor Sir Powys County Council Impact Assessment (IA)

The integrated approach to support effective decision making



23 February 2023

11. Is there additional evidence to support the Impact Assessment (IA)?

What additional evidence and data has informed the development of your proposal?

12. On-going monitoring arrangements?

What arrangements will be put in place to monitor the impact over time?

Customer satisfaction and continued consultation through surveys; formal and informal assessment and monitoring of the services reduced

#### Please state when this Impact Assessment will be reviewed.

Budget delivery and consequences are reviewed as part of the budget forecast

#### 13. Sign Off

- Position	Name	Signature	Date	
D Impact Assessment Lead:	Anne Phillips	Anne Phillips	5/1/23	
Head of Service:	Jane Thomas	Jane Thomas	6/1/23	
N Portfolio Holder:	Cllr David Thomas		10/1/23	
0				

**Date required** 

N 14. Governance Decision to be made by



Council



/Date	Meeting/Responsibility	EMT, SLT and Cabinet Activities
May	SLT	Review outturn position at a detailed level
June	SLT	Template for VFM, cost drivers, outputs, benchmarking presented for Education
June	SLT	Template for VFM, cost drivers, outputs, benchmarking presented for Household Waste
22-Jun	SLT	Develop budget planning, timetable, MTFS
5th July	Cabinet	Review Outturn Reports
27th July	SLT	Develop budget planning, MTFS etc
July	Cabinet / EMT	MTFS modelling
July / Aug	Cabinet	Sign off updated Medium Term Financial Strategy (MTFS) - to Cabinet in Sept
July	Cabinet Seminar	Capital review and reserves
11th Aug	July	Budget planning work
31st Aug	Senior Leadership Team (SLT)	Integrated Business Plan (IBP) 1st draft - link to Corporate Plan
Early Sept	Political Groups	Section 151 and political groups - updates on budgets
6th Sept	Cabinet / Executive Management Team (EMT) / SLT	Budget update
9th Sept	Finance panel	Scrutiny of updated MTFS and feedback to 15th
15th Sept	Cabinet / EMT / SLT	MTFS sign off for Cabinet on 20th
15th Sept	Schools Budget Forum	Opportunity to meet the requirements of the School Forums regulations in relation to consultation on schools' budget and any Service Level Agreements (SLAs) / charging for goods / services to schools' budget shares (NB minimum 3 months before agreement finalised)
Sept	Welsh Government (WG)	Autumn spending review
Sept	Finance	Collate all savings and growth proposals in IBPs
Sept	Finance	Collate the capital proposals identified through the IBP - if any as we know bids can be submitted through the year
Sept	Scrutiny	Scrutiny engagement
Sept	Cabinet / EMT / SLT	Decide on public engagement re budgets and work up approach
Sept	Finance Panel	Budget consultation and budgets
October	IBP Service Panels	Various dates - Each Head has a panel challenge event Oct O4th October – IBP Education O6th October IBP – Adult Social Care 10th October – IBP Workforce Organisational Development 12th October – IBP Planning, Property, Public Protection 18th October – IBP Housing, Community Development 20th October – IBP Highways, Transport, Recycling 24th October – IBP Children's Services O9th November – IBP Finance 10th November – IBP T&C and Economy and Digital
October	Group Leaders	Alternative budgets timetable agreed
1st and 14th November	Cabinet / EMT / SLT	Budget workshop

#### Cyngor Sir Powys County Council Impact Assessment (IA)











08-Feb	Clerks	Send Alternative Budget papers to Scrutiny if approved by Section 151 officer
10-Feb	Group Leaders	Budget Update
13-Feb	Scrutiny	Scrutiny Of Alternative Budgets
13-Feb	Finance	Prepare Scrutiny Report for alternative budget
14-Feb	Cabinet	Cabinet consider Alternative Budget
17-Feb	Clerks	Publish Cabinet and any alternative Budgets
23-Feb	Council	Approve final budget (MTFS & FRM) and capital strategy, reserve policy and Fees & Charging Register (income & charging schedule).
02-Mar	Council	Council approve council tax
March	WG	Final settlement
Mid March	Finance	Full budget included in the finance system
Mid March	Finance	Full budget set out in the budget book available on the website

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## Arolwg Cyllideb Cyngor Sir Powys Powys County Council Budget Survey

This report contains the findings from the Budget survey conducted from 21<sup>st</sup> December 2022 to 5<sup>th</sup> January 2023.

There were 75 respondents in total.

Please note: All responses (English and Welsh) are included together below for ease of analysis and not all questions were answered by all respondents.

#### Background

Powys County Council (the council) provides a wide range of services to our communities, spending over £545m every year, mainly on statutory services, which we must provide by law. A small proportion of the budget is also spent on services that we choose to provide.

Our services are highly valued by our residents and like you the Council is being significantly impacted by the current economic climate, surging inflation and rocketing energy costs have had a significant impact on the Council's financial planning for this and future financial years

The increases mean that for next year (2023-24) we will need to find more money to maintain what we currently provide or reduce our service delivery. The Welsh Government will provide some additional funding and we will have to consider raising Council Tax to raise additional funds, – a five per cent council tax increase is being considered, but these alone will not bridge the gap in our budget.

To balance the budget next year, we will have to take out more than £20m of costs and we would like your input into how best we can do this. It will have an impact on the service we offer but by doing things differently we can reduce our costs.

We need you to help us shape what the council could look like, it will be a smaller council, but it is essential that we prioritise the services to those that need our support most. Doing things differently can help us use the money we have effectively.

The national economy is struggling too, and we do not expect our funding over the next few years to meet the costs we have so change will take place over a number of years to come.



#### Survey results

Q1. Help us decide what the council will look like. Please indicate the extent to which you agree or disagree with each one.

Statement	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Reduce overall service to reduce costs	5	14	11	24	21
Only support those services that are statutory (legally have to provide) this could mean that some services could stop.	13	19	4	21	18
Reduce the number of buildings from which we operate to save the cost of running them	44	21	3	2	5
Reduce the location of some services, which could mean that you would need to travel further to keep and improve the services you need	9	19	12	23	12
Look to deliver more services through online interaction rather than face to face	20	26	10	12	7
Increase Council Tax by less than 5%. If lower it would mean there would be more service reductions.	15	23	10	13	14
Increase Council Tax by more than 5%. A higher increase would limit the need for some service reductions.	9	16	3	17	30
Reduce the council's energy usage by implementing further energy efficiency measures	54	12	4	2	3
Increase county council charges e.g. car parking prices, so those who use the facilities pay more	17	18	14	16	10



#### **Q2.** Any further comments:

It needs to be fair and proportionate; our wages aren't being increased by that much and each home is having its own cost of living crisis!

Reduce the excess staff, the amount of high paid fat cats who do nothing but reduce the services we're paying for

A very narrow questionnaire. Reduce the number of councillors and paid positions on scrutiny committees etc and announce to the public what savings would be made

Keep our sports centres open

Do not increase prices. We are so rural and on low wages and we have to travel distances for many activities. We need to lobby for a lot more money and have increased HELP from South Wales government..

We are a minority that have the same needs as the South and North.

Asking if the council should increase by less/more than 5% is totally pointless without being shown the possible impact.

AS an aside the GDPR notice doesn't seem right; 'stored securely for a limited time only' - it's too vague. How long is that?

Cannot afford a greater increase in Council Tax! Would prefer reduced services. Extras can be charged directly to users.

Have a proper look at all the structures and talk & amp; listen to staff. PCC have far too many managers/staff above grade 10 - a lot are not needed for the day to day work, i know of a few who have been away for a period and their team have not missed them at all and work has continued as normal with no issues as managers are hands off - pcc need more staff lower down where the real day to day work is done and less people on these high grades - i could save pcc approx. £200K in just 1 department by restructuring it - far too many layers from the top down to the bottom

Cap the pay and benefits of all management and executive staff whilst also cutting this cadre of staff by at least 10%.

Stop wasteful spending. Reduce the number of councillors by 50%. A maximum salary of 40,000 for Any council employee.

Waste less money on remote working. More productive working together. Make housing staff available in person encounters. It looks north Powys is forgotten about, no public face of council remaining. Elderly and non-computer users left in the dark

Re energy efficiency I do not agree that you should e.g. Close swimming pools and leisure centres to reduce cost. What I do agree with is spending to increase renewable energy sources.

