

MINUTES OF A MEETING OF THE CABINET HELD BY TEAMS ON TUESDAY, 26 JANUARY 2021

PRESENT

County Councillor M R Harris (Chair)

County Councillors MC Alexander, G Breeze, A W Davies, P Davies, H Hulme, R Powell and I McIntosh

In attendance: County Councillor Liz Rijnenberg

1.	APOLOGIES
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There were no apologies for absence.

2.	MINUTES
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The Leader was authorised to sign the minutes of the last meeting held on 12th January 2021 as a correct record.

3.	DECLARATIONS OF INTEREST
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County Councillor Phyl Davies declared a personal non-prejudicial interest in item 5 Ysgol Dyffryn Trannon Proposal as a governor of the school and in item 8 Bus Emergency Scheme as a bus contractor.

County Councillor Iain McIntosh declared a personal non-prejudicial interest in item 6 Mount Street Infant School, Mount Street Junior School and Cradoc CP School – Proposal Paper as a governor of Cradoc CP School. He would be speaking in the debate as a local member not as a Cabinet member and would not be voting.

4.	DRAFT MEDIUM-TERM FINANCIAL STRATEGY 2021-2026 AND DRAFT 2021-22 BUDGET AND CAPITAL PROGRAMME FOR 2021-2031
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Cabinet considered the draft Medium-Term Financial Strategy for 2021-26, which included a Financial Resource Model for 2021-26, a draft revenue budget for 2021-22 and a draft capital programme for 2021-22 to 2030-31.

The Portfolio Holder explained that the Coronavirus pandemic and the ongoing measures imposed continued to have an unprecedented detrimental financial impact on the Council and that this was likely to continue through 2021-22 and into future years. The additional financial support provided by Welsh Government during 2020-21 had been instrumental in sustaining the Council's financial position with £9.2 million of support for additional costs incurred and £2 million for lost income. Further support was expected to be available into 2021-22 but at what level and for how long was yet to be confirmed so significant risk remained.

The Cabinet and Executive Management Team (EMT) had reviewed and updated the Council's Medium Term Financial Strategy (MTFS) and ensured it was aligned to the Vision 2025 Plan. The draft MTFS included the:

- principles that will govern the strategy and a five-year Financial Resource Model (FRM), comprising detailed proposals for 2021-22 and outline proposals for 2022-23 to 2025-26.
- Capital Financing Strategy and the Treasury Management Strategy; and
- Capital Programme for 2021-22 to 2030-31.

The draft MTFS provided a set of clear principles which would drive the Council's budget and spending decisions over 2021-26 and which Members and others can examine and judge the Council's financial performance against. The budget was supported by the Capital and Treasury Management Strategy (Appendix F of the report).

The draft budget proposed included some £19.5m additional funding to meet inescapable budget pressures but would also require services to meet £11.828 million of cost reduction proposals, the detail of which was provided at Appendix C to the report, with Impact Assessments on each of the proposals also attached. The Senior Leadership Team had provided assurance to Cabinet that they could deliver the cost reductions within the required timescales, whilst also reflecting on any risks.

The 2021-22 provisional settlement gave Powys Council a cash increase of £7.343 million (4%) on 2020-21 which was 8th highest in Wales and a significant improvement on previous years. Income from fees and charges made a significant contribution (£60 million+ per annum) to the Council's budget and the budget proposed for 2021-22 included increasing of fees and charges in line with inflation, where permitted, and where appropriate, the principle of full cost recovery had been applied. The balancing of the budget was dependent upon a 3.9% increase in the Council Tax in 2021-22, generating £3.33 million and £285,000 delivered through changes to the tax base. This would amount to an increase of £53 per annum on a Band D Property. In proposing this increase, consideration had been given to the impact of the pandemic and affordability for Powys residents together with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services.

The Section 151 Officer gave her opinion that the estimates used in the budget proposal for 2021-22 were adequately robust but significant risk remains. Based on the assessment of reserves the overall level was adequate but remained at the lower end of acceptability given the scale of savings required, the ongoing impact of the pandemic and the financial uncertainty facing the Council over the medium term.

RECOMMENDED to Council to approve the:	Reason for Recommendation:
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1. MTFS for 2021-2026 as set out in Appendix A to the report be agreed in principle.	To aid business planning and development of the budget over a three-year period
2. Draft Revenue Budget for 2021-22 with the inclusion of a 3.9% increase in Council Tax 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 2021-31 shown in Appendix F.	Statutory Requirement
5. Minimum Revenue Provision Statement as set out on Appendix F.	Statutory Requirement
6. Treasury Management Strategy and the Annual Investment Strategy in Appendix F.	Statutory Requirement
7. Authorised borrowing limit for 2021-22 as required under section 3(1) of the Local Government Act 2003 at £492 million as set out in section 3.7 of this report.	Statutory Requirement
8. Prudential Indicators for 2021-22 as set out in section 3.66 to 3.73 of the report and Appendix F.	Statutory Requirement

5.	YSGOL DYFFRYN TRANNON - PROPOSAL PAPER
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County Councillor Phyl Davies declared an interest in this item as a governor of the school and left the meeting while it was being considered.

