

MINUTES OF A MEETING OF THE COUNTY COUNCIL HELD AT COUNCIL CHAMBER - COUNTY HALL, LLANDRINDOD WELLS, POWYS ON THURSDAY, 21 FEBRUARY 2019

PRESENT

County Councillor DW Meredith (Chair)

County Councillors MC Alexander, M Barnes, B Baynham, G Breeze, L V Corfield, K W Curry, A W Davies, B Davies, D E Davies, P Davies, S C Davies, M J Dorrance, E Durrant, D O Evans, J Evans, L Fitzpatrick, L George, J Gibson-Watt, M R Harris, S M Hayes, H Hulme, A Jenner, E A Jones, D R Jones, E Jones, G Jones, J R Jones, E M Jones, M J Jones, D Jones-Poston, F H Jump, K Laurie-Parry, H Lewis, K Lewis, P E Lewis, S Lewis, I McIntosh, S McNicholas, C Mills, JG Morris, N Morrison, R Powell, WD Powell, D R Price, GD Price, P C Pritchard, G Pugh, J Pugh, G W Ratcliffe, L Roberts, P Roberts, K M Roberts-Jones, E Roderick, D Rowlands, D Selby, K S Silk, D A Thomas, R G Thomas, T J Van-Rees, E Vaughan, M Weale, J Wilkinson, A Williams, D H Williams, J Williams, J M Williams, R Williams and S L Williams

1.	APOLOGIES
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Apologies for absence were received from County Councillors J Charlton, M Mackenzie, G Morgan and GIS Williams.

2.	DECLARATIONS OF INTEREST
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The Solicitor to the Council advised that if particular lines of the budget were discussed, members should declare any interests at that point and complete the relevant form.

3.	BUDGET FOR 2019-20, MEDIUM TERM FINANCIAL STRATEGY 2019-2024 AND CAPITAL PROGRAMME FOR 2019-2024
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Council considered the budget for 2019/20, the Medium Term Financial Strategy 2019 - 2024 and Capital Programme 2019 – 2024 (copy filed with the signed minutes).

The Portfolio Holder for Finance outlined the Cabinet's budget. He advised that the development of the budget and achieving a balanced budget was extremely challenging. Delivering services in the same way, as in the past, was no longer viable. He advised that the proposed budget protected a range of budgets including £1m investment in schools which had been added to their delegated budgets, the investment in children and adult services and protects funding for developing key priorities in Vision 2025 such as the Mid Wales Growth Deal. 12 months ago there was a significant gap in the budget and to bridge that gap transformational changes commenced. He also advised that the budget did not rely on reserves.

The Section 151 Officer advised that it was for officers to advise and support Members but it was for Members to decide on the budget. He reiterated that

there was a legal requirement to agree a balanced budget and so any changes to the proposed budget must be funded. He advised that this was a very difficult budget, starting with a gap of £17m but the recommended budget was robust and reserves were adequate. He advised that CIPFA had advised that the appropriate procedures had been followed in developing the budget.

The Finance Scrutiny Panel [FSP] Chair referred to the FSP's report on the budget and highlighted that it had considered that the proposed budget was a high risk and reactive budget. The Panel questioned the lack of fiscal responsibility of the Children Improvement Board and commented on the lack of pace of transformation and welcomed the Welsh Government's relaxation of rules so enabling capital receipts for projects, which they hoped would be used in full. The Portfolio Holder for Finance welcomed the FSP's comments and indicated that under the new arrangements he would be a member of the new Finance Panel.

County Councillor Gareth Jones proposed an amendment to the recommendations, seconded by County Councillor Lucy Roberts:

"Following feedback from discussions about the potential impact on communities of the proposed reductions to Libraries of £200K LRP08. We propose that this reduction is removed from the 2019/20 budget to allow further discussions to take place with our communities and the saving replaced by reducing the proposed contribution to the General Fund Reserve from £500k to £300k as set out in paragraph 7.10 of the budget proposal report."

We propose that the implementation of charging for blue badge holders in saving HTP02 is removed and that the £50k is added to the HTR Transformation Programme saving, HTP10, increasing this to £1.150m."

The Section 151 Officer advised that the projected financial position had continued to improve, since the report had been produced and so the proposed amendment could be accommodated within the budget.

Comment was made that if there was now flexibility in the budget the debate on the budget should be postponed and the budget re-examined. The Chair agreed to adjourn the meeting to allow the Groups to consider the amendments tabled. The Meeting adjourned at 11.20 and reconvened 12.40.

The Solicitor to the Council advised that as there had been a number of amendments, the way forward was to ask County Councillors Gareth Jones and Lucy Roberts to "give way" for a new amendment to be considered. These Councillors agreed to "give way". It was moved by County Councillor Michael Williams and seconded by County Councillor Hywel Lewis to temporarily suspend Standing Orders for the meeting. By a show of hands this was agreed.

