

Pecyn Dogfennau Cyhoeddus

Pwyllgor Craffu Dysgu a Sgiliau

Man Cyfarfod
By Zoom

Dyddiad y Cyfarfod
Dydd Mawrth, 30 Ionawr 2024

Amser y Cyfarfod
10.00 am

I gael rhagor o wybodaeth cysylltwch â
Katharine Flanagan-Jones,
Democratic and Scrutiny Support
Officer

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Dyddiad Cyhoeddi

Mae croeso i'r rhai sy'n cymryd rhan ddefnyddio'r Gymraeg. Os hoffech chi siarad Cymraeg yn y cyfarfod, gofynnwn i chi roi gwybod i ni erbyn hanner dydd ddau ddiwrnod cyn y cyfarfod

AGENDA

1.	YMDDIHEURIADAU
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Derbyn ymddiheuriadau am absenoldeb.

2.	DATGANIADAU O DDIDDORDEB
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Derbyn unrhyw ddatganiadau o ddiddordeb gan Aelodau yn ymwneud ag eitemau i'w hystyried yn y cyfarfod.

3.	DATGANIADAU CHWIP Y PLEIDIAU
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Derbyn datganiadau ynglyn â gwaharddiad chwip plaid a gyflwynwyd i Aelod mewn perthynas â'r cyfarfod yn unol ag Adran 78 (3) Mesur Llywodraeth Leol 2001.

(D.S: atgoffir yr Aelodau, dan Adran 78, na all Aelodau sydd wedi derbyn gwaharddiad chwip plaid bleidleisio ar fater gerbron y Pwyllgor.

4.	Y GYLLIDEB 2024-2025 DRAFFT
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Craffu'r Gyllideb 2024-2025 Drafft.

Dogfennau wedi'u hatodi, mewn perthynas â chynigion y Cabinet ar gyfer y Gyllideb i'r Cyngor :

4.1. Adroddiadau

Eitem		Atodiad	Tudalen nau'r Pecyn
4.1	Adroddiad Craffu – Cwestiynau'r Gyllideb	Wedi'i atodi	5-7
	Adroddiad cabinet i ddarparu'r cyd-destun cyffredol ar gyfer y broses gosod y gyllideb	Wedi'i atodi	9-33
	Strategaeth Ariannol Tymor Canolig	Wedi'i atodi	35-67
	Cipolwg o Gadernid Ariannol Tymor Canolig	A	69
	Model Adnoddau Cyllid	B	71
	Gostyngiadau Costau	C	73-79
	Adroddiad Ffioedd a Thaliadau	D	81
	Cofrestr Ffioedd a Thaliadau	E	83-135
	Pwysau ar y Cyngor	F	137-142
	Polisi Cronfeydd Wrth Gefn	G	143-145
	Strategaeth Cyfalaf a Rheoli'r Trysorlys	H	147-190
	Asesiadau Effaith – Eitem 4.2	I	See 4.2
	Canfyddiadau Arolwg y Gyllideb – Adroddiad 2023	J	191-194

(Tudalennau 1 - 190)

4.2. Asesiadau Effaith

Atodiad I

Cyllideb Trosfwaol 2024-2025 ac Asesiadau Effaith Unigol yn ymwneud â chynigion o dan y Cynigion Lleihau Costau uchod (Atodiad C).

Asesiadau Effaith ar Wasanaethau					
Aelod Portffolio	Cyfarwyddwr/ Pennaeth Gwasanaeth	Gwasanaeth	Teitl yr Asesiad Effaith	Awdur	Tudalen y Pecyn
Cyng. David Thomas	Jane Thomas	Cyllid	Y Gyllideb Drosfwaol 2024-2025	Jane Thomas	195-225
Cyng. Pete Roberts / Cyng.	Lynette Lovell / Diane Reynolds	Addysg a HCD	Gwasanaethau Hamdden – Lleihau'r Gyllideb	Jenny Ashton	227-240

David Selby	Jenny Ashton				
Cyng Pete Roberts	Lynette Lovell/ Georgie Bevan	Addysg	Ail-fodelu'r Darpariaeth Gwasanaeth ar gyfer yr Unedau Cyfeirio Disgyblion	Sarah Quibell	241-260
			Ailstrwythuro Gwasanaethau Ysgolion		261-273
			Gwariant Trydedd Parti		275-287
Cyng Pete Roberts	Lynette Lovell/ Georgie Bevan	Gwasanaeth Ysgolion	Cyllideb Dirprwyedig Ysgolion	Sarah Quibell	289-342

(Tudalennau 191 - 338)

Myfyrdod y Pwyllgor

Ar ôl cau'r cyfarfod gofynnir i'r Pwyllgor dreulio 5 i 10 munud yn myfyrio ar y cyfarfod heddiw.

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

4.1

Learning and Skills Scrutiny Committee – 30-01-2024
Economy, Residents and Communities Scrutiny Committee – 30-01-2024
Health and Care Scrutiny Committee – 26-01-2024
Finance Panel – 31-01-2024

Report Title:	Budget paper questions
Lead Officer:	Head of Finance

Key Issues in the report highlighted by Lead Officer

The budget pack has the main report setting out the budget proposal, and a series of supplementary appendices. Scrutiny needs to establish if the budget setting proposal is realistic, deliverable, legal and affordable within the timescales proposed. A 5 year MTFS is set out and the funding plan as well as the Capital and Treasury Strategy.

The budget setting in the main has been led by Heads of Service, establishing what the cost pressures are and, what savings they can deliver, alongside preparing impact assessments to show the level of impact / risk on those savings.

The Capital Strategy has a similar overview, in terms of affordability of the programme and a 5 year plan.

Key Feeders (tick all that apply)

Strategic Risk		Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	
Existing Commitment / Annual Report		Performance / Finance Issue	X
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan	X	Impacting Public / other services	X
Service Integrated Business Plan	X		
Suggestion from Members			
Partnerships			

Scrutiny Impact (tick all that apply)

Policy Review		Performance	X
Informing Policy Development – Financial Regulation compliance	X	Evidence Gathering	
Risk		Corporate Improvement Plan	X
Service Integrated Business Plan	X	Partnerships	
Pre-Decision Scrutiny		Finance / Budget	X

Other (please specify)

Not applicable

Suggested scrutiny activity - Committee's Role:

Questioning and analysing service levels, costs (use of public money) and ensuring the Council budget plans are realistic, legal and deliverable (raising areas of concern and clarification to Heads of Service and asking for their comments)

a) In the covering report – through to page 11 sets the scene and provides the background in terms of council, wider economy and Welsh Government.

Then after the nature of the proposed budget is set out, use table 5 as a guide to understand the changes to the service budgets you are scrutinising as you work through each appendix. There is context at 3.51 about the overall pressures within the table.

The proposed draft net budget for 2024-25 is £340.7 million, including the Delegated Schools' Budget, a £14.081 million or 4.3% increase on last years budget. The level of increase across the Councils services cannot be fully supported by Welsh Government funding and an increase in Council Tax at 7.5%. Proposing Council Tax at 7.5% provides 6.5% to support Council Services with a further 1.0% to support the £1.1 million increase in the Fire Levy which the Council provides to the Mid and West Wales Fire Authority ,as set out in paragraph 3.46 of the report.

In proposing this increase, there has been careful consideration to affordability for Powys residents in light of the cost of living crisis, together with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services upon which they rely.

b) The MTFS and FRM (Appendix A & B) provide greater detail about the budget and how the proposed budget has been collated, it provides a wider overview and has less specific service information – which are covered off in the appendices – so once read the main documents focus on :

Question – does the narrative set out any specific service funding / changes that impact on the service plans and if so have these been considered ?

c) Appendix C Cost Reductions - lists the savings of £10.7 million to bridge the gap. Heads of Service should have ensured that these reductions are focused on delivering services that are more efficient or that can be delivered at a reduced cost, alternative sources of income and increased fees and charges have also been implemented. Limiting the impact on the delivery of front line services wherever possible.

Question – do you think the savings outlined are achievable in year and the corresponding impact assessment explains the what the consequences are of implementing it?

Question – is more information required, are there any further concerns heads should be aware of?

Question – are you assured that these can realistically be delivered within the years they say, i.e. profiled correctly ?

d) Appendix D & E Fee and Charges Register

Question – are there any increases that may limit or reduce the take up of that service, and then the impact is that it reduces the level of income

Question – do any of the proposals need an impact assessment as they will have a big effect on communities etc – maybe one provided if the charges are listed in Appendix C

e) Appendix F - Inflationary Pressures and additional service cost pressures of £18.2 million

Question – Are the service pressures realistic or do the Heads of Service need to explain the rationale for what the pressure is, how it was calculated to arrive at the value ?

Question – is the pressure likely to occur or just a risk – that could be managed at “risk”

f) Appendix G – Reserves Policy- In assessing the appropriate level of reserves, the Authority will ensure that the reserves are not only adequate, but also necessary and will be appropriate for the risk (both internal and external) to which it is exposed. The Reserves Policy shown in Appendix G establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used. In the context of the need to maintain financial stability and flexibility moving forward on the advice of the Section 151 Officer, it is Cabinet’s **intention not to make any use of the General Reserve to fund the 2024-25 Budget.**

Question – are there any factors not explained by Heads of Service that could require the use of reserves and should be highlighted ?

g) Appendix H - The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council’s priorities and Vision. The draft provides a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, whilst considering the risks, how these will be managed and the implications for future financial sustainability.

Question - Do you think the strategy captures the risks and uncertainties and affordability of the programmes. Does it have the right schemes being delivered in the services you are scrutinising?

Question – Does the programme include the right projects that align to the strategic priorities?

h) Appendix I – these are the impact assessments (IA) that provide greater detail and consequences of the savings. There is an overall impact assessments for the council budget and council tax level

Question – are the IAs clear enough to help you understand and agree the savings being made, does any of this information need clarifying ?

i) Appendix J – this is the feedback from the budget survey

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

CYNGOR SIR POWYS COUNTY COUNCIL

CABINET EXECUTIVE
Date: 16th January 2024

REPORT AUTHOR: County Councillor David Thomas
Portfolio Holder for Finance and Corporate Transformation

SUBJECT: Draft Medium-Term Financial Strategy 2024-2029, Draft
2024-25 Budget and Capital Programme for 2024-2029

REPORT FOR: Decision

1. Purpose

- 1.1 To seek Cabinet's approval of the updated draft Medium Term Financial Strategy (MTFS) for 2024-29, which includes a Financial Resource Model (FRM) for 2024-29, a draft revenue budget for 2024-25 and a draft capital programme for 2024-25 to 2028-29.
- 1.2 The Council is required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year; the MTFS reports a balanced budget for 2024-25. There is no requirement to set out a balanced position beyond the next year but the five-year strategy has been developed to enable longer term planning and transformation.

2. Background

- 2.1 The Medium-Term Financial Strategy sets out the financial strategy for Powys County Council (the Council) for the period 2024 to 2029. The strategy captures the financial, regulatory and policy drivers affecting the Council and sets the direction and approach, providing a framework in which the Council develops its financial plans. It also incorporates the plan for delivering a balanced budget for 2024-25, and indicative budgets for the following 4 years to March 2029.
- 2.2 The financial strategy is the link between the organisation's long term service objectives and its financial capacity. It seeks to ensure that the Council's strategic objectives can be achieved within the confines of the financial resources available.
- 2.3 The Council is again developing its financial plans in an extremely challenging economic context and whilst the budget position in the current financial year is being managed, inflation and increased demand for our services continues to create additional pressure on our finances for next and future years. This coupled with the outlook for public finances nationally, the situation across local government is described by the Welsh Local Government Association as "extremely bleak and the options for many local services will be unpalatable".
- 2.4 As a service-driven organisation, workforce costs are a key cost driver across our services, sustained levels of high inflation have resulted in protracted pay negotiations

nationally resulting in increased pay costs for Teachers and Council staff. Pay and cost pressures have been equally challenging for providers of the service that the Council commission and it is inevitable that they seek to pass these on in their pricing.

- 2.5 Continued pressure on energy costs are significantly impacting on our Schools, street lighting and other council property budgets; and construction and material costs continue to be impacted by inflation and have a severe impact on the cost of schemes for both Revenue and more significantly for Capital Projects.
- 2.6 The cost-of-living challenge continues to impact on our local businesses and residents, demand for our services has grown, including increased levels of homelessness and additional referrals to social services, all creating further additional pressure on the Council and its services through 2024-25 and beyond.
- 2.7 Even with additional funding provided through the Settlement from Welsh Government (WG), the stubbornly high levels of inflation currently being experienced means the funding provided is now worth less in real terms. In proposing a balanced budget for 2024-25 difficult decisions are having to be made and will continue as we maintain a balanced budget and over the medium term.
- 2.8 Council approved the previous Medium Term Financial Strategy on the 23rd February 2023. In September 2023 Cabinet considered a report which provided an update on the challenging economic context and how this is impacting on the development of the Council's Budget and the Medium-Term Financial Strategy (MTFS). The MTFS has therefore been reviewed and updated and revised assumptions reflected in the plan.
- 2.9 The draft MTFS presented today has been further developed to reflect the updated funding position provided through the provisional settlement provided by Welsh Government on the 20th December 2023.
- 2.10 On the 20th December 2023 the Minister for Finance and Local Government in her written statement stated that this years budget round has been "*the most difficult of this spending review period*", and in proposing the draft budget Welsh Government "*have had to take incredibly difficult decisions – the starkest and most painful since devolution.*" The Minister recognised that "*Demand for services, alongside cost pressures, caused by persistently high inflation, means local authorities will need to make difficult decisions about services, efficiencies, and council tax as they set their budgets*".
- 2.11 We anticipate that we will continue to face financial pressures that outweigh the funding available throughout the period of our MTFS. It is becoming clear that the Council in its current form is not sustainable for the longer term and plans to reimagine what the Council should look like in the future are currently underway and are critical to ensure that the Council can remain financially stable and provide sustainable services in the long-term.
- 2.12 The updated draft Strategy captures the financial, regulatory and policy drivers affecting the Council and identifies the Council's service and resource priorities for the

next five financial years. It delivers a balanced budget for 2024/25, and indicative budgets for the following 4 years to March 2029.