Look at raising revenue by charging visitors/holiday makers to Powys. Reduce PCC staff numbers. Reduce the number of councillors.

Council tax should be no more than 1.5%, as a fairly decent wage earner for the council, inflation is hitting hard. I'm adding 50% more to my food and diesel bill than I was at the start of the year.

My children and dairy intolerant, oat milk is now £1.30, the start of the year, £1. I buy 8 cartons a week, adding nearly £10 a month to my food bill.

The more money I give in council tax the less I have to spend locally. Staff morale is the lowest I've ever seen it, indirectly a minimal council tax increase will help, as frankly there are no benefits to working for PCC.

Sports and leisure facilities including libraries, swimming pools and gyms should stay open. Schools should be better funded.

Instead of cutting services. Cut your wage bill. Especially higher management CEO bonus etc. Then you won't have to increase our council tax we pay the highest as it is for very limited services. You can't even collect recycling properly. Yet you want to cut essential adult services.

PCC need to stop wasting money



Spend less on advisors in education and give the money to schools to reduce class sizes. This is the best way to improve schools.

Cut the fat

We will pay for services if we must, we cannot continue to pay more for less. Charge what you must for council tax for a decent level of public services.

I don't think this simplistic survey is likely to generate an informed opinion from most users. Try again PCC.

Reduce agency and consultancy costs across council, review cost of placements and large contacts for social care. Limit council tax increase as promised by new administration, cabinet need to make difficult decisions as opposed to just increasing council tax year on year

Save money by operating all services in-house. How can paying for waste, colleges, and leisure centres to be run by 3rd parties be saving money?

I have a few points

1. You talk about green energy, carbon footprint and recycling a lot, however, Powys CC are quite happy having sun contractors travel by diesel van to Powys from Coventry?? Doesn't make sense

2. People are already feeling the financial squeeze from conservatives austerity and recession looming. I'm sorry but stop charging in car parks to help local businesses would be a better though instead of penalising people.

3. Definitely not another energy saving project as this will cost way too much in surveys, engineers etc, whereby more public money being wasted.

Why should tax payers pay the price, stop wasting our money

Less pen pushers more broom pushers

Free parking. Save town centres.

It is difficult to make judgements on some of the questions without having data to hand to understand the more nuanced implications. For example does increasing car parking charges reduce footfall within town high streets pushing it towards out of town parking in larger supermarket retail areas where there are no charges therefore resulting in less footfall for businesses within the town centres? What other County council charges are included within this heading - is it likely that those who need to use the facilities more are generally going to be the less well-off anyway so unable to afford the increases?

All proposals must be transparent with sound data behind them.

Statutory services must take priority, but we must also think how we could deliver them differently. E.g. closing schools would help boost funding of others to provide better learner entitlement/provisions.

Looking after our elderly should be a priority. This can't be "online".

Reduce staff

Raising car parking charges will lead to an increase in on street parking. By reducing the car parking charges to a very affordable amount for residents without drives or garages or parking in front of their houses you would increase your revenue because these residents would pay to park in the car parks that are currently empty every evening.

## Impact Assessment

## **Utilities Efficiency in Schools**



#### 06/01/2023

Reference: 9108-5818-8510-4723

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

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

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

## **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Utilities Efficiency in Schools
Description of proposal	Ensure efficient use of utilities in schools: * Turn off lighting when it is not being used * Cessation of photocopying activity * Implement a 2 degree Celsius reduction in heating temperature * Turn off laptops and other electrical devices when not being used

## 2. Savings and Consultation requirements

#### Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£936,810

#### **Further information**

Ensure efficient use of utilities in schools:

- \* Turn off lighting when it is not being used: 2023-24 = £194,812
- \* Cessation of photocopying activity: 2023-24 = £242,982
- \* Implement a 2 degree Celsius reduction in heating temperature: 2023-24 = £427,013
- \* Turn off laptops and other electrical devices when not being used: 2023-24 = £38,962

#### **Consultation requirements**

Consultation required?	No
Justification	The proposals are to effectively use resources and does not impact on staff.



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

#### 3a. Impact on other service areas

• Schools (Primary Secondary and Special)

#### **3b. Impact on geographical locations**

The entire county

#### **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data is processed as a result of this proposal

## 4. Impact on Vision 2025

#### 4a. The economy

4b. Health and care	
Impact No	one

#### 4c. Learning and skills



Impact	The proposal ensures the efficient use of utilities in schools: * Turn off lighting when it is not being used: turning off lighting reduces costs and electricity usage and supports CO2 and sustainability targets. * Cessation of photocopying activity: cessation of photocopying activity reduces costs and electricity usage and supports CO2 and sustainability targets. * Implement a 2 degree Celsius reduction in heating temperature: limited impact, classrooms will be 2 degrees Celsius cooler but still within Health and Safety requirements. In addition, the change reduces electricity costs and supports CO2 and sustainability targets. * Turn off laptops and other electrical devices when not being used; reduction in the use of electricity reduces costs and supports CO2 and sustainability. There is also a reduction in fire risk.
Impact rating	Very good
Mitigation	Not specified

#### 4d. Residents and communities

Impact None
-------------

#### 4e. Evidence

Evidence is the current energy costs, risk assessments regarding current practice in schools and reports such as https://www.theguardian.com/resource/switch-off-and-save

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

#### 5a. A prosperous Wales



#### **5b. A resilient Wales**



Impact	The proposal ensures the efficient use of utilities in schools: * Turn off lighting when it is not being used: turning off lighting reduces costs and electricity usage and supports CO2 and sustainability targets. * Cessation of photocopying activity: cessation of photocopying activity reduces costs and electricity usage and supports CO2 and sustainability targets. * Implement a 2 degree Celsius reduction in heating temperature: limited impact, classrooms will be 2 degrees Celsius cooler but still within Health and Safety requirements. In addition, the change reduces electricity costs and supports CO2 and sustainability targets. * Turn off laptops and other electrical devices when not being used; reduction in the use of electricity reduces costs and supports CO2 and sustainability. There is also a reduction in fire risk.
Impact rating	Very good
Mitigation	Not specified

#### 5c. A healthier Wales

Impact None
-------------

#### 5d. A Wales of cohesive communities

### 5e. A globally responsible Wales

Impact	The proposal ensures the efficient use of utilities in schools: * Turn off lighting when it is not being used: turning off lighting reduces costs and electricity usage and supports CO2 and sustainability targets. * Cessation of photocopying activity: cessation of photocopying activity reduces costs and electricity usage and supports CO2 and sustainability targets. * Implement a 2 degree Celsius reduction in heating temperature: limited impact, classrooms will be 2 degrees Celsius cooler but still within Health and Safety requirements. In addition, the change reduces electricity costs and supports CO2 and sustainability targets. * Turn off laptops and other electrical devices when not being used; reduction in the use of electricity reduces costs and supports CO2 and sustainability. There is also a reduction in fire risk.
Impact rating	Very good
Mitigation	Not specified

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



5

Using Welsh		
Impact	None	
Promoting Welsh		
Impact	None	
Sports, Art & Recreation		
Impact	None	
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
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Sex

Impact	None
Sexual Orientation	
Impact	None
Pregnancy and Materni	ty
Impact	None
Socio-economic Duty	
Impact	None
5h. Evidence	

Evidence is the current energy costs, risk assessments regarding current practice in schools and reports such as https://www.theguardian.com/resource/switch-off-and-save

# 6. Impact on key guiding principles & workforce

# 6a. Sustainable development principles

# Impact None Collaboration Impact Impact None Involvement (including communication and Engagement) Impact None Impact None Impact None Impact None Impact None Impact None



Integration

Impact	None	
6b. Impact on the wo	orkforce	
Impact	None	
6c. Impact on payrol	I	
Impact	None	
6d. Welsh language impact on staff		
Impact	None	
6e. Impact on apprenticeships		

#### 6f. Evidence

Based on the research that has been undertaken to develop these proposals, there has been no impact identified in these areas. References to the source material to reach these conclusions are given in the additional evidence section at the end of this impact assessment.