County Councillor Matthew Dorrance proposed an amendment to the recommendations, seconded by County Councillor James Gibson-Watt

"Given new found flexibility within the General Fund the Council's opposition groups, whilst sympathetic to the amendments tabled in relation to Libraries and Blue Badges, call on the Council to:

1. Postpone the budget setting until Thursday 7th March 2019 so that the budget can be re-examined by Councillors and Senior Officers with an added focus on

2. Maximising the use of funding raised via capital asset disposal to drive transformational change in line with Welsh Government guidance so that
3. Council is able to relieve the financial pressure on vital local services and reduce the burden on the Council Tax payer.”

The proposer advised that although sympathetic to library services and blue badges, as Council had now been advised that there was some flexibility in the budget, there should be an opportunity to consider the priorities. The seconder referred to the potential lifeline the funding raised via capital asset disposal could provide and how this could be used by Council, as the consequences of the proposed budget are very serious and not only a financial risk but also a political risk to the Council.

The S 151 Officer assured the Council that all expenditure in the base budget had been reviewed and assessed whether it could be used for transformation. He advised of the risks associated with using capital receipts and the impact of pressures, such as redundancy costs, in the future. Council debated the amendment which was lost upon being put to the vote by 28 votes to 34 with 1 abstention.

The meeting was adjourned at 13.26 and reconvened at 14.18.

The meeting returned to the original amendments regarding libraries and blue badges.

County Councillor Peter Lewis declared an interest in the next item as he is Chair of the North Montgomeryshire Cluster CIC Ltd, which pays the Council for Llanfyllin Library and left the meeting room.

County Councillor Gareth Jones proposed an amendment to the recommendations, seconded by County Councillor Lucy Roberts:

“Following feedback from discussions about the potential impact on communities of the proposed reductions to Libraries of £200K LRP08. We propose that this reduction is removed from the 2019/20 budget to allow further discussions to take place with our communities and the saving replaced by reducing the proposed contribution to the General Fund Reserve from £500k to £300k as set out in paragraph 7.10 of the budget proposal report.”

Council debated the amendment which was carried upon being put to the vote by 61 votes to 1 with 0 abstentions.

County Councillor Peter Lewis resumed his seat in the meeting.

County Councillor Gareth Ratcliffe left the meeting.

The following Members having declared interests left the meeting room for the next item:

Relative has a Blue Badge - County Councillors Mark Barnes, James Evans, Liam Fitzpatrick, James Gibson-Watt, Heulwen Hulme, Arwel Jones, Hywel Lewis, Neil Morrison, Kath Roberts-Jones, Elwyn Vaughan and Jon Williams
A Blue Badge user - County Councillors Dai Davies, Susan McNicholas, Phil Pritchard, Edwin Roderick, Tim Van-Rees.

County Councillor Gareth Jones proposed an amendment to the recommendations, seconded by County Councillor Lucy Roberts:

“We propose that the implementation of charging for blue badge holders in saving HTP02 is removed and that the £50k is added to the HTR Transformation Programme saving, HTP10, increasing this to £1.150m.”

Council debated the amendment which was carried upon being put to the vote by 44 votes to 0 with 0 abstentions.

County Councillors Mark Barnes, Dai Davies, James Evans, Liam Fitzpatrick, James Gibson-Watt, Heulwen Hulme, Arwel Jones, Hywel Lewis, Susan McNicholas, Neil Morrison, Phil Pritchard, Kath Roberts-Jones, Edwin Roderick, Tim Van-Rees, Elwyn Vaughan and Jon Williams resumed their seats in the meeting.

County Councillor Iain McIntosh proposed an amendment to the recommendations, seconded by County Councillor Karl Lewis: “That within 6 months of budget setting a formal review of savings delivery is reported to full Council so that the Council takes every available measure to stay within the overall budget and if necessary this will be followed up by a further review within 2 months thereafter.”

Council debated the amendment which was carried upon being put to the vote by 37 votes to 25 with 1 abstention.

County Councillor Iain McIntosh proposed an amendment to the recommendations, seconded by County Councillor Karl Lewis: “That Council supports the work underway to gain a fairer financial settlement from Welsh Government that reflects the true cost of delivering services in Powys and that a working group is formed to support this work.”

Council debated the amendment which was carried upon being put to the vote by 56 votes to 8 with 0 abstentions.

County Councillor Matthew Dorrance proposed an amendment to budget recommendation 9, seconded by County Councillor Sarah Williams: “That Council notes the Welsh Budget has reduced in real terms and if spending had kept pace with GDP, the Welsh Government would have an extra £4 billion to invest in Public Services. Council calls on our members of the WLGA to work with partners in Welsh Government and lobby the UK Government to secure fair funding for Wales.”

Council debated the amendment which was carried upon being put to the vote by 42 votes to 18 with 2 abstentions.

Council then debated the recommendations in the report. The meeting adjourned at 15.32 and reconvened at 15.47. Council then continued to debate the recommendations in the report. The Acting Chief Executive commented that finding £12.7m of cuts is really difficult and advised that the proposed budget is robust. He advised that the proposed savings had all been evaluated and that there is a high level of confidence that the savings can be achieved, so protecting bigger priorities.