- 2.13 The proposed Capital Programme reflects the existing commitments made in previous years as well as new schemes already approved. Investment is prioritised to support the delivery of key Council objectives, statutory requirements and to manage corporate risk.
- 2.14 The setting of our budget, and in turn Council Tax, takes account of the full range of funding sources available to us, as well as the pressures we face. The funding position both next year and beyond is set in the context of ongoing uncertainty. As the last year of the spending review Welsh Government have not this year provided indicative allocations for future years. However, analysts describe the outlook as a “worrying picture for the medium-term”, with any additional revenue for Local Government likely to be raised through Council Tax rather than Welsh Government Funding increases. We must plan with this in mind and maintain financial resilience wherever possible.
- 2.15 The Corporate Strategic and Equalities Plan (CSEP) will reflect the Council’s operating environment and priorities and the 2024-27 Plan will be presented to Council for approval, at the same time as the final MTFS is presented at full Council on the 22nd February 2024. This will ensure the Corporate Strategic and Equality Plan and MTFS are aligned, enabling the reader to make explicit links between the Council’s priorities and the resources directed to support them.
- 2.16 During 2024 we will continue to focus on our six key equality objectives which are:
- improving outcomes for children living in poverty,
 - preventing homelessness,
 - enabling people with a disability to gain valued occupation,
 - improving the availability of accessible homes,
 - improving digital inclusivity, and
 - ensuring equality of opportunity and taking action to close the pay gap for all our staff.
- 2.17 We are also actively contributing towards creating a Net Zero public service by 2030 and have developed a Biodiversity Action Plan and Climate Change Strategy as part of our ongoing efforts to reduce the negative impact that our activities have on the environment.
- 2.18 The Council’s MTFS is set within the context of UK economic and public expenditure plans, WG priorities and legislative requirements. It articulates how the Council plans to use its resources (revenue and capital) to support the achievement of its corporate priorities as well as the management of its statutory and core duties, known pressures and risks. The MTFS helps the Council to work more effectively with partners in other sectors and provides a strategy for the use of reserves to meet changes in resources, risks or unforeseen demands from year to year without impacting unduly on services or council taxpayers.
- 2.19 The draft MTFS includes the:

- principles that will govern the strategy and a five-year Financial Resource Model (FRM), comprising detailed proposals for 2024-25 and outline proposals for 2025-26 to 2028-29.
- Capital Financing Strategy and the Treasury Management Strategy; and Capital Programme for 2024-25 to 2028-29.

2.20 The Cabinet and the Corporate Leadership Team have developed the draft MTFS to guide the development of the proposed 2024-25 draft budget, the FRM and the draft Capital Programme. At the same time as updating the MTFS, the Council is legally required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year by the 11th of March each year.

2.21 Production of the draft budget for the forthcoming year is dependent on receipt of the provisional local government settlement from the WG which for 2024-25 was published on 20th December 2023. This report provides a draft Budget for 2024-25 for Cabinet's approval, subject to which it will be considered by the Council's Scrutiny Committees before a final budget is presented to full Council for approval on 22nd February 2024. The Welsh Government draft budget will be scrutinised and the final budget will be published on 5th March 2024; if there are any late changes these would need to be made and presented to Council at the meeting on the 7th March 2024 for further approval or at a further meeting of Council if required.

3. **Advice**

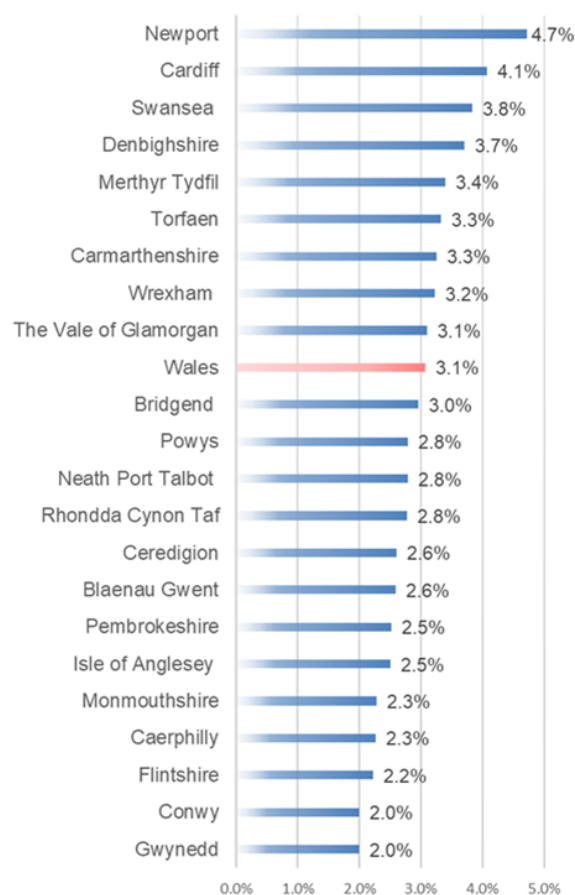
Welsh Government Provisional Local Government Settlement

- 3.1 The Local Government Revenue Settlement comprises Revenue Support Grant (RSG) and redistributed National Non-Domestic Rates (NNDR) revenues and is known as Aggregated External Finance (AEF). In 2024-25, local authorities will receive £5.7 billion from the Welsh Government Revenue Support Grant (RSG) and non-domestic rates (NDR) to spend on delivering key services. An increase in core revenue funding for local government of 3.1% on a like-for-like basis compared to the current year. The Minister has implemented a floor mechanism at 2% which benefits two authorities and is funded from outside the settlement at a cost of £1.3m.
- 3.2 The Welsh Government has increased AEF (Aggregate External Finance) by £170m. To put that in the context current pressures across local government budgets, are estimated at around £809m for 2024-25 which includes teachers' and firefighters' increased pensions costs.
- 3.3 WG continue with their commitment to local government being at the frontline of delivering a wide range of vital public services. Recognising that Local Authorities have been affected by the soaring cost of energy and inflation across all services, including in two of their biggest service areas: schools and social care.
- 3.4 A number of protections are in place for school funding under the Education and Welsh Language portfolio, and a consolidation of grant funding streams to enable local authorities to have more flexibilities to react and deliver in these changing circumstances. The new School Standards funding in our Local Authority Education Grant will protect funding in relation to the Recruit, Recover and Raise Standards programme which was established to help learners overcome the negative effects of

the pandemic. Also protected is the Pupil Development Grant funding that funds schools to support learners from low-income households.

- 3.5 Funding that goes directly to schools has been prioritised. For 2024-25 the amalgamation of pre-16 education grants provides the same level of funding against similar grants provided to local authorities in 2023-24; this is also a 3.2% rise against the 2024-25 indicative budget for those same grants.
- 3.6 Social services continue to be a priority for Welsh Government. The costs of enabling authorities to continue to meet the additional costs of introducing the Real Living Wage for care workers were included in the indicative budget increase announced last year.
- 3.7 Businesses and other ratepayers in Wales are supported with a package of non-domestic rates support. The increase to the non-domestic rates multiplier for 2024-25 will be capped at 5%, at a recurring annual cost of £18m. This is lower than the 6.7% increase that would otherwise apply. Ratepayers will continue to be supported with increased liabilities following the 2023 nondomestic rates revaluation. The transitional relief scheme continues to phase in changes for eligible ratepayers at a cost of £38m in 2024-25.
- 3.8 Outside of the Settlement, alongside the multiplier cap, Welsh Government will be investing an additional £78m to provide a fifth successive year of support for retail, leisure and hospitality businesses with their non-domestic rates bills. This builds on the almost £1bn of support provided through the retail, leisure and hospitality rates relief schemes since 2020-21. Eligible ratepayers will receive 40% non-domestic rates relief for the duration of 2024-25. As in previous years, the relief will be capped at £110,000 per business across Wales.
- 3.9 On a like-for-like basis specific revenue grants will decrease from £1.438bn to £1.353bn, across Wales, which is reduction of about 6.3% or around £92m.
- 3.10 The Graph below shows changes to Aggregated External Finance across the Local Authorities in Wales between 2023-24 and 2024-25. The average increase is 3.1% driven by the funding formula. This is largely a reflection of data movements in pupil numbers and free school meal entitlement derived from the schools' census, as well as the impact of the decennial Census on the population counts/estimates. The lowest increase is Gwynedd with 2.0% and the highest is Newport with an increase of 4.7%.

Table 1: Changes to AEF by local authority, 2023-24 to 2024-25



Source: WG Provisional LGF Settlement 2024-25

3.11 The graph confirms that funding in Powys has increased by 2.8% after adjusting for transfers; this equates to an additional £6.381 million for 2024-25.

3.12 WG funding is allocated to unitary authorities using a formula driven by a number of 'indicators' (e.g. population projections, pupil numbers, primary school free school meals and income support, job seekers allowance or pension credits claimants). The movement in these indicators, relative to the movement in the indicator for Wales as a whole, affects Powys' share of the overall funding available. Powys' Settlement reflects more favourable financial re-distributional movements in formula indicators such as free school meals and benefits, whilst there are less favourable financial movements in pupil numbers.

Table 2: Change in Key Datasets

Dataset ¹	2023-24 Final	2024-25 Provisional	% Difference	Rank	% share 2022-23	% share 2023-24	Change in % share	Rank
Total Population ²	132,885	133,891	0.8%	3	4.23%	4.28%	0.05%	3
Pupil Numbers - Nursery and Primary	9,572	9,554	-0.2%	5	3.72%	3.75%	0.03%	5
Pupil Numbers - Secondary in year groups 7-11	6,393	6,522	2.0%	9	3.75%	3.75%	0.00%	9
Free School Meals - Primary	1,304	1,637	25.5%	17	2.54%	2.48%	-0.06%	16
Free School Meals - Secondary	827	1,086	31.3%	18	2.65%	2.52%	-0.13%	16
IS/ JSA/ PC/UC (not in employment) claimants - 18 to 64	4,281	5,107	19.3%	2	2.60%	2.72%	0.12%	2
IS/ JSA/ PC claimants - 65+	3,626	3,468	-4.4%	8	4.03%	4.04%	0.01%	10
IS/ JSA/ PC/UC (not in employment) claimants - all ages	8,017	8,731	8.9%	6	3.11%	3.14%	0.03%	5
SDA/DLA/PIP claimants - 18 to 64	4,735	5,037	6.4%	13	3.10%	3.09%	-0.01%	14

Notes:

- For definitions of the indicators refer to the Local Government Settlement 2023-24 - Local Government Finance (Councils) Report.

2. Population data set used for the 2023-24 final settlement an average of the 2018-based local authority projections for 2023 and the 2021 census data and for the 2024-25 Provisional settlement the mid 2022 population estimates.

3.13 While the un-hypothecated (non-earmarked) settlement is the largest single source of funding available to authorities, it is not the only one. The Council also funds its expenditure by generating income from grants, fees and charges and Council Tax. In setting the budget and Council Tax levels for next year, Welsh Government expects every local authority to take account of all the available funding streams and to consider how to secure best value for Welsh taxpayers through effective and efficient service provision.

Provisional Local Government Capital Settlement

3.14 WG general capital funding for local government for 2024-25 will remain at £180 million after being increased by £30m last financial year.

3.15 For Powys, the capital budget is made up of two elements; the un-hypothecated (supported) borrowing element which decreases by £5,000 and the General Capital Grant allocation decreasing by £6,000. The split is:

- Supported borrowing £4.582 million
- General Capital Grant £4.705 million.

3.16 WG recognise the need to maintain focus on responding to the climate and nature emergency and contributing to the Net Zero Wales plan and are providing separately £20 million capital in each year to enable authorities to respond to the joint priority of decarbonisation.

Final Local Government Settlement

3.17 The publication of the Settlement in mid-December has enabled WG to draw on the latest tax-base figures for 2024-25, meaning that there should be no change between provisional and final settlements as a result of updates to the tax base. There is no guarantee that there will be no other changes between the provisional and final settlements, and whilst noting the financial uncertainty, WG do not intend making any significant changes to the methodology or the data underpinning the distribution of the Settlement.

3.18 Welsh Government is due to publish its Final Budget and Final Local Government Settlement for 2024-25 on 5th March 2024.

Current Year (2023-24) Financial Performance

3.19 The impact of inflation, workforce and supply chain issues have had a significant impact on the Councils budget in the current year. Rising costs for fuel, food, and energy together with contractual uplifts linked to inflation have all increased the financial pressure on our budget in 2023-24. Employee Costs have also increased as national pay awards saw Teachers pay increase by 5% from September 2023 and other council employees receive an average increase of 6.94% this year, ranging from 3.5% to 8.31% across the scale points. As materials and contractor costs increase and the cost of borrowing becomes more expensive then pressure is also felt on our Capital Budget.

3.20 The cost-of-living challenge is also impacting on our local businesses and residents and this creates additional pressure on the Council as demand for our services increases.

3.21 Many of these pressures were considered when the 2023-24 budget was approved last March and the council is managing its budget position this year through virements and drawing on the revenue risk budget set aside to add the resilience needed. At the end of September 2023 (Quarter two) the projected position reported was a surplus of £2.85 million.