# 7. Likelihood and risks

# Risk 1

Description	Individual schools do not adopt the efficiency measures and therefore do not reduce costs.						
Likelihood score	3	3 Impact score 2 Risk rating 6.0					
Mitigation		Schools Service and Finance work with schools to promote the cost and environmental benefits of the utilities efficiency measures.					
Residual likelihood score	2	Residual impact score	2	Residual risk rating	4.0		



# 8. Overall summary and judgement

# Outline assessment

Overall, our assessment is that these measures will provide overall benefits. Individual schools will gain a reduction in energy costs and therefore, not need to mitigate by cuts elsewhere in their budget, whilst the Council's broader agenda regarding the green economy and progress towards net zero carbon will be enhanced by the reduced energy usage in schools. This is based upon evidence of delivery of similar programmes in schools elsewhere within the UK and individual schools will be supported towards achieving this via Finance Surgeries.

Officers are therefore confident that these proposals are economically sound and realistic in respect of actual delivery.

Schools are expected to incorporate this challenge within their existing approach to curriculum planning for a greener, sustainable future.

Cabinet reference	N/A

# 9. Additional evidence

https://www.theguardian.com/resource/switch-off-and-save

# **10. Ongoing monitoring arrangements and governance**

# Monitoring arrangements



С

<b>Review date</b> 17/12/2023	Monitoring will take place across the financial year 2023-24.		
	Review date	17/12/2023	

null



# Impact Assessment

# Effective Use of Grant Income



# 10/01/2023

Reference: 2507-6870-6968-0062

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

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

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

# **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Effective Use of Grant Income
Description of proposal	<ul> <li>Effective use of stable grant income will enable:</li> <li>Grant funding to offset some base funded staff</li> <li>Grant funding to manage pay inflation for some staff</li> </ul>

# 2. Savings and Consultation requirements

# Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£250,000

#### **Further information**

Effective use of stable grant income will enable:

- Grant funding to offset some base funded staff
- Grant funding to manage pay inflation for some staff

# **Consultation requirements**

Consultation required?	No
Justification	The proposal does not impact service delivery or staffing levels.



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

# 3a. Impact on other service areas

# **3b. Impact on geographical locations**

The entire county

# **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	There is no processing of personal data as a result of this proposal.

# 4. Impact on Vision 2025

# 4a. The economy

Impact	None
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#### 4b. Health and care

Impact	None	
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# 4c. Learning and skills

Effective use of grant income will enable:	



Impact	<ul> <li>Grant funding to offset some base funded staff</li> <li>Grant funding to manage pay inflation for some staff</li> </ul>
Impact rating	Very good
Mitigation	Not specified

# 4d. Residents and communities

Impact None
-------------

# 4e. Evidence

The continued receipt of stable grant income will enable:

- Grant funding to offset some base funded staff
- Grant funding to manage pay inflation for some staff

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

# 5a. A prosperous Wales

Impact	None	
5b. A resilient Wales		
Impact	None	
5c. A healthier Wales		
Impact None		
5d. A Wales of cohesive communities		

# 5e. A globally responsible Wales

None



4

Impact

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

# Using Welsh

Impact	None
Promoting Welsh	
Impact	None
Sports, Art & Recreation	

Impact None
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# 5g. A more equal Wales

# Age

	Impact	None
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#### Disability

Impact	None		
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# **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 Maternit	y
Impact	None
Socio-economic Duty	
Impact	None
5h. Evidence	

The continued receipt of stable grant income will enable:

- Grant funding to offset some base funded staff
- Grant funding to manage pay inflation for some staff

# 6. Impact on key guiding principles & workforce

# 6a. Sustainable development principles

#### Long-term

Impact	None	
Collaboration		
Impact	None	
Involvement (including Communication and Engagement)		

Impact None
-------------



#### Prevention

Impact	None
Integration	

# 6b. Impact on the workforce

Impact None
-------------

# 6c. Impact on payroll

# 6d. Welsh language impact on staff

# 6e. Impact on apprenticeships

Impact	None
impaot	None

# 6f. Evidence

The continued receipt of stable grant income will enable:

- Grant funding to offset some base funded staff
- Grant funding to manage pay inflation for some staff

# 7. Likelihood and risks

# Risk 1

Description	Risk that grant income is not sustained.				
Likelihood score	3 Impact score 3 Risk rating 9.0				9.0
Mitigation	Actively engage with Welsh Government Finance meetings and review the three-year grants profile from the Welsh Government, highlighting any changes				





	that are indicated.				
Residual likelihood score	2	Residual impact score	2	Residual risk rating	4.0

# 8. Overall summary and judgement

# Outline assessment

The continued receipt of stable grant income will enable:

- · Grant funding to offset some base funded staff
- · Grant funding to manage pay inflation for some staff

Cabinet reference

N/A

# 9. Additional evidence

Local Government Revenue and Capital Settlement 2023-24 (provisional): All Wales - Tables

# **10. Ongoing monitoring arrangements and governance**

# **Monitoring arrangements**

 Impact will be monitored throughout the financial year and as grant awards are recieved.

 Review date
 17/12/2023

 null



# Impact Assessment

# **Removal or Restructure of Vacant Posts**



# 06/01/2023

Reference: 7065-1294-4088-8942

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

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

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

# **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services			
Head of service	Georgina Bevan, Head of Education			
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys			
Proposal title	Removal or Restructure of Vacant Posts			
Description of proposal	<ul> <li>Removal or restructure of vacant hours / positions:</li> <li>* Vacant Primary School Advisor (SIA) post</li> <li>* Vacant part-time HI-VI post</li> <li>* Vacant part-time Autism Teacher</li> <li>* Limited restructure of other vacant posts within the service</li> </ul>			

# 2. Savings and Consultation requirements

# Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£147,450

#### **Further information**

This is not a reduction in service as all posts / hours are vacant and have been for a period of time.

#### **Consultation requirements**

Consultation required?	No
Justification	There is no impact of staff and there is no reduction in service as all posts / hours have been vacant for a period of time.

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



2

# 3a. Impact on other service areas

# **3b. Impact on geographical locations**

The entire county

# **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	This proposal is in respect of the removal of vacant posts / hours, therefore there is no processing on personal information.

# 4. Impact on Vision 2025

# 4a. The economy

Impact	None
4b. Health and care	

Impact	None

# 4c. Learning and skills

Impact	Post / hours that have been vacant for a period of time will be removed from the structure as a result of workload redistribution.
Impact rating	Neutral



Mitigation	Changes in working practices has resulted in the relevant work being undertaken by other members of staff and within schools themselves resulting in greater resilience in the delivery of services that were previously assigned to these posts / hours.
Mitigated impact rating	Good

#### 4d. Residents and communities

Impact None
-------------

#### 4e. Evidence

All posts / hours have been vacant for a period of time and deletion or restructure of posts / hours allows the associated budget to be released:

\* Vacant Primary School Advisor (SIA) post - in line with the Transformation Strategy and the reduction of primary schools, this post is no longer required.

\* Vacant part-time HI-VI post - provision in the area is increased both in terms of central support and school based support

\* Vacant part-time Autism Teacher - provision in the area is increased both in terms of central support and school based support

\* Limited restructure of other vacant posts within the service - workload has been redistributed for some time, allowing for the restructure of a limited number of vacant posts.

