

**MINUTES OF A MEETING OF THE CABINET HELD AT COUNTY HALL ON ZOOM  
ON TUESDAY, 14 JANUARY 2025**

PRESENT

County Councillor J Gibson-Watt (Chair)

County Councillors J Berriman, J Charlton, R Church, S Cox, S C Davies,  
M J Dorrance, P Roberts, D Selby and D A Thomas

In attendance: County Councillors B Baynham, AW Davies and A Williams

<b>1. APOLOGIES</b>
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Apologies for absence were received from County Councillors J Brugnell-Thorp and A Kennerley (Cabinet Assistants).

<b>2. MINUTES</b>
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The Leader was authorised to sign the minutes of the meetings held on 10<sup>th</sup> and 17<sup>th</sup> December 2024 as correct records.

<b>3. DECLARATIONS OF INTEREST</b>
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County Councillor Matthew Dorrance declared a personal interest in item 5 Housing Revenue Account and Related Charges 2025/26.

<b>4. DRAFT MEDIUM-TERM FINANCIAL STRATEGY 2025-2030, DRAFT 2025-26 BUDGET AND CAPITAL PROGRAMME FOR 2025-2030</b>
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Cabinet considered the Medium Term Financial Strategy (MTFS) for 2025-30, which including the Financial Resource Model (FRM) for 2025-30, the draft revenue budget for 2025-26 and a draft Capital & Treasury Management Strategy for 2025-26 to 2029-30 for recommendation to Council. The draft budget had been produced within the framework of the draft MTFS.

The provisional Aggregated External Finance (AEF) for Powys in 2025/26 had increased in cash terms by £7.9m, a 3.3% increase. Balancing of the Council's 2025-26 budget was dependent upon a 8.9% increase in the Council Tax, cost reductions of £12.3 million and increases in fees and charges detailed in the report. The Cabinet Member for Finance reminded colleagues that 53% of residents were eligible for support for Council Tax.

The budget proposal included additional funding of £7.4 million (8.3%) directly into schools delegated budgets and £0.789 million for Education. The funding of schools and education was above the level of increase received by the Council in AEF, and reflected the priority Education has from the Council. It provided the funding required to fully support the Schools Funding Formula.

The Cabinet Member for Finance advised that Leaders of Welsh authorities were lobbying for a funding floor to be implemented. Should a floor mechanism be implemented and funding increased, Cabinet would consider amendments to the budget and bring these to Council on 6<sup>th</sup> March.

The Section 151 Officer gave her opinion that the process to set the budget had been robust, noting that proposals had been subject to challenge by the Cabinet and Corporate Leadership Team. The minimum level of General Fund Reserve remained at 4% of the net revenue budget and on this basis the level of revenue reserves held, together with the revenue risk budget in place, the Section 151 Officer's opinion was that the level of reserves was appropriate.

County Councillor Aled Davies, the leader of the Conservative Group, noted that Powys was underfunded by Welsh Government compared to other local authorities which was impacting on services. He referred to a lack of salt heaps in rural areas leading to accidents in recent bad weather and to a halving of the schools transformation capital budget. He questioned when Sustainable Powys would deliver savings. The Cabinet Member for Finance noted that Sustainable Powys had delivered savings in previous budgets and that it would be important in delivering future savings as the Council was not sustainable in its current form.

County Councillor Beverley Baynham, the joint leader of the Independent Group, advised that her group was concerned at the level of council tax and would be submitting alternative budget proposals. This was welcomed by the Cabinet Member for Finance who was keen to work with all members of Council to deliver a balanced budget.

#### **RESOLVED to recommend to Council**

- 1. The draft Medium Term Financial Strategy for 2025-2030 as set out in Appendix A to the report be agreed in principle.**
- 2. The Draft Revenue Budget for 2025-26 with the inclusion of a 8.9% increase in Council Tax in 2025-26 shown in the Financial Resource Model in Appendix B and Table 4 of the report.**
- 3. The Draft Fees and Charges Register in Appendices D and E.**
- 4. The Draft Capital Strategy and Capital Programme for 2025-30 shown in Appendix H.**
- 5. The Draft Minimum Revenue Provision Statement as set out on Appendix H.**
- 6. The Draft Treasury Management Strategy and the Annual Investment Strategy in Appendix H.**
- 7. The authorised borrowing limit for 2025-26 as required under section 3(1) of the Local Government Act 2003 is set at £500 million and the Operational Boundary is set at £486 million as set out in section 3.112 of this report.**
- 8. The Prudential Indicators for 2025-26 as set out in section 3.108 to 3.115 of the report and Appendix H.**

<b>5.</b>	<b>DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING</b>
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Cabinet noted the delegated decisions taken by Portfolio Holders since the last meeting.

<b>6.</b>	<b>FORWARD WORK PROGRAMME</b>
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Cabinet noted the forward work programme.

<b>7.</b>	<b>HOUSING REVENUE ACCOUNT RENT AND RELATED CHARGES - CHANGES FOR 2025-26</b>
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County Councillor Matthew Dorrance declared a personal interest in this item and left the meeting while it was being considered.

Cabinet considered proposed changes for Council Housing Rents, Garage Rents and all property and tenancy related Service Charges, for the financial year 2025-26.

The recommendations complied with the Welsh Government's Policy for Social Housing Rents (Rent Policy). The Tenant Scrutiny Panel had been consulted on the proposals and supported them. County Councillor Aled Davies, the Leader of the Conservative Group expressed concern at the constraints place on local authorities building social housing leading to disparity between private and public sector rents.

### **RESOLVED**

- 1. That with effect from April 1st 2025 the average rent in Powys will increase by 2.7% (the average rent being £111.09 per week) for all 5,548 Council owned homes, excluding service charges.**
- 2. That service charges charged to HRA tenants are amended with effect from April 1st 2025 (included in Table Two in the report) to allow the Council to recover the cost incurred in providing these services.**
- 3. That the weekly cost from April 1st 2025 for all tenants receiving the Careline community alarm service in 2025-2026 is £3.91 per week.**
- 4. That HRA garage rents in Powys with effect from April 1st 2025 for 2025-2026 are increased by 2.7% to £15.05 per week.**
- 5. That garage plot charges effective from April 1st 2025 for 2025-2026 are £191.32 per annum.**

- 6. That the weekly occupation charge from April 1st 2025 charges for Gypsy and Traveller pitches in 2025-2026 will be increased by 2.7%, the average rent being £125.39.**
- 7. That the charge for temporary accommodation increases, with effect from April 1st 2025, for the year 2025-2026, by 2.7%**
- 8. That all other rental, not detailed above, effective from April 1st 2025 will increase by 2.7%. Service charges continue to be recovered on an actual basis.**

**County Councillor J Gibson-Watt (Chair)**