Table 3: Reserves Summary as at 30th September 2023

Summary	Opening Balance (1st April 23) Surplus / (Deficit)	Budgeted (Use) of Reserves	Forecast (Over) / Under Spend	Projected Balance (31st March 24) Surplus/ (Deficit)
General Fund	9,333	0	935	10,268
Budget Management Reserve	3,584	0	0	3,584
Specific Reserves	35,329	(6,990)	(813)	27,526
Transport & Equipment Funding Reserve	9,460	(1,043)	0	8,417
Total Useable Reserves	57,706	(8,033)	122	49,795
Schools Delegated Reserves	6,666	(5,082)	(1,438)	146
School Loans & Other Items	(371)	7	0	(364)
Housing Revenue Account	3,967	0	0	3,967
Total Reserves	67,968	(13,108)	(1,316)	53,544

3.22 Reserves are held to mitigate unexpected risks and the use of reserves this year will ensure that we meet our statutory responsibility to deliver a balanced budget, however, the challenging environment is not going to end at the end of this financial year, we must ensure that we deliver council services within the resources we are allocated on an annual basis. Holding sufficient reserves to manage the ongoing risk as we move into future years is key to maintain our financial sustainability.

3.23 The position will continue to be monitored and will be updated when the quarter 3 position is finalised and reported in late January 2024.

Draft MTFS 2024-29

3.24 The draft MTFS for the next five years is attached at Appendix A, based on the latest information available. It does not include fixed funding, expenditure or activity projections, but sets out a five-year budget forecast for the resources that are likely to be available. The MTFS is reviewed regularly and will be amended as additional information becomes available, with the detail for future years being developed over the period of the strategy.

3.25 Implementation of the MTFS will continue to be led by Cabinet and Senior Leadership Team (SLT) ¹, supported by robust financial and performance data. The Council will seek to ensure that it is widely understood by internal stakeholders (Members, employees and Unions) and external stakeholders (citizens, businesses and partners).

¹ SLT comprises the Chief Executive Officer, 4 Corporate Directors and 12 Heads of Service)

As well as linking explicitly to the Council's corporate priorities, the MTFS also links to other internal resource strategies such as the Workforce Plan, the Digital Powys Strategy, the Treasury Management and Capital Strategy, Asset Management Plans and the Council's Transformation Programme including Sustainable Powys work. Integrated Business Planning is now embedded into the Council's planning framework and budget cycle and captures the output from each service to populate the overarching Councils plan.

Engagement, Scrutiny and Challenge

- 3.26 Over the past few years, the Council has sought to engage Powys citizens, local councillors, partners and the workforce in the budget development process. This included providing more information to the public and undertaking specific consultation on proposals. These have created the opportunity for residents to influence service delivery and helped define the priorities for the Council.
- 3.27 This year the budget survey closed on the 7th January 2024 and focused on balancing the limited funding against rising costs and growing demand for our services.
- 3.28 Further engagement during 2024 will offer residents further opportunity to help us redesign the Council for the future and engagement with Town and Community Councils and partners will be fundamental in developing local, community led solutions and building community resilience.
- 3.29 Members of the Council have engaged in the budget planning process through member budget seminars which have given Councillors the opportunity to review and challenge the process. The Finance Scrutiny Panel (comprising Group Leaders of Non-Executive Groups and Audit Committee representatives) have also been engaged during the process and financial assumptions have been shared with members.
- 3.30 This report presents the detailed draft budget for 2024-25 and each of the Council's Scrutiny Committees will have the opportunity to consider the implications of the draft budget for the service areas within their remit over the next few weeks. The Committees will then be able to provide feedback to the Cabinet for consideration before the final MTFS, 2024-25 budget and 2024-29 capital programme are presented to full Council for approval on the 22nd February 2024.

MTFS Principles

- 3.31 The draft MTFS provides a set of clear principles which will drive the Council's budget and spending decisions over 2024-29 and which Members and others can examine and judge the Council's financial performance against. The ten key principles are to ensure that:
1. The Council will strive to meet its statutory obligations and to demonstrate how its budget supports the Corporate Plan.
 2. The Council's financial control system will be sufficiently robust to support the delivery of financial plans and mitigate corporate risks.

3. All Council budgets will be continually reviewed to ensure resource allocations are delivering value money and continue to align to the delivery of priority Outcomes.
4. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue.
5. Reserves will not be used to fund recurrent budget pressures or to keep down council tax rises.
6. The Council's General Fund reserve will be maintained at a minimum of 4% of Net Revenue Expenditure (excluding the Schools Delegated budget) over the period of the MTFS.
7. Capital investment decisions will support the Council's corporate priorities and mitigate any statutory risks taking account of the return on investment and robust business cases.
8. Prudential borrowing will only be used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
9. Decisions on the release of surplus assets will be based on an assessment of the contribution the asset makes, the impact holding the asset on the revenue budget and the capital programme.
10. Budgets will be managed by Directors and members of CLT in accordance with the Council's Financial Procedure Rules, flexibility through the virement process is fundamental to allow this.

Financial Resource Model

- 3.32 The MTFS includes a Finance Resource Model (FRM) which provides a financial plan for the forthcoming five financial years. This is provided at Appendix B.
- 3.33 As it is the last year of the spending review Welsh Government have not this year provided indicative allocations for future years. However, we have drawn on the work undertaken by Wales Fiscal Analysis (WFA). WFA is a research body within Cardiff University's Wales Governance Centre that undertakes authoritative and independent research into the public finances, taxation, and public expenditures of Wales. Their work analysing the medium-term fiscal outlook for local government in Wales describes the outlook as a "worrying picture for the medium-term", with any additional revenue for Local Government likely to be raised through Council Tax rather than Welsh Government Funding increases.
- 3.34 On this basis our modelling is now predicated on funding scenarios that look at flat cash or even negative settlements of -2%.
- 3.35 Other assumptions about cost drivers such as pay and price inflation, demographic and other service change, together with early estimates for cost reductions delivered through our transformational activity are also included. Recurrent future year cost reductions of £16.5 million are already identified and included. All the scenarios

include an annual council tax increase with 7.5% included for 2024-25 and 5% per annum increases from 2025-26 onwards.

3.36 Table 4 below sets out the gap between the Council's net budget requirement and the possible funding available until 2028/29 based on the expected funding as set out in the MTF5. An overall gap of £64.6 million is shown and this will need to be addressed through realigning budgets to match the funding available.

Table 4

	2024/25	2025/26	2026/27	2027/28	2028/29	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	340,701	360,013	379,290	394,735	411,400	-
Current Year Budget	326,620	340,701	360,013	379,290	394,735	-
GAP - each year	14,081	19,312	19,276	15,446	16,665	-
Additional Funding						
Council Tax increase (+7.5% and tax base increase, +5% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	
Settlement (2.8%, -2% then on)	-6,275	4,699	4,605	4,513	4,422	
Net Gap - Each Year	0	18,379	17,950	13,713	14,510	64,552

Draft Revenue Budget 2025-29

3.37 It is clear that the Council in its current form is not sustainable for the longer term, in response to this challenge the Council has embarked on a programme of change to reimagine what the Council should look like in the future to ensure that it can remain financially stable and provide sustainable services in the long-term.

3.38 Delivering valued local government services is at the heart of all we do. With changing times and economic conditions, we need to be pro-active, innovative and forward-thinking to deliver effective public services for the future.

3.39 We recognise the challenge and we want to work in partnership to explore the opportunities to make the changes needed to build the stronger, fairer and greener future for Powys.

3.40 "Sustainable Powys" will review what services we provide and how they are provided to meet current needs whilst ensuring we have innovative solutions to provide the best services adapted for our future generations. It is about working together to design a future for our local authority that delivers stronger, fairer and greener services whilst reducing our costs.

3.41 Our work has gained momentum over the last year. As this work progresses, proposals will be developed for consideration before inclusion in our budget plan. Where proposals can deliver earlier savings and where no policy decision is required and there is no impact on our residents, they will be implemented as soon as possible.

3.42 Significant uncertainty remains reflecting the continued economic volatility. It is in this environment that the setting of a robust base budget based on sound assumptions is fundamental, together with an assessment of the risk that remains. The inclusion of an annual "risk budget" and the holding of sufficient reserves ensures that the council can effectively manage this risk and maintain financial stability.

Levies for Mid and West Wales Fire Authority and the Brecon Beacons National Park

- 3.43 The council is required to provide funding to support both the Mid and West Wales Fire Authority (MAWWFRA) and the Brecon Beacons National Park via a levy.
- 3.44 Under the provisions of paragraph 21.2 in part IV of the Mid and West Wales Fire Services (Combination Scheme) Order 1995, as amended, the Fire and Rescue Authority is required, before the 31st December in any year, to submit to each constituent authority an estimate of its expenses for the next financial year. Accordingly, the Chief Fire Officer has served formal notice that the estimated Net revenue budget requirement for the Mid and West Wales Fire and Rescue Authority for the 2024-25 financial year is £68,554,900, an increase of 9.4%. This increase is in addition to the 17.53% increase levied last year.
- 3.45 The budget requirement is levied across the 6 constituent Local Authorities based on population. A change in the population dataset see Powys proportionally facing a higher percentage increase in its share of the levy. The final amount for Powys will be confirmed at a meeting of the Fire Authority on the 12th February, 2024.
- 3.46 The Councils budget therefore includes an estimate of £10,171,354 for 2024-25, an increase of £1,090,344 (12.0%) from that provided in 2023-24. This amount is funded in part through the local government settlement with the remainder being met from Council Tax. The significant increase next year is due to grant funding ceasing for Firefighter Pensions or Firelink which will now fall on the Constituent Authorities in 2024/25 through the levy.
- 3.47 The levy for the Brecon Beacons National Park is estimated at £664,775.

2024-25 Net Budget Requirement

- 3.48 The net budget requirement is the amount of budget the Council requires to fulfil its functions. It is calculated taking the output of each of the service integrated business plans; these identify the resource requirements for each service to deliver their statutory functions, the Corporate Strategic and Equality Plan and service improvement objectives offset by budget reduction proposals.
- 3.49 Table 5 below sets out the proposed draft net budget for 2024-25 at £340.7 million, including the Delegated Schools' Budget.

Table 5: 2024-25 Draft Revenue Budget

	Base Budget 2023-24	Pay Award 2024-25	Non Pay 2024-25	Demography	Pressures	Savings	2023-24 Undelivered Savings	Uplift in Schools Funding	Proposed Budget for 2024/25	Increase in Budget Allocated	% Increase
Schools Delegated	83,837	0	0	(27)	0	0	0	3,600	87,410	3,573	4.2%
Education	17,595	365	123	0	202	(814)	0	0	17,471	-124	-0.7%
HTR	33,365	1,041	701	0	1,323	(2,122)	353	0	34,661	1,295	3.9%
Housing	692	32	20	0	0	0	0	0	744	52	7.5%
Community Development	6,788	336	130	0	23	(1,650)	0	0	5,627	-1,161	-17.1%
PPPP	6,638	331	45	0	72	(280)	0	0	6,805	167	2.5%
ASC Commission	3,019	135	7	0	0	0	0	0	3,161	142	4.7%
ASC	80,664	870	88	722	8,553	(1,614)	0	0	89,282	8,618	10.7%
Children	29,482	694	107	0	1,535	(2,386)	0	0	29,432	-50	-0.2%
Finance	6,918	247	140	0	0	(210)	0	0	7,095	177	2.6%
Transf/Dem	3,877	156	14	0	35	(34)	0	0	4,048	171	4.4%
WOD	2,544	129	69	0	0	(5)	0	0	2,737	193	7.6%
Digital	6,380	238	108	0	0	(443)	0	0	6,283	-97	-1.5%
Legal	1,494	65	6	0	134	(95)	0	0	1,604	110	7.4%
Corp	43,328	0	2	0	2,011	(1,000)	0	0	44,341	1,013	2.3%
Total	326,620	4,639	1,560	695	13,887	(10,653)	353	3,600	340,701	14,081	4.3%

3.50 Table 5 shows the Council's 2023-24 base budget and proposed changes across each service to provide a base budget for 2024-25, the columns set out the financial pressures falling on each service together with the savings that are proposed.

3.51 Inflationary Pressures and additional services cost pressures of £18.2 million as detailed in Appendix F include:-

- Pay Awards for Council staff set nationally – £4.6 million projected for 2024/25 awards;
- Non-pay general inflation £1.6 million;
- Uplift for Pay and Non-Pay pressures across schools including changes to pupil numbers - £3.6 million;
- Demographic changes, contractual obligations, Real Living Wage commitment and Service Demand across Adult Social Care - £8.6 million;
- Service Demand pressures across Children Services - £730,000;
- Additional costs for Unaccompanied Asylum Seeker Children (UASC) - £800,000;
- Contractor and material cost increases across Highways Transport and Recycling Services - £1.3 million;
- Corporate Pressures – Fire levy £1.1 million and Council Tax Reduction scheme - £740,000.

3.52 Schools across Powys continue to face significant financial pressure through Pay, energy and other costs. The budget proposal includes additional funding of £3.6 million directly into schools delegated budgets. This 4.2% increase is above the level of increase received by the Council in AEF (2.8%), and reflects the priority Education has from the Council, but based on the funding settlement received we are unable to fully protect schools from some of the burden facing the Council. Governing Bodies, like other council services, will need to consider how they manage their pressures. School reserves have been drawn upon during the current financial year to manage the additional pressure they have faced this year, but these can only be used once and Governing Bodies will have to make difficult decisions as to how they realign their budgets within the funding available to them. In addition to the funding provided by the Council, schools will again receive specific WG grant funding as set out in paragraphs 3.4 and 3.5 of the report.