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

#### 5a. A prosperous Wales

Impact	None		
5b. A resilient Wales			
Impact	None		
5c. A healthier Wales			



Impact	The deletion or restructure of vacant posts / hours could impact on the ability to continue to provide the services.	
Impact rating	Poor	
Mitigation	As part of the Powys ALN strategy and workforce review the responsibilities related to these posts have been reallocated to different workforce areas resulting in an increase in the numbers of staff with the skills to deliver these services. This has increased both the level of support in this area and the resilience of the service by not relying on a single member of staff for service provision.	
Mitigated impact rating	Good	

# 5d. A Wales of cohesive communities

Impact	None
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# 5e. A globally responsible Wales

Impact	None
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# 5f. A Wales of vibrant culture and thriving Welsh language

# **Using Welsh**

Impact	None		
Promoting Welsh			
Impact	None		
Sports, Art & Recreation			
Impact	None		
5g. A more equal Wales			

Age

Impact	None	



# Disability

Impact	The deletion or restructure of vacant posts / hours could impact on the ability to continue to provide the services.
Impact rating	Poor
Mitigation	As part of the Powys ALN strategy and workforce review the responsibilities related to these posts have been reallocated to different workforce areas resulting in an increase in the numbers of staff with the skills to deliver these services. This has increased both the level of support in this area and the resilience of the service by not relying on a single member of staff for service provision.
Mitigated impact rating	Good

# Gender Reassignment

# Marriage or Civil Partnership

Impact	None
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#### Race

Impact None	
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#### **Religion or Belief**

Impact	None
Sex	

Impact	None

## **Sexual Orientation**

Impact	None

# **Pregnancy and Maternity**



Impact	None	
Socio-economic D	ity	
Impact	None	
5h. Evidence		

At part of the Powys ALN strategy and workforce review the responsibilities related to these posts have been reallocated to different workforce areas resulting in an increase in the numbers of staff with the skills to deliver these services. This has increased the level of support in this area and increased the resilience of the service by not relying on a single member of staff for service provision. These posts have been vacant for long enough for officers to be certain that they can be deleted without detriment to pupils and can be safely deleted.

# 6. Impact on key guiding principles & workforce

# 6a. Sustainable development principles

#### Long-term

Impact	None
Collaboration	
Impact	None
Involvement (including (	Communication and Engagement)
Impact	None
Prevention	
Impact	None
Integration	
Impact	None

6b. Impact on the workforce



Impact	Deletion or restructure of vacant posts / hours allows the associated budget to be released.
Impact rating	Good
Mitigation	Not specified

# 6c. Impact on payroll

Impact None
-------------

# 6d. Welsh language impact on staff

Impact	None
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## 6e. Impact on apprenticeships

Impact	None
--------	------

# 6f. Evidence

This proposal has no direct impact in these areas as the workload has already been redistributed, leading to greater resilience in the service.

# 7. Likelihood and risks

# Risk 1

Description	Risk that the restructure or removal of vacant posts / hours will result in a gap in service provision.				
Likelihood score	2	Impact score	1	Risk rating	2.0
Mitigation	Ensure that the proposal is subject to a full appraisal of workforce requirements and is compliant with the Workforce Development Plan for the Service.				
Residual likelihood score	1	Residual impact score	1	Residual risk rating	1.0

# 8. Overall summary and judgement



All posts / hours have been vacant for a period of time and workload redistributed. Following the development of the service and the implementation of the ALN Strategy, the deletion or restructure of posts / hours does not impact on service delivery and allows the associated budget to be released.

**Cabinet reference** 

# 9. Additional evidence

Workforce Development Planning documentation

The recent Estyn case study which recognises the service provided by the ALN Team.

In recent primary Estyn inspections, three have been recognised best practice case studies.

# **10. Ongoing monitoring arrangements and governance**

# **Monitoring arrangements**

Service provision and the workforce are reviewed regularly to ensure that the Service is able to meet and deliver statutory and non-statutory requirements.

Corporate workforce planning is also undertaken an annual basis (as a minimum).

Review date

30/11/2023

null



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# Impact Assessment

# Income Generation for Existing Service Activity



# 09/01/2023

Reference: 6369-6287-7905-3503

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

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

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

# **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Income Generation for Existing Service Activity
Description of proposal	Income generation for existing service activity: * Chargeable training provided to other Local Authorities * School Improvement Advisors are registered Estyn Inspectors which generates a recoupable fee.

# 2. Savings and Consultation requirements

# Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£10,000

#### **Further information**

A number of School Improvement Advisors are registered Estyn inspectors which enables them to undertake inspection work which generates income.

In addition, the skills and experience developed in recent years allows the authority to deliver a chargeable training offer for other authorities and private providers, which will bring additional income, and enhance the reputation of the authority.

# **Consultation requirements**

Consultation required?	No
Justification	There is no impact on the provision of services to the public as a result of this proposal.



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

# 3a. Impact on other service areas

# **3b. Impact on geographical locations**

The entire county

# **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	There is no processing of personal data as a result of this proposal.

# 4. Impact on Vision 2025

#### 4a. The economy

#### 4b. Health and care

Impact	None
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# 4c. Learning and skills

Impact	Increased income target for service.
Impact rating	Good



Mitigation	Assess initial income generation to see if it is possible to increase in future financial years.
Mitigated impact rating	Very good

# 4d. Residents and communities

Impact None
-------------

### 4e. Evidence

Staff who are registered inspectors will be inspecting schools in other Welsh local authorities.

Chargeable training is provided by officers within the service to other Welsh local authorities and private providers.

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

# 5a. A prosperous Wales

Impact	Income generation supports the use of existing budget efficiently.
Impact rating	Good
Mitigation	Assess initial income generation to see if it is possible to increase in future financial years.
Mitigated impact rating	Very good

# **5b. A resilient Wales**

Impact	None
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#### 5c. A healthier Wales

Impact
--------

# 5d. A Wales of cohesive communities



Impact
--------

# 5e. A globally responsible Wales

Impact	None

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

#### **Using Welsh**

Impact	None
Promoting Welsh	
Impact	None

#### Sports, Art & Recreation

Impact
--------

# 5g. A more equal Wales

#### Age

Impact	None

#### Disability

Impact
--------

#### **Gender Reassignment**

|--|

#### 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
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#### Socio-economic Duty

#### 5h. Evidence

Since the re-establishment of Estyn Inspections (post COVID) School Improvement staff have undertaken several inspections on behalf of Estyn. The service has a small proportion of staff qualified to undertake the work and this proposal would see these staff members released to undertake such work where possible.

In addition, various members of the service provide bespoke, chargeable, professional learning as the needs arise.

# 6. Impact on key guiding principles & workforce

#### 6a. Sustainable development principles

#### Long-term

Impact

None



# Collaboration

|--|

# Involvement (including Communication and Engagement)

Impact	None

# Prevention

Impact None
-------------

# Integration

Impact	The income generation proposals for existing service activity have an interdependence with other organisations for whom the service is being provided.
Impact rating	Neutral
Mitigation	Ensure effective communication with other organisations so that the income generating service provision continues and adapts as necessary.
Mitigated impact rating	Very good

# **6b. Impact on the workforce**

Impact	It is necessary that the relevant members of the staff have the appropriate training in order to deliver the income generating services.
Impact rating	Neutral
Mitigation	Ensure that relevant training and development opportunities are available so that the members of staff continue to be able to deliver the income generating services.
Mitigated impact rating	Very good

# 6c. Impact on payroll

Impact	t
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None

# 6d. Welsh language impact on staff



Impact	None
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## 6e. Impact on apprenticeships

Impact	None

# 6f. Evidence

Staff who are registered inspectors have been undertaking inspections in other Welsh schools and local authorities since the re-introduction of Estyn inspections (post COVID).

During recent years, chargeable training has been provided by officers within the service to other Welsh local authorities and private providers.

# 7. Likelihood and risks

# Risk 1

Description	External service provision is no longer required reducing / removing the income generation.				
Likelihood score	2	Impact score	2	Risk rating	4.0
Mitigation	Ensure that the relevant staff keep up-to-date with best practice and any changing service requirements and can adapt the service delivery as necessary.				
Residual likelihood score	2	Residual impact score	1	Residual risk rating	2.0

# 8. Overall summary and judgement

#### **Outline assessment**

The proposal to generate income for existing service activity for staff who are registered Estyn inspectors and staff who provide chargeable training to other local authorities has no negative impact on existing service provision.

Cabinet reference

9. Additional evidence

N/A

Staff who are registered inspectors have been undertaking inspections in other Welsh schools and local authorities since the re-introduction of Estyn inspections (post COVID).

During recent years, chargeable training has been provided by officers within the service to other Welsh local authorities and private providers.

# **10. Ongoing monitoring arrangements and governance**

# **Monitoring arrangements**

The proposal will be monitored via the existing budget monitoring mechanisms on a monthly basis.