The Portfolio Holder for Finance proposed the recommendations in the budget report, seconded by County Councillor Myfanwy Alexander.

Recommendation 1: That the Medium Term Financial Strategy for 2019 to 2024 as set out in Appendix 1 to the report be agreed in principle - was lost on the Chair's casting vote - 31 votes to 31 and 2 abstentions.

Recommendation 2: That the Medium Term Financial Strategy for 2019 to 2024 as set out in Appendix 1 to the report be agreed in principle - was lost - 31 votes to 32 and 2 abstentions.

Recommendation 3: That the Fees and Charges proposed within the Fees and Charges Register are approved. (Appendix 4 and 5) - was lost on the Chair's casting vote - 31 votes to 31 and 2 abstentions.

The Solicitor to the Council advised that as a result of the above votes there was no point in proceeding as the budget would now need to be considered on another date.

County Councillor James Gibson-Watt indicated that a meeting of Group Leaders should be convened and that the Cabinet should consider what happens next.

4.	BUDGET VIREMENTS
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4.1. Virement for North Powys Recycling Bulking Facility

Council considered the capital virement for the North Powys Recycling Bulking Facility transferred from 2018/19 to 2019/20.

Councillors Emily Durrant and John Morris left the meeting.

County Councillor Gary Price proposed an amendment to the recommendation, seconded by County Councillor Liam Fitzpatrick:

1. That £2,723,482.33 of the budget be rolled over to 2019/20 for the delivery of a North Powys Recycling Bulking Facility as referenced in the original virement.

2. That ongoing discussions continue to be held with the local community to ensure that the most suitable site for a North Powys Recycling Bulking Facility is obtained and progressed.

3. That Council receives a detailed progress report, including recommendations following the ongoing discussions held with the local community, and before works start on the provision of a North Powys Recycling Bulking Facility.

Council debated the amendment which was carried upon being put to the vote by 42 votes to 11 with 1 abstention.

The recommendation as amended was subsequently put to the vote and approved by 42 votes to 5 and 0 abstentions.

RESOLVED	Reason for decision
<p>1. That £2,723,482.33 of the budget be rolled over to 2019/20 for the delivery of a North Powys Recycling Bulking Facility as referenced in the original virement.</p> <p>2. That ongoing discussions continue to be held with the local community to ensure that the most suitable site for a North Powys Recycling Bulking Facility is obtained and progressed.</p> <p>3. That Council receives a detailed progress report, including recommendations following the ongoing discussions held with the local community, and before works start on the provision of a North Powys Recycling Bulking Facility.</p>	To ensure appropriate virements are carried out that reflect the forecasted capital spend.

4.2. Virement for 21st Century School Projects

Council considered the capital virement in respect of the Schools 21st Century School Projects.

It was moved by County Councillor Aled Davies and duly seconded and by 50 votes to 0 it was

RESOLVED	Reason for decision
<p>To approve the following virements:</p> <p>Brecon High School -£2,393,803</p> <p>Gwernyfed High School -£5,150,733</p> <p>Bro Hyddgen School -£3,116,160</p>	To ensure appropriate virements are carried out that reflect the forecasted capital spend.

4.3. Virement for Capitalisation Direction

Council considered the virement to create a Capitalisation Directions to use capital receipts, from the sale of land and building assets, to fund the identified costs of Service Reform and Transformation by using the powers given to the authority under the Local Government Act 2003 sections 16(2)(b) and 20 Treatment of Certain Costs as Capital Expenditure.

The Council noted that the full details of the costs capitalised will be included in a Disclosure Note in the Statement of Accounts and will need to be approved by

the Audit Committee, when approving the Statement of Accounts. The amount to be used in 2018/19 is £3.104m.

It was moved by County Councillor Aled Davies and duly seconded and by 50 votes to 0 it was

RESOLVED	Reason for decision
To approve the virement of £3.104m as set out in paragraph 1.1 of the report.	To ensure appropriate virements are carried out that reflect the forecasted capital spend.

In response to a question the Solicitor to the Council advised how, under the Constitution, a notice of motion could be moved.

The Leader thanked David Powell, Deputy Chief Executive and Mohamed Mehmet, Acting Chief Executive for their work during the recent difficult times.

5.	BANW C.P. SCHOOL AND LLANERFYL C. IN W. (FOUNDATION) SCHOOL
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It was noted that this item had been withdrawn and would be considered at the meeting on 7 March, 2019. The Council was advised that the officers were not available for the meeting.

6.	EXEMPT ITEMS
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RESOLVED to exclude the public for the following item of business on the grounds that there would be disclosure to them of exempt information under category 1 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

7.	SENIOR MANAGEMENT TEAM REORGANISATION
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Council considered the report from the Acting Chief Executive.

It was moved by County Councillor Phil Pritchard and seconded by County Councillor Michael Williams and by 44 votes to 0 it was

RESOLVED	Reason for decision
1. That the redundancy and pension payments are in line with Council policy and not enhanced. 2. That there is a clear business case for the redundancy, in each case.	