- 3.53 The level of increase across the Councils services cannot be fully supported by Welsh Government funding and increases in Council Tax and in order to bridge the gap in the budget for 2024-25 significant cost reductions and savings have had to be considered.
- 3.54 The budget plan includes proposals to remove £10.7 million from the revenue budget next year, each proposal is provided at Appendix C. These reductions have focused on delivering services that are more efficient or that can be delivered at a reduced cost, alternative sources of income and increased fees and charges have also been implemented. Limiting the impact on the delivery of front-line services as much as possible within the financial constraints.
- 3.55 The second year of the phased reduction in the employers Pension contributions, following the triennial actuarial review of the Powys Pension Fund from April 2023, estimated at £500,000 will further reduce costs.
- 3.56 But inevitably there will be some reductions in service, or changes to how or from where services are delivered. Some staffing reductions will have to be made, removing vacant posts where appropriate but some redundancies are also planned.
- 3.57 The impact of the proposals has been carefully considered to fully understand the impact on residents and service users and to assess the impact on future generations in line with the duties aligned to the Well-being of Future Generations (Wales) Act 2015. The impact of the budget has been assessed in an overarching Impact Assessment, but where proposals have a more specific impact on residents or service users separate individual Impact Assessments are provided, details are attached in Appendix I.
- 3.58 Delivery of these cost reductions will be essential to deliver a balanced budget. Assurance must be provided to Council that the budget is robust and that the reductions included in it are deliverable. This will also enable the Council and the Statutory Chief Finance Officer (S151) to sign off the budget with confidence. For the proposed budget, sessions have been held with officers to challenge and test both the service pressures being submitted and the deliverability of each proposal presented. CLT has provided assurance to Cabinet that they can deliver the cost reductions within the required timescales, whilst also reflecting on any risks.
- 3.59 The revenue budget has included a “risk budget” for a number of years to assist in managing the risk around the delivery of cost reductions or additional service pressures that arise, this is assessed alongside the level of reserves that are held. Due to the ongoing uncertainty and volatility being experienced it is proposed to maintain this budget at £3 million for 2024-25.

Financing the Draft Net Budget for 2024-25

- 3.60 The Council's gross budget reflects the totality of the Council's costs including salaries and wages, the purchase of goods and services, premises costs and the revenue cost of financing our capital programme. The gross budget is financed by all the Council's income sources including AEF, council tax, fees and charges, specific grants and contributions from other bodies.
- 3.61 Income from fees and charges makes a significant contribution (c£77 million per annum) to the Council's budget and the Council's approach to income generation is included in the MTFs.

- 3.62 The budget proposed for 2024-25 includes increasing of fees and charges in line with inflation, where permitted, and where appropriate, the principle of full cost recovery has been applied. The Fees and Charges register has been updated and it, together with an explanatory note, is attached as Appendix D and E.
- 3.63 The financing of the net budget comes from the Welsh Government settlement and Council Tax income. Table 6 summarises the 2024-25 budget requirement and how it will be financed and shows that Council Tax funds 31% of the Councils' net budget.

Table 6

	2023/24	2024/25	Change
	£'000s	£'000s	£'000s
AEF (RSG and NNDR Allocation)	228,665	234,940	6,275
Council Tax	97,956	105,761	7,806
Total Funding	326,620	340,701	14,081

- 3.64 As can be seen, the balancing of the Council's 2024-25 budget is dependent upon a 7.5% increase in the Council Tax in 2024-25, generating £7.35 Million, and £0.46 Million delivered through changes to the council tax base. 6.5% to support Council Services with a further 1.0% to support the £1.1 million increase in the Fire Levy as set out in paragraph 3.46 of this report. In proposing this increase, there has been careful consideration to affordability for Powys residents in light of the cost-of-living crisis, together with the ongoing need to meet increasing demand and inescapable cost pressures on vital local services upon which they rely.
- 3.65 The setting of Council Tax is not subject to approval as part of this report, as this is a matter for full council determination. However, the report recommends the level of Council Tax to be included in the budget that goes to full Council on 22nd February 2024. On 7th March 2024 full Council meets to set the Council Tax in line with the final budget. This meeting does not reopen the budget but ensures the Council sets Council Tax for billing purposes.

Draft Capital Programme 2024-29

- 3.66 The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council's priorities and Vision. The provision of the right assets in the right place at the right time will ensure the effective and efficient delivery of a comprehensive range of quality services.
- 3.67 The draft strategy document at Appendix H provides a high-level, long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, whilst considering the risks how these will be managed and the implications for future financial sustainability.
- 3.68 Capital schemes across the council continue to be impacted by rising costs as materials and contractor costs increase. The cost of borrowing has also become more expensive as interest rates rise.
- 3.69 Maintaining the capital programme has a significant regeneration impact for the economy of Powys alongside the direct effect of better infrastructure to deliver

services. Capital investment also has a significant input into the delivery of revenue cost reductions, and it is essential that both budget strategies are developed in tandem.

3.70 Broadly, the programme covers three areas of expenditure. These are:

- a core programme of schemes that are regulatory / statutory in nature, and minimise legal challenge or revenue risk, these schemes are related to day-to-day activities that will ensure the Council meets its statutory requirements;
- a retained asset programme to improve or enhance the life of existing assets; and
- an investment programme in schemes linked to the Council's strategic priorities.

3.71 The key aims of the Capital Strategy are to:

- Provide a clear context within which proposals for capital expenditure are evaluated to ensure all capital investment is targeted to deliver the Council's priorities.
- Clarity about how the Council identifies and prioritises capital requirements and proposals arising from various strategies Service Improvement Plans, and other corporate strategies, and how they will be managed within the limited capital resources available.
- Challenge our current estate, continue with the programme of asset rationalisation, ensuring that assets retained are effective, efficient and economically sustainable to deliver services.
- Identify and consider options available to fund capital expenditure that minimises the ongoing revenue implications of historic capital expenditure and of any new investments.
- Use partnerships, both public and private, more effectively to support our overall strategy.
- Establish effective arrangements for managing capital schemes including assessment of outcomes and achievement of value for money.
- The aim of this capital strategy is to ensure that all elected members fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

3.72 A Governance Framework is in place for the development of the Capital Programme, based on the Welsh Government Better Business Case approach; each project is developed through a series of gateways ensuring that the business case is robust and fully considers the benefits and costs of the individual project and that they align with the Council's vision. This enables the council to prioritise its capital investment whilst ensuring affordability. Governance has been strengthened further by the introduction of the Capital Oversight Board which provides oversight, challenge and assurance of the development, management and control of the Capital Programme, including changes in scope, cost, outputs and outcomes.

3.73 The Capital Programme is supported financially from a number of sources and this is detailed in the Strategy. In order to minimise costs against the Councils revenue budget the programme will be supported by other sources of funding before incurring

borrowing. Capital receipts are an important means of increasing the affordability of the Capital Programme. The generation of capital receipts is also consistent with the need to accelerate a reduction in the Council's asset base where this can support savings requirements or reduce maintenance liabilities and the carbon output of the Council. Accordingly, the target figure to achieve in capital receipts each year is increased £10 million to support our Capital Strategy. The release of assets will be delivered through the review and rationalisation of our assets as we prioritise our property estate to deliver the Sustainable Council for the future.

- 3.74 The Council has moved away from an annual capital cycle and using the new framework will have an ongoing process of projects in development through to approval at Cabinet and Council as needed.
- 3.75 The Capital Strategy is attached as Appendix H. The strategy sets out the priorities for the next 5 years with the provisional Capital Programme totalling £406 million (including the Housing Revenue Account (HRA)). This is a significant commitment. The Capital Programme is included in Appendix H as part of the Capital Strategy.
- 3.76 The Capital Programme also identifies £14.39 million over the next three years of unallocated investment which has been set aside to meet the costs of current pipeline projects and programmes currently being progressed through the Outline Business Case gateway. Also included is initial estimated funding for the Mid Wales Growth Deal.
- 3.77 The Capital Strategy for future years will need further development and the Capital Programme will be reviewed and reconsidered to ensure that the revenue implications of capital expenditure is accurately reflected in the FRM and that the capital expenditure plans of the council remain affordable, prudent and sustainable.

Draft Treasury Management Strategy

- 3.78 A draft Treasury Management Strategy which is included within the attached Appendix H sets out how the Council will ensure that it has enough funding available to fund its revenue and capital requirements and an appropriate strategy for borrowing and investing for the financial year 2024-25 and details the expected activities of the Treasury function. The Treasury Management Strategy and Annual Investment Strategy is recommended to Full Council for approval in February.

Prudential Indicators

- 3.79 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of the local authority are affordable, prudent and sustainable. The statutory Prudential Indicators are shown in full within the Capital and Treasury Management Strategy Appendix H. The tables include the revised estimate for 2024-25, as well as the indicators through to 2028-29.
- 3.80 The key indicator of affordability is the estimate of the ratio of financing costs to net revenue stream, in section 3.17 of Appendix H. The ratio of financing costs for the council fund is 3.7% in 2023-24, peaking at 3.9% in 2025-26 and then falling back in 2026/27 and returning to 3.9% in 2028-29. The amount of HRA income required to pay for financing increases is 17.1% in 2023-24 rising to 23.0% in 2028-26.

- 3.81 The capital financing requirement (CFR) is shown at section 2.36 of the Appendix H and is the measure of the authority's underlying need to borrow for a capital purpose. It is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue. The CFR is estimated to be £335 million in 2023-24 and will rise to £400 million by the end of 2028-29, and £112 million increasing to £188 million for HRA debt.
- 3.82 The operational boundary, in Appendix H section 3.28, and authorised limits for external debt in section 3.31 both reflect the Treasury Management policy and are set at a level to be affordable and prudent.
- 3.83 The authorised limit for 2024-25 will be the statutory limit under Section 3(1) of the Local Government Act 2003. It is recommended that the level for the authorised limit is set at £514 million and the Operational Boundary is set at £499 million.
- 3.84 The Minimum Revenue Provision (MRP) Policy Statement is included at Section 2.45 in Appendix H.
- 3.85 MRP is an annual charge that Councils are required to pay for their debt liability in respect of capital expenditure funded by borrowing, for both the general fund and the Housing Revenue Account debt. This capital expenditure is set out as part of the CFR calculation and updated regularly to reflect borrowing need changes and the resultant costs; it is important to ensure that the debt is repaid over a period commensurate with that over which the capital expenditure provides benefit.
- 3.86 MRP Overpayments - A change introduced by the revised Welsh Government MRP Guidance was the allowance that any charges made over the statutory MRP, voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. For these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. On the 31st March 2023 the total balance of previous voluntary revenue provision (VRP) stands at £7.11 million, of which £1.41 million relates to the HRA. There is no intention to reclaim any of this at this point. Holding this provision is prudent and increases the resilience in the financing of the Capital Programme, particularly in the current period of uncertainty and volatility.

Reserves

- 3.87 The Council's reserves are key to our financial planning; maintaining these at an appropriate level is central to our financial resilience and sustainability. They provide a safeguard against risk, unusual events and future financial pressures.
- 3.88 In assessing the appropriate level of reserves, the Authority will ensure that the reserves are not only adequate, but also necessary and will be appropriate for the risk (both internal and external) to which it is exposed.
- 3.89 The holding of reserves has been critical to managing our budget this year faced with the unprecedented rise in inflation and the impact this has had on the Council's budget. This has reiterated the need to hold sufficient reserves to provide the financial resilience the Council needs.

- 3.90 The Reserves Policy (Appendix G) establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used.
- 3.91 The use of reserves and the levels at which they are maintained is determined on an annual basis as part of the Council's Budget setting process.
- 3.92 There is no statutory minimum regarding the level of reserves that should be held. Instead, decisions should reflect the individual position of each council. Reserves are a finite resource and so their use to fund ongoing commitments creates a gap in the finances of future years and erodes our financial sustainability. Benchmarking shows that Powys' reserves are not excessive but are nearer the minimum level of acceptability; we must not plan our budget based on utilising our reserves, they must remain at a level that provides a reasonable level of financial resilience in an ever-challenging environment.
- 3.93 The level of reserves held, and their forecast use is reported to Cabinet as part of the budget monitoring report and Table 7 below reports the opening and projected balance of the reserves at year end. This is based on the position as at 30th September 2023.

Table 7 – Reserves as at 30th September 2023

Summary	Opening Balance (1st April 23) Surplus / (Deficit)	Budgeted (Use) of Reserves	Forecast (Over) / Under Spend	Projected Balance (31st March 24) Surplus/ (Deficit)
General Fund	9,333	0	935	10,268
Budget Management Reserve	3,584	0	0	3,584
Specific Reserves	35,329	(6,990)	(813)	27,526
Transport & Equipment Funding Reserve	9,460	(1,043)	0	8,417
Total Useable Reserves	57,706	(8,033)	122	49,795
Schools Delegated Reserves	6,666	(5,082)	(1,438)	146
School Loans & Other Items	(371)	7	0	(364)
Housing Revenue Account	3,967	0	0	3,967
Total Reserves	67,968	(13,108)	(1,316)	53,544

- 3.94 MTF5 Principle 6 is to maintain a minimum general reserve provision of 4% of net revenue expenditure over the period of 2024-29. The projected balance as at 31st March 2024 will be 4.2% in line with this principle.
- 3.95 The level of reserves held has been assessed alongside the overall budget proposal.
- 3.96 Over the last couple of years a number of specific reserves were created due to the emerging financial pressures as inflationary pressures began to take hold, this strategy increased our financial resilience as we moved into an unprecedented period of volatility. At this stage £14.424 million of reserves is forecast to be relied upon to support the budget this year.