**Review date** 

15/12/2023

null



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# Impact Assessment

# Reduction in Secondary Strategy Investment and Associated Consultancy Support



# 06/01/2023

Reference: 7837-1016-1819-1253

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

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

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

# **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Reduction in Secondary Strategy Investment and Associated Consultancy Support
Description of proposal	Annual reduction in Secondary Strategy growth funding and removal of associated consultancy support. Following the demise of ERW, and effective succession planning, it was agreed that a permanent Secondary Improvement Team would be appointed in September 2022. There will be a reduction in the need for external consultant support for secondary schools, as the team will be to provide bespoke school improvement support and facilitate effective collaboration through school-to-school working. Therefore, it will be possible to reduce the allocated growth funding by an annual amount of £50,000 over the next two years and removal of £50,000 in associated consultancy support. There should be no negative impact as a result of this change.

# 2. Savings and Consultation requirements

# Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£150,000

#### **Further information**

Growth funding was awarded to Education to support the implementation of the Secondary Improvement Strategy and there has been spend on external consultancy support. Work is moving forward at pace, and the reduction of external support, combined with the increased school-toschool collaboration, means that a portion of the allocated growth funding can continue to be returned annually over the next two financial years and some consultancy spend can be removed in 2023-24.



# **Consultation requirements**

Consultation required?	No
Justification	There is no reduction in service or provision.

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

# 3a. Impact on other service areas

# **3b. Impact on geographical locations**

The entire county

# **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No processing of personal details of individuals is included in the proposal.

# 4. Impact on Vision 2025

#### 4a. The economy

Impact	None
4b. Health and care	
Impact	None



# 4c. Learning and skills

Impact	The implementation of the Secondary School Improvement Strategy and the introduction of the new Secondary School Improvement Team has enabled more bespoke support including joint delivery of cluster INSET days, in line with the National Mission. Furthermore, subject specific networks have been developed as part of the Mid-Wales Education Partnership to facilitate more effective school to school working.
Impact rating	Good
Mitigation	The robust approach to the implementation of the strategy is increasing the pace by which leadership, teaching and learning and the curriculum, and its implementation, will address the seven dimensions for Schools as Learning Organisations [SLO].
Mitigated impact rating	Very good

## 4d. Residents and communities

Impact	None

## 4e. Evidence

The implementation of the Secondary School Improvement Strategy and the introduction of the Secondary School Improvement Team, mean that it is possible to reduce the amount of external support required, which in turn results in the reduction of investment required.

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

## 5a. A prosperous Wales

Impact	None
5b. A resilient Wales	
Impact	None



4

## **5c. A healthier Wales**

Impact	None
5d. A Wales of cohes	sive communities

## Impact None

## 5e. A globally responsible Wales

Impact
--------

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

## **Using Welsh**

Impact	One of the guiding principles of the Secondary School Improvement Strategy is to ensure that 'Welsh-medium provisionis accessible and provides a full curriculum in Welsh'. The removal of this consultancy element reduces the finance available to secure additional secondary school support to be delivered through the medium of Welsh.
Impact rating	Good
Mitigation	Enhanced collaborative working with the Mid Wales Education Partnership (MWEP) and between Welsh Medium schools will ensure that 'Welsh- medium provisionis accessible and provides a full curriculum in Welsh' is progressed at increased pace.
Mitigated impact rating	Very good

## Promoting Welsh

Impact	The removal of the consultancy element reduces the finance available to secure bespoke secondary school support to be delivered through the medium of Welsh.
Impact rating	Neutral



	Enhanced collaborative working with the Mid Wales Education Partnership (MWEP) and between Welsh Medium schools will ensure that 'Welsh- medium provisionis accessible and provides a full curriculum in Welsh' is progressed at increased pace.
Mitigation	The Mid Wales Education Partnership provides a fully bilingual school improvement service across the partnership region. This means that the authority has direct access to bilingual support staff without the additional cost of having to bring in external consultants who will not have had the opportunity to build an ongoing relationship with the staff they are supporting.
Mitigated impact rating	Very good

## Sports, Art & Recreation

Impact	None		
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## 5g. A more equal Wales

## Age

Impact	The Secondary Improvement Strategy supports all learners aged 11-18.
Impact rating	Good
Mitigation	Not specified

## Disability

Impact	The Secondary Improvement Strategy supports all learners aged 11-18.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## Gender Reassignment



Impact	The Secondary Improvement Strategy supports all learners aged 11-18.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## Marriage or Civil Partnership

Impact None
-------------

## Race

Impact	The Secondary Improvement Strategy supports all learners aged 11-18.
Impact rating	Very good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## Religion or Belief

Impact	The Secondary Improvement Strategy supports all learners aged 11-18.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'



#### Sex

Impact	The Secondary School Improvement Strategy will support learners aged 11-18.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## **Sexual Orientation**

Impact	The Secondary School Improvement Strategy supports all learners aged 11-18.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## **Pregnancy and Maternity**

Impact	None

## Socio-economic Duty

Impact	The Secondary Improvement Strategy is one of several key policy initiatives, which together aim to support learners from socio-economic disadvantaged backgrounds.
Impact rating	Good



Mitigation	Successful implementation of the Secondary Improvement Strategy will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## 5h. Evidence

The Mid Wales Education Partnership provides a fully bilingual school improvement service across the partnership region. This means that the authority has direct access to bilingual support staff without the additional cost of having to bring in external consultants who will not have had the opportunity to build an ongoing relationship with the staff they are supporting.

Through effective collaboration with schools and other regions, the Secondary School Improvement Team provide subject specific pedagogical support inline with Estyn recommendations and the National Mission.

## 6. Impact on key guiding principles & workforce

## 6a. Sustainable development principles

#### Long-term

Impact	The Secondary Improvement Strategy supports all learners aged 11-18 and introduces a sustainable and long-term approach to secondary schools in Powys.
Impact rating	Good
Mitigation	Through the introduction of the Secondary School Improvement Team, Post-16 pedagogical and leadership support is currently being provided. This support has strengthening support for more vulnerable learners e.g. ALN and more able and talented learners, whilst establishing effective links to life-long learning with key stakeholders including external providers and employers.
Mitigated impact rating	Very good



#### Collaboration

Impact	The Secondary Improvement Strategy supports all learners aged 11-18 and is building on effective links with key stakeholders including external providers and employers.
Impact rating	Good
Mitigation	Successful implementation of the Secondary Improvement Strategy and implementation of the Post-16 Transformation programme will ensure that 'all children and young people in Powys should experience high-quality education and develop the knowledge, skills and attributes that will enable them to become personally fulfilled, successful, economically productive, socially responsible and globally-engaged citizens.'
Mitigated impact rating	Very good

## Involvement (including Communication and Engagement)

Impact None	Impact
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## Prevention

Impact	None			
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#### Integration

## **6b. Impact on the workforce**

Impact None
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## **6c. Impact on payroll**

Impact None
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## 6d. Welsh language impact on staff

Impact	None	
10	Page 258	Powys

## 6e. Impact on apprenticeships

Impact

None

#### 6f. Evidence

The implementation of the Secondary School Improvement Strategy and the introduction of the Secondary School Improvement Team means that it is possible to reduce the amount of external consultancy support required, which in turn results in the reduction of investment required but strengthens the capacity of the service.

Through effective collaboration with schools and other regions, the Secondary School Improvement Team provide subject specific pedagogical support inline with Estyn recommendations and the National Mission.

## 7. Likelihood and risks

#### Risk 1

Description	Progress against the Secondary School Improvement Strategy does not continue at the same pace resulting in the inability to release the allocated funding as anticipated.				
Likelihood score	2	Impact score	3	Risk rating	6.0
Mitigation	Progress is monitored and supported through the existing operational and strategic Secondary School Improvement Strategy boards.			nal and	
Residual likelihood score	2	Residual impact score	2	Residual risk rating	4.0

## 8. Overall summary and judgement

#### **Outline assessment**



The implementation of the Secondary School Improvement Strategy and the introduction of the Secondary School Improvement Team, mean that it is possible to reduce the amount of external support required, which in turn results in the reduction of investment required. Furthermore, through effective succession planning, the expertise of the permanent Secondary School Improvement Team is ensuring that there is appropriate levels of support available to all schools and a more cohesive approach to service delivery.

