

CYNGOR SIR POWYS COUNTY COUNCIL

**County Council
18th October 2018**

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

SUBJECT: Question from County Councillor Claire Mills

Will the Portfolio Holder for Finance please update the council on what negotiations are taking place to ensure Powys receives its fair allocation of funding in the budget formula from the Welsh Government?

Response

The Council plays an active part in groups that develop and advise on Welsh Government's Local Government Finance Policies.

The Council has a place on the Distribution Sub Group that reports to the Welsh Government on the local government distribution formula. The Acting Deputy Chief Executive is also local government's representative on the Cabinet Secretary's Local Government Finance and Reform Working Group, looking at the future of local government finance in Wales.

In partnership with other rural areas, Powys successfully made the case to recognise the additional cost of delivering services in a rural area. Evidence was gathered to demonstrate the cost of providing community-based social services for older people in sparsely populated areas. This led to the sparsity allowance being allocated to Powys, amounting to an additional £3million over two years. This provided a permanent change to our allocation and replaced the previous temporary and voluntary arrangement involving all 22 authorities.

The Council responds to all consultations affecting our finances, and also raises this issue with Assembly Members and Members of Parliament.