- 3.97 Schools increased their ring-fenced reserves during 2021-22 and have been able to draw on these this year to meet the additional costs they too have faced. These reserves have now been depleted for some schools reducing their resilience to manage the ongoing cost pressures. Governing Bodies will have to make difficult decisions to realign their budgets and reduce spend to balance their in-year positions.
- 3.98 The financial position of some of our schools has been a concern for several years, but progress continues in strengthening financial management arrangements. The “Team around the School” approach, supportive guidance, additional training and the appropriate use of warning notices, recovery planning and removal of financial delegation have all strengthened financial management at schools causing most concern. This support will again be crucial to support our schools as they manage the increased costs of running their schools. The school reserves are ring fenced but ultimately represent a potential Council risk. It is essential that this compliance work continues to be undertaken to ensure that school budgets are managed in accordance with regulations by Governing Bodies.
- 3.99 In the context of the need to maintain financial stability and flexibility moving forward on the advice of the Section 151 Officer, it is Cabinet’s intention not to make any use of the General Reserve to fund the 2024-25 Budget.
- 3.100 The use of the Councils reserves will continually be reviewed, particularly considering the continued uncertainty arising from the ongoing economic volatility. The reserves position will be monitored carefully as the financial year progresses. Under Section 26 of the 2003 Local Government Act, an appropriate person (S151 Officer) must determine the minimum amount of General Fund Reserve.

Impact Assessment

- 3.101 The Well-being of Future Generations Act (Wales) Act 2015 requires Local Authorities to apply the five ways of working to their financial planning to ensure that short term priorities and administrative process do not overtake longer term interests. The Act requires that the Council takes every reasonable step to meet the wellbeing objectives and act in accordance with the sustainable development principle.
- 3.102 Integrated Impact Assessments have been undertaken for each of the service cost reduction proposals, attached at Appendix I. An impact Assessment for the whole 2024-25 budget has also been completed and will be scrutinised as part of the budget process.

4. Resource Implications and Section 151 Officer Opinion

- 4.1 The Local Government Act 2003 requires an authority’s Section 151 officer to give a formal opinion as to the robustness of the budget estimates and the level of reserves held by the Council. This section of the report provides the Section 151 Officer’s formal opinion.
- 4.2 Under Section 26 of the 2003 Act, it is not considered appropriate for the balance of the Council’s General Fund Reserves to be less than the minimum amount determined by an appropriate person, in this case, the Head of Finance and Section 151 Officer.

- 4.3 The draft budget has been produced within the framework of the draft MTFs. The continued use of scenario planning has ensured that the budget is developed in a prudent and flexible way, highlighting the risk faced by the Council as a result of changes in funding and increasing financial pressures, and offering some choice in how our resources are prioritised and the risk mitigated.
- 4.4 Service Integrated Business Plans ensure that all elements of delivering the service are considered in a holistic way. Statutory obligations, pay and price pressures, income streams, demographic changes and the impact on service demand, new responsibilities and changes in regulation are all considered. Services assess options for service delivery, their workforce and capital requirements and the cost reductions that can be achieved in submitting their calculated budget requirement. The impact and risk associated with their proposals is explained.
- 4.5 The Council's MTFs guides the development of these plans, and the 2024-25 implications are set out in the draft budget and draft 2024-29 Capital Programme. A process of challenge and review undertaken with Cabinet, each Head of Service, and the Corporate Leadership Team provided assurance on the completeness and robustness of the estimates, whilst highlighting the risks associated with its deliverability.
- 4.6 This strategic approach to allocating resources ensures that our financial plans consider the delivery of the Corporate Strategic and Equalities Plan, the transformation programmes we need to deliver and ensures that service improvement and appropriate levels of statutory provision are all included. Revenue and Capital budgets are aligned and ensure that our limited resources are prioritised to achieve maximum effectiveness in securing outcomes.
- 4.7 The significant impact of continued inflation, rising costs and additional service pressures have all added substantial financial pressure to the Council's budget. The funding settlement the Council has received this year is considerably lower than that received in recent years, the cumulative effect of increasing costs and limited additional funding creates an even greater challenge in maintaining financial stability. In order to meet the statutory responsibility to set a balanced budget the proposal includes a further significant level of cost reduction for 2024-25. Against that background, the draft budget continues to include a risk management allocation and the removal of prior years' unachievable savings adds resilience and robustness to our budget plan.
- 4.8 The need to hold an appropriate level of Reserves has been brought to the fore over the last few years and with continued economic uncertainty our reserves remain crucial to our financial stability. The position going forward will require reserves to be maintained at a prudent level. The minimum level of General Fund Reserve remains at 4% of the Net revenue budget. On this basis the level of revenue reserves held, together with the revenue Risk budget in place, is appropriate to deal with known and unknown risks.
- 4.9 The financial position of many of our schools is also being impacted by rising costs and reducing funding in response to both pupil number reductions and poorer funding settlements. Governing Bodies have drawn significantly on their ringfenced reserves to manage their budgets during 2023-24.
- 4.10 The budget plan proposed sees additional funding allocated to schools delegated budgets in line with the increase provided through the Welsh Government settlement

and further Welsh Government grant funding is also planned to support schools, this funding will support the increased energy and pay costs falling on schools, but Governing Bodies like other Council services will have to make changes and cost reductions to fully mitigate their financial pressures. The support provided by the “Team around the School” approach will be vital to assist Governing Bodies in addressing this challenge and it is essential that compliance work continues building on the progress made to date to further reduce the deficit balances held.

- 4.11 Many schools have already acted and are actively managing their budgets annually, but schools that have not strengthened this approach face an even greater challenge. To realign their budgets in this current environment will mean significant reductions across school budgets. The Transforming Education programme will enable the Council to realign limited resources to improve provision. But we have to question whether the pace of change can keep up with the financial challenge. Welsh Government, Estyn, Councils and Governing Bodies must all work in partnership to support the solutions needed for our learners.
- 4.12 The Capital Strategy contained within this report sets out the current investment plans across council assets and the funding arrangements that are in place. The Capital Programme captures the schemes already approved and includes indicative estimates as programmes develop. Rising project costs and increased borrowing rates add pressure on the programme. Maintaining a Capital Strategy that is affordable, prudent and sustainable is supported by a strong governance framework, the approach to rationalise our estate, prioritise investment and seek alternative sources of funding before increasing borrowing. The increase in the target of Capital Receipts generated is a key element.
- 4.13 Any additional schemes are subject to robust business cases and are set in the context of overall affordability regarding our Prudential Indicators. Regular reporting of performance against these indicators confirms that the current and planned programme continues to operate within the limits set. Clearly, this position will be kept under constant review, where the later years of the programme are refined as further information becomes available.
- 4.14 Changes to our MRP policy in recent years provided an opportunity to plan for the future to support key transformational activity across Schools and other Council Services, this remains a key element of our capital financing strategy and will limit the impact on future revenue budgets supporting the council’s financial resilience.
- 4.15 The Council has well established budget monitoring and internal control arrangements and these act as an effective early warning system in identifying potential problems and for managing potential areas of risk. This ongoing regular review highlights problems and risks early so that corrective action can be put in place, and this is supported by a clear virement process which provides some flexibility to adapt expenditure patterns to meet changing needs and objectives.
- 4.16 The Councils financial management arrangements are clearly defined within the Constitution. Senior Leadership Team oversight and quarterly reporting together with Internal Audit reviews and Scrutiny Committee challenge ensures that officers across the council are held accountable for the expenditure headings that they are responsible for. Additional training, delivery of audit recommendations and further development of financial and performance benchmarking data will strengthen these arrangements.

- 4.17 The updated MTFFS ensures that the Council understands the impact of the economic climate and considers the financial pressures this brings to our financial planning. Updating the assumptions in response to the changing environment and modelling different funding scenarios helps us plan in a more resilient way.
- 4.18 The Provisional Settlement provides the Council with an additional £6.381 million of funding for 2024-25. This is welcomed and will go some way to help fund the significant pressures we face whilst the proposed increase in Council Tax will help mitigate the position. Wales Fiscal Analysis suggest funding levels will be less generous in the future, the Council must act quickly to tackle the projected budget gap from 2024-25 onwards.
- 4.19 It is widely acknowledged that the Council in its current form is not sustainable. The programme of change to deliver “Sustainable Powys” is critical to ensure that the Council can remain financially stable and provide sustainable services in the long-term. Across Wales, Councils are taking the learning from authorities in England that have faced financial failure. Recognising and accepting the reality of the situation, having honest discussions and being pro-active, innovative and forward-thinking will enable the Council to deliver effective public services for the future. Council will need to be decisive and bold and work in partnership with other partners and our communities to deliver outcomes for Powys Residents.
- 4.20 Taking all the above into account, the Section 151 Officer concludes the estimates used in the budget proposal for 2024-25 are adequately robust but a heightened level of risk remains. Based on the assessment of reserves, the overall level is adequate but remains at the lower end of acceptability given the ongoing economic challenge and the scale of savings required and the financial uncertainty facing the Council over the medium term.

5 Legal Implications

- 5.1 The Solicitor to the Council (Monitoring Officer) has commented as follows:
- 5.2 The Report has been prepared in accordance with the requirements of the Local Government Act 2003 and the Local Government Finance Act 1992. In accordance with Section 25 of the 2003 Act, the Council must have regard to the advice of the Head of Finance (Section 151 Officer), as the Chief Finance Officer, regarding the robustness of the budget estimates and the adequacy of the financial reserves. This advice must be taken into account when considering the proposals in the Report and the recommendations from the Cabinet regarding the budget and the Council Tax rate. In accordance with the Functions and Responsibility Regulations, agreeing the budget and setting the Council Tax rate under the 1992 Act is a matter for full Council. In accordance with Section 30 of the 1992 Act, the Council is required to set the Council tax for the next financial year on or before 11th March.

6 Members' Interests

- 6.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest, they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
<p>That Cabinet approves in draft the:</p> <p>1. MTFS for 2024-2029 as set out in Appendix A to the report be agreed in principle.</p>	To aid business planning and development of the budget over a five-year period
2. Draft Revenue Budget for 2024-25 with the inclusion of a 7.5% increase in Council Tax in 2024-25 shown in the Financial Resource Model in Appendix B and Table 4 and Table 5 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 2024-29 shown in Appendix H.	Statutory Requirement
5. Minimum Revenue Provision Statement as set out on Appendix H.	Statutory Requirement
6. Treasury Management Strategy and the Annual Investment Strategy in Appendix H.	Statutory Requirement
7. Authorised borrowing limit for 2024-25 as required under section 3(1) of the Local Government Act 2003 is set at £514 million and the Operational Boundary is set at £499 million as set out in section 3.83 of this report.	Statutory Requirement
8. Prudential Indicators for 2024-25 as set out in section 3.79 to 3.86 of the report and Appendix H.	Statutory Requirement

Relevant Policy (ies):	
Within Policy:	Y
Within Budget:	Y

Relevant Local Member(s):	
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Person(s) To Implement Decision:	Chief Executive
Date by When Decision to Be Implemented:	1st April 2024

Contact Officer Name:	Tel:	Email:
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Jane Thomas	01597 827789	jane.thomas@powys.gov.uk
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Background Papers used to prepare Report:

Provisional Welsh Government Local Government Settlement 2024-25
Welsh Government Draft Budget 2024-25 - A Budget to Protect the Services which Matter Most to You December 2023
WLGW Welsh Government Draft Budget and Provisional LGF Settlement 2024-25
Office for Budget Responsibility Economic and Fiscal Outlook November 2023
The medium-term fiscal outlook for local government in Wales – Wales Fiscal Analysis Report for Society of Welsh Treasurers September 2023

List of Documents

Appendix A Medium Term Financial Strategy
Appendix B Financial Resource Model
Appendix C Cost Reductions Proposals
Appendix D Fees and Charges Report
Appendix E Fees and Charges Register
Appendix F Council Pressures
Appendix G Reserves Policy
Appendix H Capital & Treasury Management Strategy
Appendix I Impact Assessments
Appendix J Residents Survey Report

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Powys County Council's Medium Term Financial Strategy

2024 to 2029



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1. Introduction

1.1 Purpose

The Medium-Term Financial Strategy (MTFS) sets out the financial strategy for Powys County Council for the period 2024 to 2029. It has been developed as part of the overall strategic planning process and aligned with the Council's Corporate and Strategic Equality Plan. It captures the financial, regulatory and policy drivers affecting the council and sets the direction and approach. It also incorporates the plan for delivering a balanced budget for 2024/25, and indicative budgets for the following 4 years to March 2029. This means the Council has an ongoing financial plan to:

- Enable service transformation within the funding levels available.
- Prepare for the challenges in setting a balanced budget in future years.
- Allows decision makers to consider the allocation of resources, helping to ensure they are directed towards delivering core responsibilities alongside corporate priorities.
- Understand the Council's financial resilience, helping to protect the Council's long term financial health and viability.
- Considers affordability in decision making. It is a live document so will change as estimates and assumptions are confirmed.
- Align revenue and capital to ensure that our limited resources are prioritised to achieve maximum effectiveness and based on securing outcomes that matter to our residents.

The MTFS includes all Council services activity funded by the revenue budget, the Housing Revenue Account, and the Capital programme. This information is presented in a 5-year budget model and a 5-year Capital Programme.