**Cabinet reference** 

## 9. Additional evidence

Transforming Education Strategy

Secondary School Improvement Strategy

## 10. Ongoing monitoring arrangements and governance

## **Monitoring arrangements**

The proposal will be monitored via the strategic Secondary School Improvement Strategy board and the existing budget monitoring mechanisms.

Review date

17/12/2023

null



## Impact Assessment

## Post-16 Transition to be Managed within Service



## 06/01/2023

Reference: 3971-0554-8253-4031

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

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

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

## **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Post-16 Transition to be Managed within Service
Description of proposal	Growth funding was awarded to support transition for Post-16 transformation but this has been reviewed during 2022-23 and can be managed within the service.

## 2. Savings and Consultation requirements

## Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£150,000

#### **Further information**

As part of the schools transformation process the schools service received growth funding to enable changes to be made to the post-16 service including transition management. During the review of budgets for the coming year it was identified that the ongoing plans can be achieved without the need to use additional resources. As a result the service are submitting the growth funding back as a saving since the changes can be managed within budget.

## **Consultation requirements**

Consultation required?	No
Justification	There is no impact to service delivery or staffing as a result of this proposal.

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



2

## 3a. Impact on other service areas

• Schools (Primary Secondary and Special)

## **3b. Impact on geographical locations**

The entire county

## **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data is processed as a result of this proposal.

## 4. Impact on Vision 2025

## 4a. The economy

Impact None
-------------

#### 4b. Health and care

Impact	None
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## 4c. Learning and skills

Impact	The review of costs in preparation for the 2023-24 budget year have identified that the proposed changes can be managed within budget, without the need to call on the additional funding allocated to it based on current spend patterns.
--------	--



Impact rating	Good
Mitigation	Continue the co-production of the Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.
Mitigated impact rating	Very good

## 4d. Residents and communities

Impact None
-------------

## 4e. Evidence

Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.

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

#### 5a. A prosperous Wales





## Using Welsh

Impact	None
Promoting Welsh	

		Impact	None
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## Sports, Art & Recreation

Impact	None

## 5g. A more equal Wales

## Age

Impact	None
Disability	

# Impact None

## **Gender Reassignment**

Impact None
-------------

## Marriage or Civil Partnership

Impact
--------

#### Race

Impact	None

## **Religion or Belief**

Impact None	
-------------	--

Sex



Impact	None
Sexual Orientation	
Impact	None
Pregnancy and Materr	hity
Impact	None
Socio-economic Duty	
Impact	None
5h. Evidence	

Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.

## 6. Impact on key guiding principles & workforce

## 6a. Sustainable development principles

#### Long-term

Impact	Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.
Impact rating	Neutral
Mitigation	Continue the co-production of Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.
Mitigated impact rating	Good

#### Collaboration



Impact	Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.
Impact rating	Neutral
Mitigation	Continue the co-production of Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.
Mitigated impact rating	Good

## Involvement (including Communication and Engagement)

Impact	Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.
Impact rating	Neutral
Mitigation	Continue the co-production of the Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.
Mitigated impact rating	Good

## Prevention

Impact
--------

## Integration

Impact	Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.
Impact rating	Neutral
Mitigation	Continue the co-production of the Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.
Mitigated impact rating	Good

## **6b. Impact on the workforce**

Impact None
-------------



7

## 6c. Impact on payroll

Impact	None
6d. Welsh language	impact on staff
Impact	None

## 6e. Impact on apprenticeships

Impact None
-------------

## 6f. Evidence

Growth funding was awarded to support transition for Post-16 transformation, but this has been reviewed during 2022-23 and can be managed within the service.

Co-production of Post-16 offer with headteachers will continue to ensure the transformation and resultant transition is managed effectively.

## 7. Likelihood and risks

## Risk 1

Description	Risk that the transition costs cannot be managed within the Service as initially anticipated.				
Likelihood score	2	Impact score	2	Risk rating	4.0
Mitigation	Continue the co-production of Post-16 offer with headteachers to ensure the transformation and resultant transition is managed effectively.				
Residual likelihood score	1	Residual impact score	2	Residual risk rating	2.0

## 8. Overall summary and judgement

## Outline assessment

As part of ongoing evaluation, it has been identified that the transformation process can be implemented without needing to use the full growth funding allocation. The co-production of the Post-16 offer with headteachers will be continued to ensure the transformation and resultant transition is managed effectively to provide a broad curriculum offer. The service has concluded that it is possible to deliver the Post-16 transformation agenda within the current cost envelope and not draw down on the additional elements of the previous growth funding.

Cabinet reference

## 9. Additional evidence

N/A

N/A

## **10. Ongoing monitoring arrangements and governance**

## **Monitoring arrangements**

This will be monitored throughout 2023-24 as part of the continuing co-production of Post-16 offer with headteachers.

Review date

17/12/2023

null



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## Impact Assessment

## Transformation (Stage 1) - Pupil Referral Units



## 06/01/2023

Reference: 3618-3415-1556-2332

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

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

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

## **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Transformation (Stage 1) - Pupil Referral Units
Description of proposal	A full review of all budget headings, including all grants and other income, has identified slippage which can be removed without impacting service delivery or provision to children and young people.

## 2. Savings and Consultation requirements

## Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£50,000

#### **Further information**

Routine budget analysis work, that included a review of all grants and other income streams, identified a number of areas of slippage within this budget area that can be removed without impact on service delivery or provision to children and young people.

## **Consultation requirements**

Consultation required?	No
Justification	There is no impact on service delivery or provision to children and young people.

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

**3a. Impact on other service areas** 



2

## **3b. Impact on geographical locations**

The entire county

## **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data is being processed as a result of this proposal.

## 4. Impact on Vision 2025

## 4a. The economy

Impact None
-------------

## 4b. Health and care

|--|

## 4c. Learning and skills

Impact	Identification of slippage within specific budget areas and a review of grant expenditure will allow the service to continue to operate at the same level but with a reduced cost envelope.
Impact rating	Good
Mitigation	Not specified

## 4d. Residents and communities

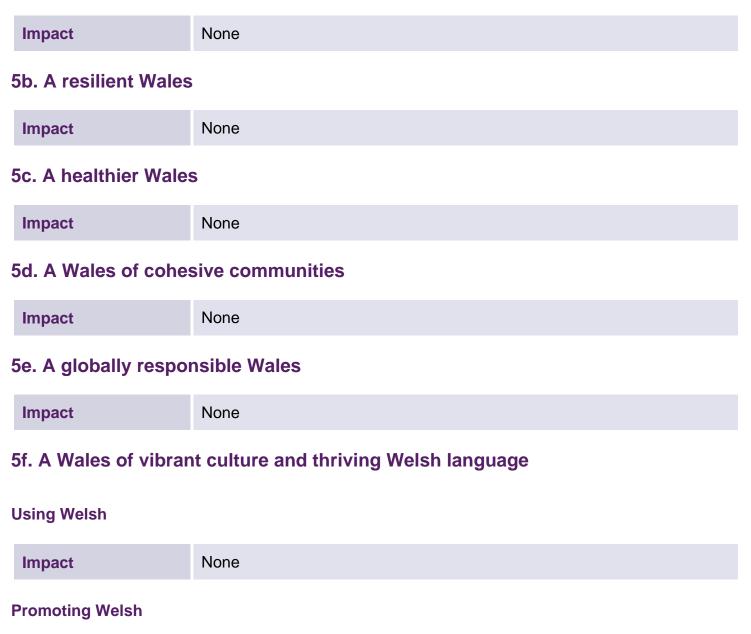


#### 4e. Evidence

A full review of all budget headings, including all grants and other income, has identified slippage which can be removed without impacting service delivery or provision to children and young people.

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

#### 5a. A prosperous Wales



Impact	None	
		-



#### Sports, Art & Recreation

Impact None
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## 5g. A more equal Wales

## Age

Impact	None

## Disability

## **Gender Reassignment**

## Marriage or Civil Partnership

|--|

#### Race

Impact
--------

## **Religion or Belief**

Impact	None	
Sex		
Impact	None	
Sexual Orientation	n	
Impact	None	

## **Pregnancy and Maternity**



Impact	None	
Socio-economic D	uty	
Impact	None	
5h. Evidence		

As part of the budget process, the senior managers undertook a detailed review of all spend. This identified the changes that are proposed here and further analysis confirmed that they could be made without impact on service delivery. As there is no change to service provision there is no impact on any of the areas identified in this part of the assessment.