Cabinet considered a request to commence the statutory process to make a regulated alteration to alter the medium of instruction at Ysgol Dyffryn Trannon from bilingual (dual-stream) to Welsh-medium. This would be introduced on a phased basis, year-by-year, starting with Reception in September 2022. Cabinet noted the very low number of English-medium pupils at the school was a challenge to the school in providing appropriate provision for these learners.

RESOLVED that Cabinet approves commencing the statutory process on the following proposal in order to move Ysgol Dyffryn Trannon along the language continuum:

- To make a regulated alteration to alter the medium of instruction at Ysgol Dyffryn Trannon from bilingual (dual-stream) to Welsh-medium
- This would be introduced on a phased basis, year-by-year, starting with Reception in September 2022.

County Councillor Phyl Davies returned to the meeting.

6.	MOUNT STREET INFANT SCHOOL, MOUNT STREET JUNIOR SCHOOL AND CRADOC CP SCHOOL
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Cabinet was advised that since its decision on 23rd December 2020 to proceed to consultation on a proposal to amalgamate Mount Street Infants School, Mount Street Junior School and Cradoc C.P. School to create a new primary school that would operate from the current three sites, additional information had been obtained from the three schools concerned. A Community Impact Assessment had been prepared based on this additional information. Cabinet was asked to re-consider whether or not to proceed with the recommendation approved on 23rd December in light of the additional information contained in the Community Impact Assessment.

County Councillor Liz Rijnenberg speaking as local Member for Mount Street Infants School and Mount Street Junior School raised a number of points on the Community Impact Assessment concerning equality of access for pupils who lived further away and the impact on the town and local shops if the school moved to a new site. She also asked if pupils would be more likely to move to a closer school rather than the new school. She asked for more information on the suitability of the site and for firm plans on how the issues raised in the Community Impact Assessment could be addressed.

County Councillor Iain McIntosh speaking as local member for Cradoc CP School challenged a number of the findings in the Community Impact Assessment. He also highlighted the number of community events held at the school and he asked about what would happen to the Cradoc site. Cabinet was advised that the Community Impact Assessment combined information for all three schools and did not relate to just one so that would affect the rating. The information could be split for the three schools. Officers explained that the issues raised by the local members would be addressed with others raised in the consultation when officers came back to Cabinet with recommendations. If the sites became surplus there would be discussions with the communities over their future.

Cabinet was advised that the Pupil Referral Unit was not part of this proposal and that the timescale for the PRU was 4 to 5 years.

Having considered the Community Impact Assessment, Cabinet did not consider that there was anything in it which should change the decision of 23 December.

RESOLVED to proceed with the recommendation approved on the 23rd December in light of the Community Impact Assessment as follows:

‘That Cabinet approves commencing the statutory process on the following proposal

Phase 1

- **To amalgamate Mount Street Infants School, Mount Street Junior School and Cradoc C.P. School to create a new primary school that would operate from the current three sites**
- **The target date for establishing the new primary school is September 2022.**

Phase 2

- **To make a regulated alteration to transfer the school to a new school building on a new site in Brecon’**

7.	LOCAL GOVERNMENT AND ELECTIONS (WALES) BILL. - CONSULTATION RESPONSE TO PERFORMANCE AND GOVERNANCE
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Cabinet considered a report on the new performance and governance duties that will be introduced under Part 6, Chapter 1 of the Local Government and Elections (Wales) Bill that had received Royal Assent the previous week.

RESOLVED

- 1. that Cabinet note the new Performance and Governance duties being introduced by Part 6, Chapter 1 of the Bill and approve the advice around strengthening current arrangements to implement the duties, rather than introducing new processes.**
- 2. that Cabinet consider and approve the draft consultation response at Appendix A, for submission to Welsh Government by the deadline of 3rd February.**

8.	BUS EMERGENCY SCHEME
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County Councillor Phyl Davies declared an interest in this item and left the meeting whilst it was being considered.

Cabinet considered a report seeking approval to join the Welsh Government’s Bus Emergency scheme to provide ongoing support for bus operators during the Coronavirus pandemic. The support was welcomed by the Portfolio Holder for Finance and Transport.

RESOLVED

- 1. that the Council signs up to the BES 2 agreement (Appendix 2 to the report) as regional lead authority to secure (conditional) financial support for the bus sector and to ensure that the ongoing emergency funding meets the authorities' priorities and is delivered on their behalf.**
- 2. To call for a further report on bus reform proposals relating to the future management of bus services in Wales.**

County Councillor Phyl Davies returned to the meeting.

9.	TRANSFER OF NEUADD MALDWYN
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Cabinet considered a proposal that Neuadd Maldwyn in Welshpool is transferred by way of the Council's capital contribution to the development of extra care housing in Welshpool by the Council's preferred development partner, Clwyd Alyn Housing Group (Clwyd Alyn).

Cabinet welcomed this much needed development in Welshpool and the decision of the Planning, Taxi Licensing and Rights of Way Committee to grant planning permission at its meeting on 22nd January.

RESOLVED for Property Services and Legal Services to work with Clwyd Alyn to transfer the property from the ownership of Powys County Council to Clwyd Alyn Housing Association as soon as possible following Planning Permission is given.

County Councillor Rachel Powell abstained from voting having lost internet connection for part of the debate.

County Councillor M R Harris (Chair)