1.2 Overview

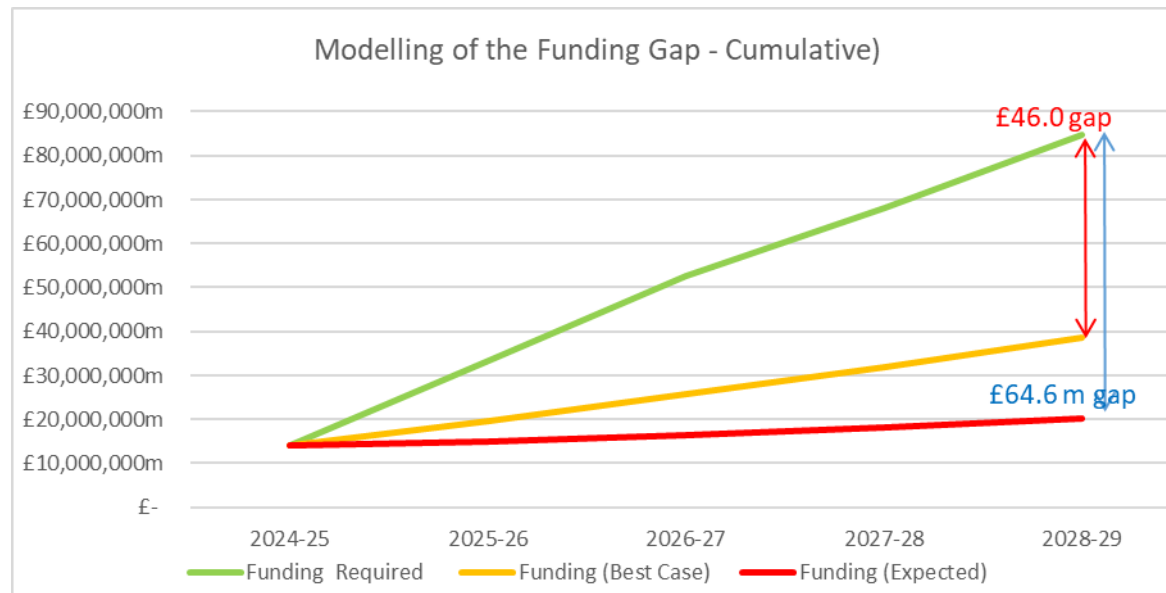
Over the last decade the Council has faced significant challenges, years of austerity, the implications of Brexit, and more recently the Covid-19 pandemic, wars in Ukraine and the Middle East, persistently high inflation and the national economic situation. These challenges have created significant financial pressures, albeit partially supported by positive Welsh Government (WG) grants and settlements. For 2023-24 an 8.7% increase was given to Powys covering the cost of some pressures, the real living wage implementation and pay inflation. But the ever-increasing costs and continued rising inflation means this increase is not sufficient to fund the demands as we move into 2024.

The receipt of the provisional local government funding settlement for 2024-25 was consistent with the indicative 3.1% allocation indicated by Welsh Government back in March 2023. However, data changes confirmed in the formula sees Powys receive a 2.8% increase in funding for 2024-25, although an increase of £6.381m this falls well short of the increase in costs the Council is experiencing as inflation and demand for services increases. The funding settlement has now been factored into our budget model and the draft budget proposed

provides a balanced budget for 2024/25. As the last year of the spending review Welsh Government have not this year provided indicative allocations for future years. However, we have drawn on the work undertaken by Wales Fiscal Analysis. Wales Fiscal Analysis (WFA) is a research body within Cardiff University’s Wales Governance Centre that undertakes authoritative and independent research into the public finances, taxation, and public expenditures of Wales. Their work analysing the medium-term fiscal outlook for local government in Wales describes the outlook as a “worrying picture for the medium-term”, with any additional revenue for Local Government likely to be raised through Council Tax rather than Welsh Government Funding increases. On this basis our modelling is now predicated on funding scenarios that look at flat cash or even negative settlements of -2%.

On this basis the revised budget gap to 2029 is £64.6 million. Figure 1 below provides the overall gap between the estimated cost of service delivery taking into account a level of inflation, demand and pressures against the funding we are likely to receive.

Figure 1



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1.3 Approach

The MTFs is based on an approach which brings together all elements of the Council activity to deliver the Corporate and Strategic Equality Plan, a programme of transformation, and delivers appropriate levels of statutory service. The process of modelling future budget

assumptions uses pay and price pressures and changes in service demand, alongside expected funding, from which the budget gap is identified for each year of the plan.

To bring together Service Plans and the resourcing demands, the use of Integrated Business Planning (IBP) process has been implemented and highlights service objectives that support the Corporate and Strategic Equality Plan and transformation underpinned by the financial plans to deliver and benefit from the objectives.

The IBP incorporates a level of service evaluation on performance, cost analysis, benchmarking, regulatory recommendations, proposals for improvement and Service User / Resident Feedback.

1.4 Principles

As well as consideration of future income and expenditure scenarios, the MTFS provides a set of clear principles which will drive the Council's budget and spending decisions and which Members and others can examine and judge the Council's financial performance against. The ten key principles are to ensure that:

1. The Council will strive to meet its statutory obligations and to demonstrate how its budget supports the Corporate and Strategic Equality Plan.
2. The Council's financial control system will be sufficiently robust to support the delivery of financial plans and mitigate corporate risks.
3. All Council budgets will be continually reviewed to ensure resource allocations are delivering value money and continue to align to the delivery of priority outcomes.
4. Financial plans will provide an optimum balance between income and expenditure for both capital and revenue.
5. Reserves will not be used to fund recurrent budget pressures or to keep down council tax rises.
6. The Council's General Fund reserve will be maintained at a minimum of 4% of Net Revenue Expenditure (excluding the Schools Delegated budget) over the period of the MTFS.
7. Capital investment decisions will support the Council's corporate priorities and mitigate any statutory risks taking account of the return on investment and robust business cases.

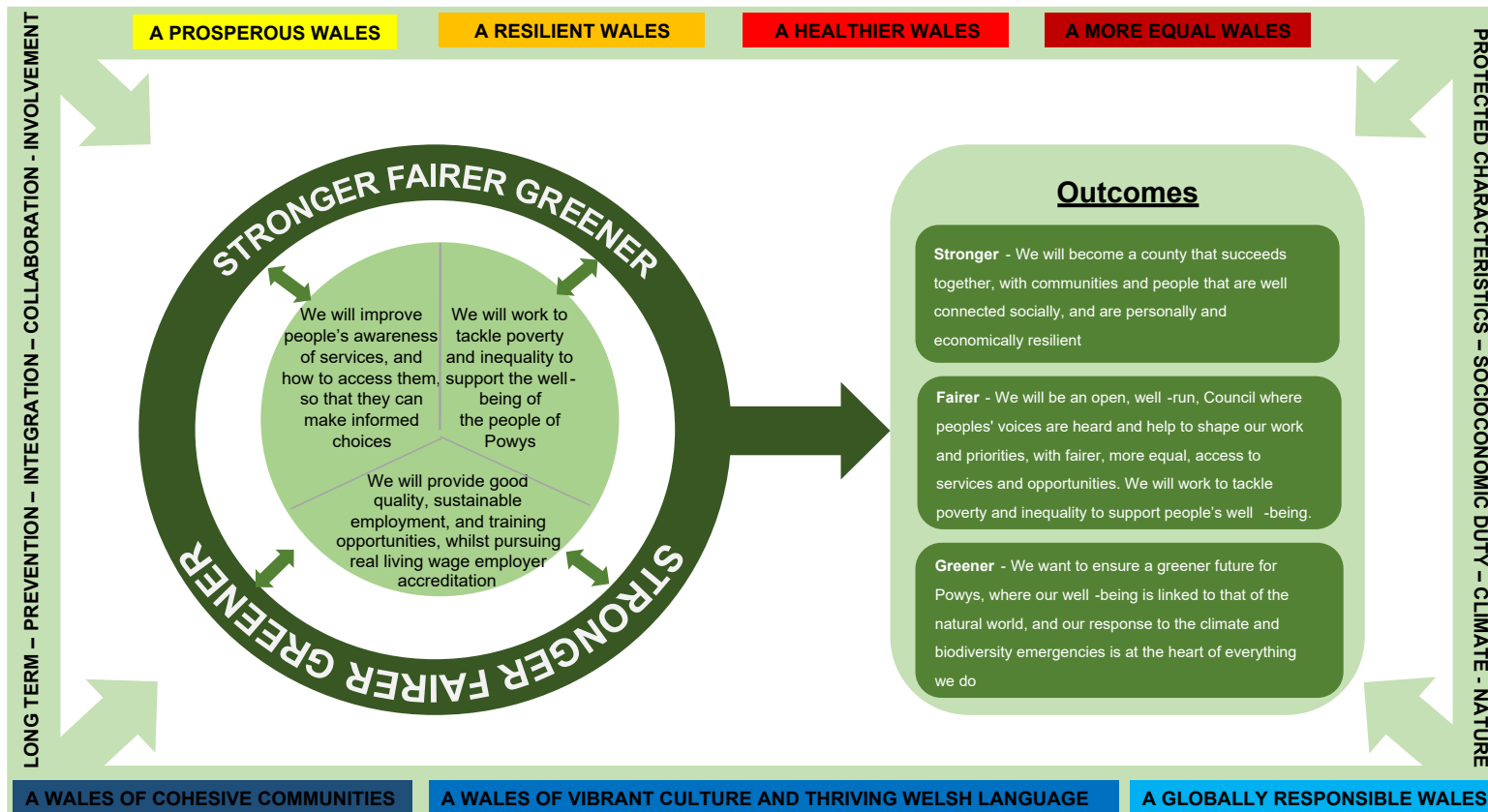
8. Prudential borrowing will only be used to support the capital programme where it is affordable and sustainable within the Council's overall borrowing limits and the revenue budget over the long term.
9. Decisions on the release of assets will be based on an assessment of the contribution the asset makes, the impact of holding the assets on the revenue budget and the capital programme.
10. Budgets will be managed by Directors and members of SLT in accordance with the Council's Financial Procedure Rules, flexibility through the virement process is fundamental to allow this.

2. Key Drivers

2.1 Council Priorities

The Councils' administration ambitious five-year plan and priorities are set out in Figure 2:

Figure 2



The priorities align to the 5 ways of working and the 7 Well-being goals of The Well-being of Future Generations (Wales) Act 2015) and meet statutory requirements and legislative changes are defined. In finding sustainable solutions for service delivery objectives broadly align to any 1 of the following requirements:

- Objectives to redesign services to deliver them more efficiently, effectively or in an alternative manner.
- Objectives that identify key delivery partnerships or outsourcing opportunities
- Objectives that contribute positively to support Climate Change

- Objectives that realise opportunities to stop delivering services because requirements or priorities have changed, allowing the planned release of resources.
- Objectives that realise opportunities to generate additional income.

It is essential that the Council priorities are funded through either revenue or capital to ensure that they can be delivered over the short to medium term.

2.2 Key Demands

Education – investment in schools transformation programme as part of the WG 21st century schools band B programme, a cycle of building and modernising the estate with the reduction in the asset base to deliver affordable, energy efficient buildings that improve learner entitlement.

Social Care - The priority in social services is to increase early help in order to enable and support as many children and adults who need help as possible to live in and engage with their own communities. This requires increased investment into universal services and early help and/or edge of care services, along with increased investment in in-house and commissioned not-for-profit services, while reducing investment in out of county and for-profit service provision.

Housing – The Council has in place a strategy to build social housing properties through the capital programme, as well as buy and bring back into use empty properties and to prioritise improving the energy efficiency of its least efficient homes. These investments are funded through the ring-fenced Housing Revenue Account (HRA), funded primarily by rental income received from tenants, with government support limited to new development and maintaining the Welsh Housing Quality Standard. The Council has more than 4,700 households registered with *Homes in Powys* for secure, affordable homes.

Homelessness - The Welsh Government implemented the ‘Everyone In’ policy during Covid-19, which is now remaining as a permanent feature of homelessness policy and practice in Wales. There has been a substantial increase in the number of homeless single person households, whose housing options are limited by the lack of smaller sized accommodation regardless of tenure in Powys. Homelessness is a statutory service funded through the general fund.

Demography - The total number of people living in Powys has remained static over recent years with a slight increase projected over the next few decades. There is a challenge of a decreasing working age population combined with a rapidly increasing older people population. This is leading to issues regarding recruitment and retention of workforce. The population across Wales has increased and the change across other authorities has an impact on Powys and the distribution in funding.

Deprivation – Poverty statistics - 4,088 families live in absolute poverty in Powys, 31% (1,248) of these were lone parent households (Department for Work and Pension, 2019-20).

The average household income in Powys is **£33,458** (Wales: £34,700, UK: £40,257).

- 55% (33,149) of households earn below the Wales average household income of £34,700, 37% 22,162 earn above, and
- 70% (42,107) of households earn below the UK average household income of £40,257 (24% earn above) (CACI, 2021).

Employment – Powys has a low unemployment rate, but also is a low waged economy. With the current inflation levels set to rise it is likely there will be more unemployment and demands for access to CTRS, benefits advice and levels of arrears in council tax, housing etc increase.

Real Living Wage (RLW) – The Council is a Real Living Wage Employer and an advocate of RLW. In 2022 Welsh Government announced that it would provide financial support for Local Authorities, to support the payment of the Real Living Wage in the Care Sector and this has been implemented across Powys with a wider aspiration to become accredited for both its employees and those who provide services to the council. To implement this across providers and contracts would cost in excess of £1m and be a competing priority in the FRM.

Climate Change – The pledge to address the Climate Change emergency and reduce carbon emissions to zero by 2030. This will require significant capital investment, alongside a change in key policies and procurement. Activities include building sustainable homes, greater active travel, Electric Vehicle replacement, green energy such as solar, sustainable procurement, energy efficiency works and carbon offsetting.