## 6. Impact on key guiding principles & workforce

## 6a. Sustainable development principles

## Long-term Impact None Collaboration None Impact Involvement (including Communication and Engagement) Impact None Prevention Impact None Integration Impact None 6b. Impact on the workforce Impact None Page 276

## 6c. Impact on payroll

Impact	None			
6d. Welsh language	impact on staff			
Impact	None			
6e. Impact on apprenticeships				
Impact	None			
6f. Evidence				

# As part of the budget process, the senior managers undertook a detailed review of all spend. This identified the changes that are proposed here and further analysis confirmed that they could be made without impact on service delivery. As there is no change to service provision there is no impact on any of the areas identified in this part of the assessment.

## 7. Likelihood and risks

No risks documented

## 8. Overall summary and judgement

## Outline assessment

Officers identified these savings as part of a routine review of expenditure and income within the service area. They will not impact the actual service delivery, as they will remove slippage from the budget. As such officers can confirm that the only identified impact is to improve the overall efficiency of the service.

**Cabinet reference** 

N/A

## 9. Additional evidence



7

## **10. Ongoing monitoring arrangements and governance**

## **Monitoring arrangements**

The impact will be monitored as part of ongoing financial monitoring during 2023-24.

**Review date** 17/12/2023

null



## Impact Assessment

## Third Sector Spend Review



## 06/01/2023

Reference: 4898-8705-7888-2427

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

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

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

## **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Third Sector Spend Review
Description of proposal	Following an initial third party expenditure review, Action for Children expenditure will be ceased.

## 2. Savings and Consultation requirements

## Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£70,000

#### Further information

During an initial review of third party expenditure in the light of improvement to in house provision the Action for Children expenditure was identified as an area where in-house provision was now able to support this service area without need for external support.

This is inline with the overall plan to ensure resilience within the service through in-house delivery and not relying on external contracts

## **Consultation requirements**

Consultation required?	No
Justification	There is no impact on staffing and internal service delivery, which is in line with the ambitions of the Additional Learning Needs and Education Tribunal (Wales) Act 2018, which has increased as a result of ALN Transformation, therefore, it is possible to reduce this third party spend.



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

## 3a. Impact on other service areas

• Schools (Primary Secondary and Special)

## **3b. Impact on geographical locations**

The entire county

## **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data will be reviewed as a result of this proposal.

## 4. Impact on Vision 2025

#### 4a. The economy

Impact	None
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#### 4b. Health and care

Impact	The change from an external support supplier to an internal provision could lead to a temporary disruption of service to the children involved
Impact rating	Neutral



Mitigation	Changes to the internal service as a result of the ALN strategy rollout now means the necessary provision is managed internally. The continued implementation of the strategy will further strengthen the provision.
Mitigated impact rating	Good

## 4c. Learning and skills

Impact	The change from an external support supplier to an internal provision could lead to a temporary disruption of service to the children involved
Impact rating	Neutral
Mitigation	Changes to the internal service as a result of the ALN strategy rollout now means the necessary provision is managed internally. The continued implementation of the strategy will further strengthen the provision.
Mitigated impact rating	Good

## 4d. Residents and communities

Impact None
-------------

#### 4e. Evidence

During an initial review of third-party expenditure in the light of improvement to in-house provision the Action for Children expenditure was identified as an area where internal provision was now able to support this service area without the need for external support

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

#### 5a. A prosperous Wales

Impact	The loss of the contract could have a detrimental impact on the service provider.
Impact rating	Poor
Mitigation	Ensure that effective communication and liaison supports the contract cessation.



Mitigated impact rating	Neutral
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## **5b. A resilient Wales**

Impact	None
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## **5c. A healthier Wales**

Impact	The change from an external support supplier to an internal provision could lead to a temporary disruption of service to the children involved.
Impact rating	Neutral
Mitigation	Continue to develop and implement ALN Transformation.
Mitigated impact rating	Good

## 5d. A Wales of cohesive communities

Impact
--------

## 5e. A globally responsible Wales

Impact	None
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## 5f. A Wales of vibrant culture and thriving Welsh language

#### **Using Welsh**

Impact	None

#### **Promoting Welsh**

Impact None
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#### Sports, Art & Recreation

Impact None	Impact
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## 5g. A more equal Wales



Age

Impact	None	
Disability		
Impact	The change from an external support supplier to an internal provision could lead to a temporary disruption of service to the children involved.	
Impact rating	Neutral	
Mitigation	Continue to develop and implement ALN Transformation.	
Mitigated impact rating	Good	
Gender Reassignment		
Impact	None	

## Marriage or Civil Partnership

Impact None
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#### Race

Impact
--------

## Religion or Belief

Impact	None

#### Sex

Impact
--------

## **Sexual Orientation**

Impact	None

## **Pregnancy and Maternity**

Impact	None	
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#### Socio-economic Duty

Impact

#### None

#### 5h. Evidence

There is no impact on internal service delivery, as the implementation of the ALN Strategy, which is in line with the ambitions of the Additional Learning Needs and Education Tribunal (Wales) Act 2018, has strengthened internal provision.

## 6. Impact on key guiding principles & workforce

## 6a. Sustainable development principles

#### Long-term

Impact	None		
Collaboration			
Impact	None		
Involvement (including Communication and Engagement)			
Impact	None		
Prevention			
Impact	None		
Integration			
Impact	None		

## 6b. Impact on the workforce



Impact None	
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## 6c. Impact on payroll

Impact	None					
6d. Welsh language impact on staff						

Impact	None
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## 6e. Impact on apprenticeships

Impact
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## 6f. Evidence

Following an initial third-party expenditure review, Action for Children expenditure will be ceased. There is no impact on current staffing. There is also no impact on internal service delivery, which is in line with the ambitions of the Additional Learning Needs and Education Tribunal (Wales) Act 2018, and which has increased as a result of ALN Transformation, therefore, it is possible to reduce this third party spend.

## 7. Likelihood and risks

## Risk 1

Description	Removal of Action for Children service may result in a negative response from some schools or families.					
Likelihood score	3	Impact score	3	Risk rating	9.0	
Mitigation	Appropriate provision is put in place prior to the cessation of the contract.					
Residual likelihood score	2	Residual impact score	2	Residual risk rating	4.0	

## 8. Overall summary and judgement

#### **Outline assessment**



Following an initial third-party expenditure review, Action for Children expenditure will be ceased. There is no impact on current staffing. There is also no impact on internal service delivery, which is in line with the ambitions of the Additional Learning Needs and Education Tribunal (Wales) Act 2018, and which has increased as a result of ALN Transformation, therefore, it is possible to reduce this third party spend.

**Cabinet reference** 

## 9. Additional evidence

N/A

ALN Strategy - The Future of Special Education Needs / Additional Learning Needs in Powys Strategy

## 10. Ongoing monitoring arrangements and governance

#### **Monitoring arrangements**

This change will be monitored throughout the year by the Inclusion and Youth Team. **Review date** 

17/12/2023

null



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#### Impact Assessment

#### **VAWDASV** Contribution



#### 06/01/2023

Reference: 6933-9790-4150-1461

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

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

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

#### **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	VAWDASV Contribution
Description of proposal	Removal of the School Service contribution to VAWDASV training delivery. As part of the ongoing process of bringing training fully in house within the School Service, the proposal is to remove the commissioning of training support in this area and incorporate it within standard training offer for schools.

#### 2. Savings and Consultation requirements

#### Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£35,000

#### **Further information**

Removal of the School Service contribution to VAWDASV training delivery.

#### **Consultation requirements**

Consultation required?	No
Justification	Proposal is in respect of the removal of a financial contribution only.

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



2

#### 3a. Impact on other service areas

• Workforce & Organisation Development

#### **3b. Impact on geographical locations**

The entire county

#### **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data is processed as a result of this proposal.

#### 4. Impact on Vision 2025

#### 4a. The economy

Impact None	
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#### 4b. Health and care

Impact	None
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#### 4c. Learning and skills

Impact	Schools staff are required to undertake Ask and Act training so the removal of the contribution may impact on the availablity of the training.
Impact rating	Poor



Mitigation	We will establish an effective delivery model which suits the needs of our staff and delivers against the WG agenda by introducing a train the trainer model working in conjunction with other members of the Service.
Mitigated impact rating	Good

#### 4d. Residents and communities

Impact	None
--------	------

#### 4e. Evidence

The use of an effective delivery model which suits the needs of our staff, which increase training compliance.

