

**MINUTES OF A MEETING OF THE CABINET HELD AT COUNTY HALL / ZOOM ON
TUESDAY, 27 SEPTEMBER 2022**

PRESENT

County Councillor J Gibson-Watt (Chair)

County Councillors J Charlton, R Church, S Cox, S Davies, P Roberts, D Selby and D Thomas

In attendance: County Councillor A Davies

1.	APOLOGIES
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Apologies for absence were received from County Councillors J Berriman, M Dorrance and S McNicholas.

2.	MINUTES
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The Leader was authorised to sign the minutes of the last meeting held on 26 July 2022 as a correct record.

3.	DECLARATIONS OF INTEREST
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There were no declarations of interest reported.

4.	TRANSFORMING EDUCATION PROGRAMME - SENNYBRIDGE C.P. SCHOOL OUTLINE BUSINESS CASE (OBC)
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Cabinet was asked to consider approving the submission of an Outline Business Case (OBC) to the Welsh Government's Sustainable Communities for Learning Programme for investment to develop a new 150 place dual stream primary school to replace Sennybridge C.P. School's current building.

The cost was estimated to be £11,154,341, to be funded 65% by Welsh Government and 35% by the Council. The Council's contribution would be funded from borrowing. Cabinet noted that although the cost of this borrowing to the Council's revenue budget was estimated at £160,000 per year for 34 years, there was no guarantee that these costs would not increase given the volatility of financial markets. Cabinet was advised that alternative sources of funding were being looked at.

The Cabinet Member for a Learning Powys advised that a new build with a high energy standard would remove the on-going maintenance costs associated with the current school, would reduce running costs due to the Passivhaus element, and would provide an improved learning environment for pupils and staff.

County Councillor Aled Davies speaking as the leader of the opposition suggested that the Welsh Government intervention rate should be higher given

the higher building costs in rural areas and asked whether there was an opportunity to designate the school as Welsh Medium school. The Cabinet Member for Finance and Transformation agreed that the intervention rate should be higher but said this should be part of a broader discussion on the rural costs analysis. Cabinet was advised that the intention was to move the school along the Welsh Medium continuum and that the intake in the Welsh reception stream was higher than the English stream.

RESOLVED to submit an Outline Business Case (OBC) to the Welsh Government's Sustainable Communities for Learning Programme (formerly the 21st Century Schools Programme) for investment to develop a new 150 place dual stream primary school to replace Sennybridge C.P. School's current building.

5. FINANCIAL PLANNING UPDATE

Cabinet noted that the MTFS needed to be updated to reflect the changing economic climate and the additional financial burden on the Council. This would increase the budget gap over the life of the plan and would need to be resolved by either generating additional income or reducing costs. The MTFS assumed 2% inflation non pay uplifts with some external contract uplifts identified as pressures and funded to CPI or other contract terms, but with inflation currently at 10.1% and set to rise further the assumptions currently used in the Strategy needed to be revisited.

The revised Financial Resource Model (FRM) was being challenged by the Senior Leadership Team before being included in the updated Medium Term Financial Strategy. The Senior Leadership Team had been asked to review their Integrated Business Plans identifying service specific pressures but also proposing ways to reduce expenditure, increase income or make savings. The report set out the strategies that would be used to address the budget gap.

RESOLVED

- 1. That Cabinet acknowledge the changing environment in which our plans are being developed and agree with the revised assumptions that are being used to support the development of the MTFS; and that work will continue to update and refresh the MTFP as appropriate.**
- 2. To agree the budget principles set out in the MTFS to bridge the budget gap over the next 5 years.**
- 3. To agree that the Senior Leadership Team continues to work with the relevant Portfolio Cabinet Member(s) to identify potential savings to assist in addressing the indicative budget gap across the period of the Medium Term Financial Plan.**
- 4. To delegate to the Chief Executive, in agreement with the Leader and Cabinet Member for Finance, the authority to**

implement any saving proposal in advance of 2023/24 where no policy recommendation is required.

- 5. This report is presented to Finance Panel for their scrutiny and feedback.**

6.	TREASURY MANAGEMENT QUARTER 1 REPORT
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Cabinet noted the Treasury Management report for quarter 1.

7.	DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING
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Cabinet noted the delegated decisions taken by Cabinet members since the last meeting.

8.	FORWARD WORK PROGRAMME
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Cabinet noted the forward work programme.

**County Councillor J Gibson-Watt
Chair**