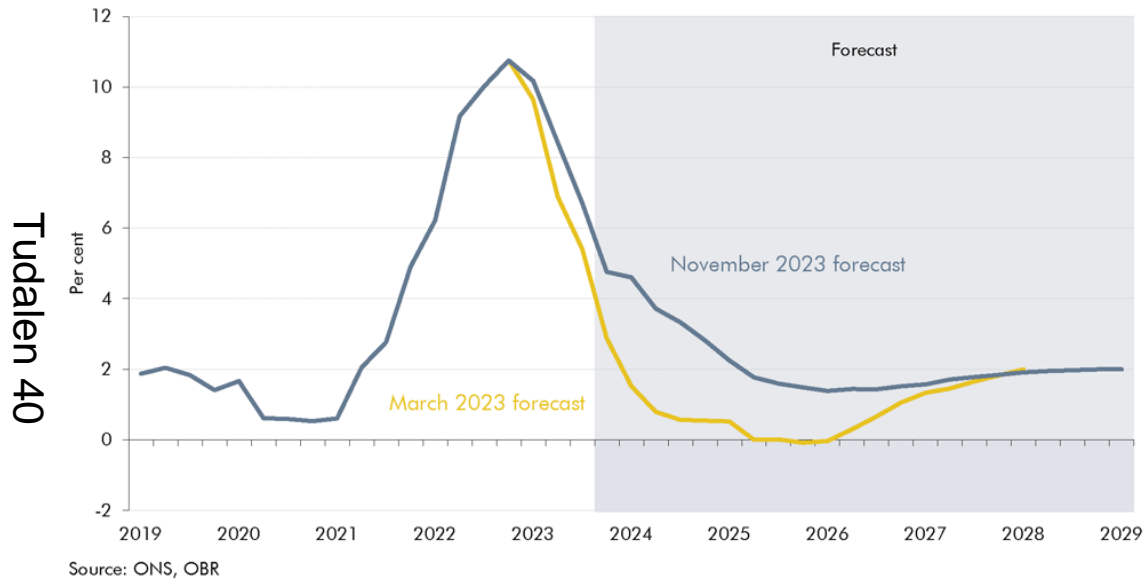
2.3 Economic and Fiscal Outlook

The current economic context remains challenging. On 22nd November 2023 the Office for Budget Responsibility (OBR) published its report “Economic and fiscal outlook”. The report provided an analysis and forecast of the UK’s public finances based on the budget statement released by the Chancellor of the Exchequer on the same day.

The economy has proved to be more resilient to the shocks of the pandemic and energy crisis than anticipated. By the middle of this year, the level of real GDP stood nearly 2 per cent above its pre-pandemic level and around 3 per cent above the OBR’s March forecast. But it is now expected that the economy will grow more slowly over the forecast period, leaving the level of real GDP only ½ a per cent higher in

the medium term than in the March forecast. Inflation is expected to be more persistent and domestically fuelled than previously thought, falling below 5 per cent by the end of this year but not returning to its 2 per cent target until the first half of 2025, more than a year later than predicted in March. Markets now expect interest rates will need to remain higher for longer to bring inflation under control. Despite the more challenging outlook for the real economy, higher inflation leaves nominal GDP nearly 5½ per cent higher by the start of 2028 than forecasted in March.

Figure 3 - CPI Inflation



More persistent, domestically driven inflation boosts nominal tax revenues compared to March. But it also raises the cost of welfare benefits, and higher interest rates raise the cost of servicing the Government's debts. It is mainly due to the Chancellor's decision to leave departmental spending broadly unchanged that higher inflation and other forecast changes reduce borrowing by £27 billion in 2027-28 compared to the OBR's March forecast. The Chancellor has used this windfall on cuts in National Insurance Contributions, permanent up-front tax write-offs for business investment, and a package of welfare reforms, which together provide a modest boost to output of 0.3 per cent in 5 years. He still meets his target to get debt falling as a share of GDP in 5 years' time by an enhanced margin of £13 billion, but mainly thanks to the rolling nature of the rule giving him an extra year to get there. And while personal and business tax cuts reduce the tax burden by ½ a percentage point, it still rises in each of the next 5 years to a post-war high of 38 per cent of GDP.

UK Government's Autumn Statement : Implications for Wales

The Welsh Government was provided with expenditure limits for 2022-23 to 2024-25 following the UK Government's spending review in Autumn 2021. These limits were reflected in the Welsh Government's Final Budget for 2022-23 and 2023-24 alongside indicative spending plans for 2024-25, which were published in March 2022 and March 2023 respectively.

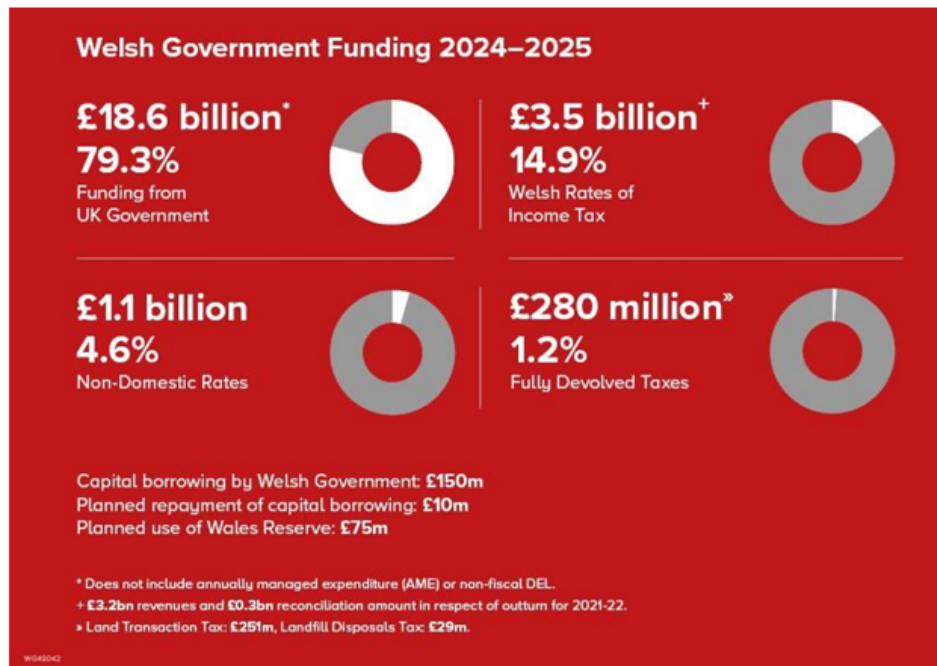
The UK Government's Spring Budget contained an additional £178m across 2023-24 and 2024-25 for the Welsh Government. This included an additional £139.4m in resource and £0.7m in capital in 2024-25.

The UK Government's Autumn Statement contained an additional £305m across 2023-24 and 2024-25 for the Welsh Government. This included an additional £167m in resource and £5.8m in capital in 2024-25.

The limit for the Welsh Government Resource DEL is now £19.458bn for 2024-25, before block grant adjustments.

Figure 4 - The infographic below provides details of funding received by the Welsh Government for 2024-25.

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Welsh Government's Budget and Outlook

The Welsh Government's draft budget is the final year of the current multi-year budget setting exercise and builds on the work undertaken as part of the 2022 Welsh Spending Review and Budget 2023-24. The multi-year settlement provided was front loaded, meaning that growth in budgets in the early part of this three-year period was greater than in this year. Welsh Government will be investing more than £22bn in Wales through their budget, and while the draft budget does not feature significant additional new investment in new activity, it shows a continued commitment and clear vision to enable public service partners to deliver the services Wales needs most.

However, the Welsh Government's settlement for 2024-25 is worth up to £1.3bn less in real terms than when it was set at the Spending Review and their settlement is not sufficient to respond to the extreme pressures experienced by public services, caused by persistently high inflation, unfunded pay settlements, increased energy costs and rising demand. The Minister for Finance and Local Government defines this year's budget setting as the "most difficult of this spending review period" and states that "incredibly difficult decisions" have had to be made "the starkest and most painful since devolution". Spending plans have been reshaped according to the priorities agreed by Welsh Ministers for 2024-25. These priorities include protecting core frontline public services, as far as possible; prioritising jobs, wherever possible, delivering the greatest benefit to households which are hardest hit and refocusing funding away from non-devolved areas. Priority areas for funding are frontline NHS services and the core local government settlement, which funds schools, social services, and social care.

Welsh Government continue to do all that they can to support the Welsh economy. A Non-Domestic Rates relief package including a fully funded permanent relief scheme, will benefit every ratepayer. A new capital fund will also support private sector investment.

The Local Government Revenue Settlement

The Local Government Revenue Settlement comprises Revenue Support Grant (RSG) and redistributed National Non-Domestic Rates (NNDR) revenues and is known as Aggregated External Finance (AEF). In 2024-25, local authorities will receive £5.7 billion from the Welsh Government (WG) in RSG and NDR to spend on delivering key services, an increase of 3.1%. £1.3m is provided through the Revenue Support Grant to ensure that no authority has an increase in settlement of below 2%.

WG continue with their commitment to local government being at the frontline of delivering a wide range of vital public services. Recognising that Local Authorities have been affected by the soaring cost of energy and inflation across all services, including in two of their biggest service areas: schools and social care.

A number of protections are in place for school funding under the Education and Welsh Language portfolio, and a consolidation of grant funding streams to enable local authorities to have more flexibilities to react and deliver in these changing circumstances. The new School

Standards funding in our Local Authority Education Grant will protect funding in relation to the Recruit, Recover and Raise Standards programme which was established to help learners overcome the negative effects of the pandemic. Also protected is the Pupil Development Grant funding that funds schools to support learners from low-income households.

Funding that goes directly to schools has been prioritised. For 2024-25 the amalgamation of pre-16 education grants provides the same level of funding against similar grants provided to local authorities in 2023-24; this is also a 3.2% rise against the 2024-25 indicative budget for those same grants.

Social services continue to be a priority for Welsh Government. The costs of enabling authorities to continue to meet the additional costs of introducing the Real Living Wage for care workers were included in the indicative budget increase announced last year.

Businesses and other ratepayers in Wales are supported with a package of non-domestic rates support. The increase to the non-domestic rates multiplier for 2024-25 will be capped at 5%, at a recurring annual cost of £18m. This is lower than the 6.7% increase that would otherwise apply. Ratepayers will continue to be supported with increased liabilities following the 2023 nondomestic rates revaluation. The transitional relief scheme continues to phase in changes for eligible ratepayers at a cost of £38m in 2024-25.

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Outside of the Settlement, alongside the multiplier cap, Welsh Government will be investing an additional £78m to provide a fifth successive year of support for retail, leisure and hospitality businesses with their non-domestic rates bills. This builds on the almost £1bn of support provided through the retail, leisure and hospitality rates relief schemes since 2020-21. Eligible ratepayers will receive 40% non-domestic rates relief for the duration of 2024-25. As in previous years, the relief will be capped at £110,000 per business across Wales.

On a like-for-like basis specific revenue grants will decrease from £1.438bn to £1.353bn, across Wales, which is reduction of about 6.3% or around £92m.

Education grants will come directly to local authorities rather than the Education consortia. Many of these grants will be consolidated into 4 new grants:

- Local Authority Education Grant (Schools Standards) £160m
- Local Authority Education Grant (Equity) £155m
- Local Authority Education Grant (Reform) £54m
- Local Authority Education Grant (Cymraeg) £10m

Other significant reductions in 2024-25 include:

- Retail, Leisure and Hospitality Rates Relief reduces from £130m to £79m
- Social Care Workforce Grant reduces from £45m to £35m
- Communities for Work+ reduces from £27m to £17m
- Bus Emergency Scheme reduces from £42m to £39m

There are also increases in several grant schemes, some of which include:

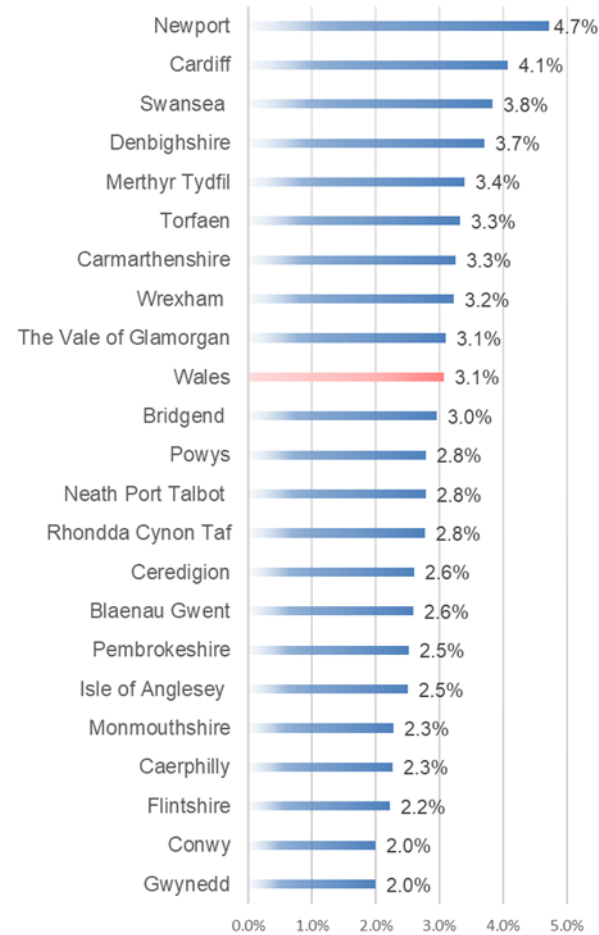
- Arfor 2 increases from £4m to £7m
- Substance Misuse Action Fund increases from £39m to £41m
- Universal Free Primary School Meals increases from £63m to £94m

Overall Capital Funding (both General Capital Financing and Capital Grants) increases from £946m to £962m on a like-for-like basis. The £16m represents a 1.7% increase. General Capital Funding (GCF) has remained the same at £180m after being increased by £30m last year. There is a sizable planned increase in the Band B - Sustainable Communities for Learning programme. The Social Housing Grant (SHG) allocation which supports the construction of new council homes is set to double to just over £59m across Wales. There are significant changes to a number of housing grants within the Climate Change portfolio. £20 million capital grant in each year to enable authorities to respond to our joint priority of decarbonisation, to continue the focus on contributing to the Net Zero Wales plan.

The Graph at Figure 5 below shows changes to the AEF across the Local Authorities in Wales between 2023-24 and 2024-25. The average increase is 3.1% driven by the funding formula. This is largely a reflection of data movements in pupil numbers and free school meal entitlement derived from the schools' census, as well as the impact of the decennial Census on the population counts/estimates.