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

#### 5a. A prosperous Wales

Impact	None	
5b. A resilient Wales	5	
Impact	None	
5c. A healthier Wales		
Impact	None	
5d. A Wales of cohesive communities		
Impact	None	
5e. A globally responsible Wales		
Impact	None	
5f A Wales of vibrant culture and thriving Welsh language		

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



#### **Using Welsh**

Impact

Impact	None
Promoting Welsh	

#### Sports, Art & Recreation

None

Impact None	
-------------	--

#### 5g. A more equal Wales

#### Age

|--|

#### Disability

Impact
--------

#### Gender Reassignment

Impact
--------

#### Marriage or Civil Partnership

Impact	None

#### Race

Impact
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#### **Religion or Belief**

Impact	None
0	

#### Sex

Impact	None
Sexual Orientation	
Impact	None
Pregnancy and Matern	ity
Impact	None
Socio-economic Duty	
Impact	None

#### 5h. Evidence

Schools staff are required to undertake Ask and Act training so the removal of the contribution may impact on the availability of the training, however the introduction of a train the trainer model working in conjunction with other members of the Service will ensure that the relevant level of training is provided.

#### 6. Impact on key guiding principles & workforce

#### 6a. Sustainable development principles

# Impact None Impact None Impact None Involvement (including Communication and Engagement) Impact None



Impact	Schools staff are required to undertake Ask and Act training so the removal of the contribution may impact on the availability of the training.
Impact rating	Poor
Mitigation	The introduction of a train the trainer model, working in conjunction with other members of the Service will ensure that the relevant level of training is provided.
Mitigated impact rating	Good

#### Integration

Impact
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#### 6b. Impact on the workforce

	Impact	None
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#### 6c. Impact on payroll

Impact
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#### 6d. Welsh language impact on staff

	Impact	None
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#### 6e. Impact on apprenticeships

Impact None
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#### 6f. Evidence

Schools staff are required to undertake Ask and Act training so the removal of the contribution may impact on the availability of the training, however the introduction of a train the trainer model working in conjunction with other members of the Service will ensure that the relevant level of training is provided.

#### 7. Likelihood and risks

Risk 1



Description	Schools staff are required to undertake Ask and Act training so the removal of the contribution may impact on the availability of the training.				
Likelihood score	3	Impact score	3	Risk rating	9.0
Mitigation		The introduction of a train the trainer model working in conjunction with other members of the Service will ensure appropriate training is provided.			
Residual likelihood score	3	Residual impact score	2	Residual risk rating	6.0

#### 8. Overall summary and judgement

N/A

#### **Outline assessment**

Schools staff are required to undertake Ask and Act training, so the removal of the contribution may impact on the availability of the training, however, by establishing and implementing an effective delivery model, which suits the needs of our staff, and delivers against the WG agenda, will ensure the appropriate training is provided.

Cabinet reference

9. Additional evidence

N/A

#### **10.** Ongoing monitoring arrangements and governance

# Monitoring arrangements Establish, rollout and review a train the trainer model across 2023-24. Review date 17/12/2023



null



Powys

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#### Impact Assessment

### **Realignment of Union Costs**



#### 06/01/2023

Reference: 7331-1702-6761-8865

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

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

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

#### **1. Proposal Information**

Author name	Sarah Quibell, Professional Lead for Education Support Services
Head of service	Georgina Bevan, Head of Education
Portfolio holder	Pete Roberts, portfolio holder for Cabinet Member for a Learning Powys
Proposal title	Realignment of Union Costs
Description of proposal	Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget.

#### 2. Savings and Consultation requirements

#### Profile of savings delivery

2022-23	2023-24	2024-25	2025-26	2026-27	2027+	Total savings
£NaN	£NaN	£NaN	£NaN	£NaN	£NaN	£22,340

#### **Further information**

Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget.

#### **Consultation requirements**

Consultation required?	No
Justification	There is no impact on staffing or service provision.

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

#### 3a. Impact on other service areas



• Schools (Primary Secondary and Special)

#### **3b. Impact on geographical locations**

The entire county

#### **3c. Data protection impact assessment**

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	No personal data is being processed as a result of this proposal.

#### 4. Impact on Vision 2025

#### 4a. The economy

Impact	None
4b. Health and care	

Impact	None		
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#### 4c. Learning and skills

Impact	Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget.
Impact rating	Neutral
Mitigation	Not specified

#### 4d. Residents and communities

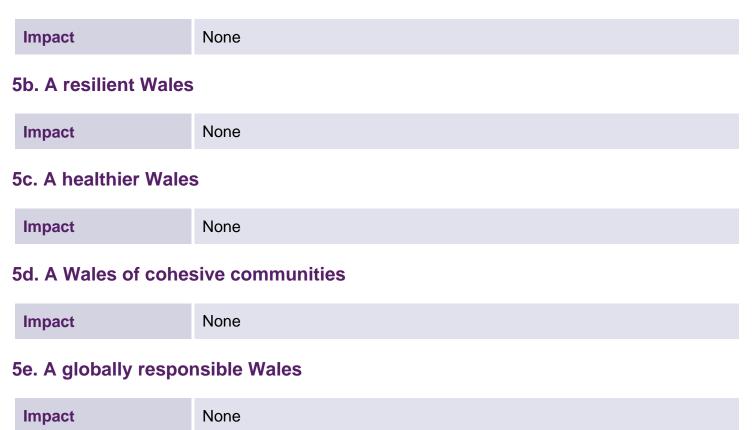


#### 4e. Evidence

Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget. There is no impact of service provision or staffing.

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

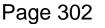
#### 5a. A prosperous Wales



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

#### **Using Welsh**

Impact	None
Promoting Welsh	
Impact	None





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Sports, Art & Recreation		
Impact	None	
5g. A more equal Wa	ales	
Age		
Impact	None	
Disability		
Impact	None	
Gender Reassignment		
Impact	None	
Marriage or Civil Partne	rship	
Impact	None	
Race		
Impact	None	
Religion or Belief		
Impact	None	
Sex		
Impact	None	
Sexual Orientation		
Impact	None	
Pregnancy and Maternit	У	

Powys

Impact	None
Socio-economic Dut	/
Impact	None
5h. Evidence	

Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget. There is no impact of service provision or staffing.

#### 6. Impact on key guiding principles & workforce

#### 6a. Sustainable development principles

Long-term					
Impact	None				
Collaboration					
Impact	None				
Involvement (including	Communication and Engagement)				
Impact	None				
Prevention					
Impact	None				
Integration					
Impact	None				
6b. Impact on the wo	orkforce				
Impact	None				



#### 6c. Impact on payroll

6d. Welsh language impact on staff								
	6d. Welsh language impact on staff							
Impact None								

#### 6e. Impact on apprenticeships

Impact None
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#### 6f. Evidence

Realignment of teaching staff Union costs from School Service budget to the delegated contingency budget. There is no impact of service provision or staffing.

#### 7. Likelihood and risks

#### Risk 1

Description	Risk that adding additional costs to delegated contingency will reduce flexibility to support in other areas.						
Likelihood score	3	Impact score	2	Risk rating	6.0		
Mitigation	Ensure that delegated contingency is monitored effectively in conjunction with the Finance Team.						
Residual likelihood score	2	Residual impact score	1	Residual risk rating	2.0		

#### 8. Overall summary and judgement

#### **Outline assessment**



The realignment of teaching staff Union costs from School Service budget to the delegated contingency budget will place an additional call on this budget area without any additional budget being allocated. However, this can however be effectively mitigated by appropriate financial management of the budget meaning that the proposal has no impact on service provision, staffing or corporate priorities

**Cabinet reference** 

N/A

#### 9. Additional evidence

N/A

#### **10. Ongoing monitoring arrangements and governance**

#### **Monitoring arrangements**

Working with the Finance Team, the delegated contingency will be monitored throughout the financial year.

**Review date** 17/12/2023

null