The graph confirms that funding in Powys has increased by 2.8% after adjusting for transfers, this equates to an additional £6.381 million for next year.

Figure 5



As this is the last year of the current Spending Review period there is no forward indication of settlements.

2.4 Local Context

The local context affecting our funding and demand for services is well recognised and heavily influenced by Powys being sparsely populated with a wide geographic area requiring services. Powys has a higher-than-average older population that is predicted to increase at a faster rate than the national average. This statistic can largely be attributed to people living longer because of better healthcare and improved lifestyles together with an inward migration of people above retirement age to the County. Conversely, the county's younger

population is declining with a reducing birth rate and a sizeable outward migration of young people. Further and higher education and career opportunities are the main contributors to this trend.

These factors in combination present significant challenges to the Council. As evidenced in the updated Rural Cost Analysis (link to follow) the provision of services to a dispersed and relatively small population is expensive as a result of greater transport costs and the demand for facilities to be delivered locally or within a commutable distance.

This Council understands its legal obligation to set and deliver a balanced budget each year and has a significant transformation programme underway to improve the quality of key services such as education, social care, highways, transport and recycling while also reducing our operating costs over the medium term.

Uncertainty around funding continues and in order to manage this uncertainty revised modelling continues to be based on a number of scenarios with a 0% and -2% uplift as well as the 2.8% provided as indicative funding for 2025-26.

Tudalen 46 On the current modelling, to deliver a balanced annual budget between April 2024 and 2029 the Council will need to reduce its spending by more than £64.6 million in addition to the assumption to increase council tax by 7.5% in 2024/25 and 5% for each year thereon. This will be achieved through transformational change and cost efficiencies but reductions in some services offered will also be inevitable.

Since 2012, £124.9 million has been achieved through reduced spending as a response to cuts in government funding and the need to meet inescapable additional costs. There has been a reduction in staffing of 11% and there are 557 less FTE's. This coincided with a period of challenging financial settlements, including negative (i.e., cash reduction) settlements which has had a lasting impact. It is more challenging to continue to deliver savings over the medium term, even though savings requirements are still required to support the demand and price pressures. In the last six years alone, the largest budgets in the Council increased by £35.3 million as seen at Figure 6 due to demographic demand and inflationary pressures.

Figure 6: Budget Changes

	Net Budget - £			%
	2018-19	2023-24	Change	
Childrens	18,842,414	29,482,364	10,639,950	56.47%
Adults	64,038,521	80,663,811	16,625,290	25.96%
Education	93,356,950	101,431,777	8,074,827	8.65%
	176,237,885	211,577,952	35,340,067	20.05%

3. Medium Term Financial Plan

3.1 Five Year Projections

Based on the modelling assumptions (settlement +2.8% in 2024-25 reducing to -2% for the following four years), the five-year financial projection is summarised at Figure 7, with the detailed Financial Resource Model (FRM) shown at Appendix A.

Figure 7: Five Year Summary

	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Cumulative £'000
FRM Net Exp	340,701	360,013	379,290	394,735	411,400	-
Current Year Budget	326,620	340,701	360,013	379,290	394,735	-
GAP - each year	14,081	19,312	19,276	15,446	16,665	-
Additional Funding						
Council Tax increase (+7.5% and tax base increase, +5% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	
Settlement (2.8%, -2% then on)	-6,275	4,699	4,605	4,513	4,422	
Net Gap - Each Year	0	18,379	17,950	13,713	14,510	64,552

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3.2 The FRM and Cost Assumptions

Figure 8 provides the summary position by service for 2024-25.

Figure 8 2024-25 Service Budgets

	Base Budget 2023-24	Pay Award 2024-25	Non Pay 2024-25	Demography	Pressures	Savings	2023-24 Undelivered Savings	Uplift in Schools Funding	Proposed Budget for 2024/25	Increase in Budget Allocated	% Increase
Schools Delegated	83,837	0	0	(27)	0	0	0	3,600	87,410	3,573	4.2%
Education	17,595	365	123	0	202	(814)	0	0	17,471	-124	-0.7%
HTR	33,365	1,041	701	0	1,323	(2,122)	353	0	34,661	1,295	3.9%
Housing	692	32	20	0	0	0	0	0	744	52	7.5%
Community Development	6,788	336	130	0	23	(1,650)	0	0	5,627	-1,161	-17.1%
PPPP	6,638	331	45	0	72	(280)	0	0	6,805	167	2.5%
ASC Commission	3,019	135	7	0	0	0	0	0	3,161	142	4.7%
ASC	80,664	870	88	722	8,553	(1,614)	0	0	89,282	8,618	10.7%
Children	29,482	694	107	0	1,535	(2,386)	0	0	29,432	-50	-0.2%
Finance	6,918	247	140	0	0	(210)	0	0	7,095	177	2.6%
Transf/Dem	3,877	156	14	0	35	(34)	0	0	4,048	171	4.4%
WOD	2,544	129	69	0	0	(5)	0	0	2,737	193	7.6%
Digital	6,380	238	108	0	0	(443)	0	0	6,283	-97	-1.5%
Legal	1,494	65	6	0	134	(95)	0	0	1,604	110	7.4%
Corp	43,328	0	2	0	2,011	(1,000)	0	0	44,341	1,013	2.3%
Total	326,620	4,639	1,560	695	13,887	(10,653)	353	3,600	340,701	14,081	4.3%

Employee Costs –The FRM in 2024/25 pay assumptions are that NJC and Teachers will increase by 4% in 2024-25 and 2025-26, 3% in 2026/27 and 2% then on. The service budgets holding £4.6 million in 2024/25 for pay award.

Pension Costs – Powys Pension Fund’s actuarial review was finalised in March 2023 which saw a decrease in employer contribution rates for the Council phased in over 3 years. The change in contribution rates is reflected in the Councils Budget Plan with a saving of £0.9 million expected over the next two financial years. The Teacher’s Pension Scheme (TPS) is subject to its actuarial review which will take effect from 1st April 2024 and implemented in September 2024. Our planning assumes that any increase in employer contribution rates for Teaching staff will be fully funded by Welsh Government, as was the case at the last review. However, due to the significant impact any change would have on Powys Schools budgets we will note this pressure in our plan, currently estimated at a full year cost of £3 million.

Redundancy Costs – The Council has an annual base budget set aside to meet the costs of any transformation redundancies. Services must manage other redundancies within base budget.

Price Inflation – Utility prices are being kept under review for this and the next two years. Currently the gas wholesale commodity market is experiencing unprecedented increase in prices due to shifts in global demand, uncertainty surrounding future supply to Europe (partly due to the war in Ukraine), and poor electricity production from renewables.

CPI Inflation currently stands at 3.9% and is expected that inflation will remain higher for longer, taking until the second quarter of 2025 to return to the 2 per cent target, more than a year later than forecast in March. This will impact on many supplier contracts that are linked to CPI / RPI. Where known, these increases are being added as pressures into the FRM.

4% inflation has been factored in across all services for 2024/25 year, reducing to 3% in 2025/26 and held at 2% then on.

Capital Financing Costs – Required to achieve the Capital and Treasury Management Strategy, reflects the five-year capital programme and the cost of commitments made in previous years. The capital programme assumptions are:

- Supports Schools Transformation as part of 21st Century schools and building social housing
- Ongoing support to highways improvements
- Delivering the asset management plan to secure capital receipts for future investment
- Borrowing is assumed at 4.0% in 2024/25 and is expected to fall slightly in the following years, although this may need to be raised depending on future bank rates
- One pool of debt for both the General Fund and HRA
- Continue to remain under borrowed and utilise cashflow before committing to long term borrowing
- Borrowing to cover the future capital programme costs will be considered against the cost of carry.
- That the capital expenditure plans of the council remain affordable, prudent and sustainable.

Levies – The council is required to provide funding to support both the Mid and West Wales Fire Authority (MAWWFRA) and the Brecon Beacons National Park via a levy. The Chief Fire Officer has served formal notice that the estimated net revenue budget requirement for the Mid and West Wales Fire and Rescue Authority for the 2024-25 financial year is £68,554,900. For Powys, the Councils budget includes an estimate of £10,171,354 for 2024-25, an increase of £1,090,344 (12.0%) from that provided last year. This amount is funded in part through the local government settlement with the remainder being met from Council Tax.

Apprenticeship Levy - The Apprenticeship Levy is a government levy payable by larger employers at 0.5% of annual pay bill. As our pay bill is set to increase, we will have to make a greater contribution into the levy next year.

Demographic Pressures – these have been estimated over the next five years

- Adults – numbers are based on those learning disability clients already in the system, mainly from transitioning from children to adult services, a net increase of £0.7 million per annum assumed increased cost of activity.
- Childrens – next year the service proposes to manage demography through the risk budget.
- Schools – Pupil number projections show a small decrease in primary and increase in secondary pupils, with a reduction of £27k factored in next year. Pupils numbers are expected to fall over the life of the MTFs.

Council Tax Reduction Scheme - This budget reflects the payment of Council Tax Support to eligible recipients. At over £12.0 million, future demand on this budget is a key consideration in medium term planning. The impact of the pandemic, rising inflation and an economic recession now being projected will all impact on the number of eligible claimants. Any changes to Council Tax levels also impact on this budget. In recognition of this, within the MTFP, modelled council tax increases are shown net of their impact on CTRS.

3.3 Funding and other Support

The Council's budget reflects the totality of the Council's costs including salaries and wages, the purchase of goods and services, premises costs and the revenue cost of financing our capital programme. The budget is financed by all the Council's income sources including AEF, council tax, fees and charges, specific grants and contributions from other bodies.

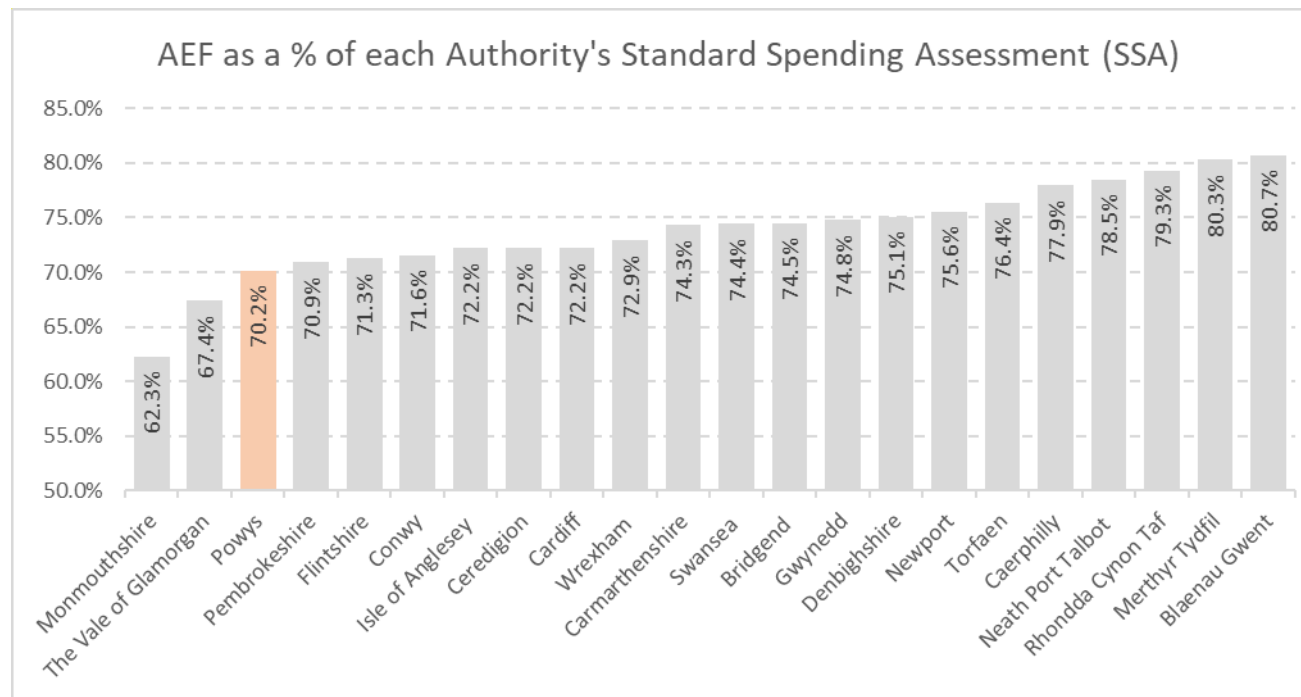
The financing of the net budget comes from the Welsh Government settlement and gross Council Tax income. Figure 9 below summarises the current assumptions.

Figure 9

	2024/25	2025/26	2026/27	2027/28	2028/29	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax increase (+7.5% and tax base increase, +5% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	-32,191
Settlement (2.8%, -2% then on)	-6,275	4,699	4,605	4,513	4,422	11,963
Total Funding	-14,081	-933	-1,326	-1,733	-2,154	-20,228

Council Tax - Council Tax represents around 31% of the Council's Net Revenue Budget. Powys' Council Tax contribution is proportionally greater than other Authorities, an authorities' ability to raise Council Tax is calculated on the Council Tax base and Powys has a higher Council Tax base than most of the other authorities. The below graph shows the percentage of each Local Authority's Standard Spending Assessment covered by central funding (AEF).

Figure 10: AEF as a percentage of SSA



The 'gearing effect' for example to raise overall income by 1%, council tax would have to increase by over 3% as it is 1/3rd of total income. If we wanted to increase net budget by 1%, £3 million, this would mean an increase of just over 3%. In our FRM, we are modelling an increase in Council Tax of 7.5% for 2024/25 and 5% for future years.

The total Council Tax households will have to pay will be affected by decisions from public bodies, including Community Councils and the Police Authority. Figure 11 indicates the additional permanent funding from Council Tax increases ranging from 1% to 10%.

Figure 11: Council Tax Funding

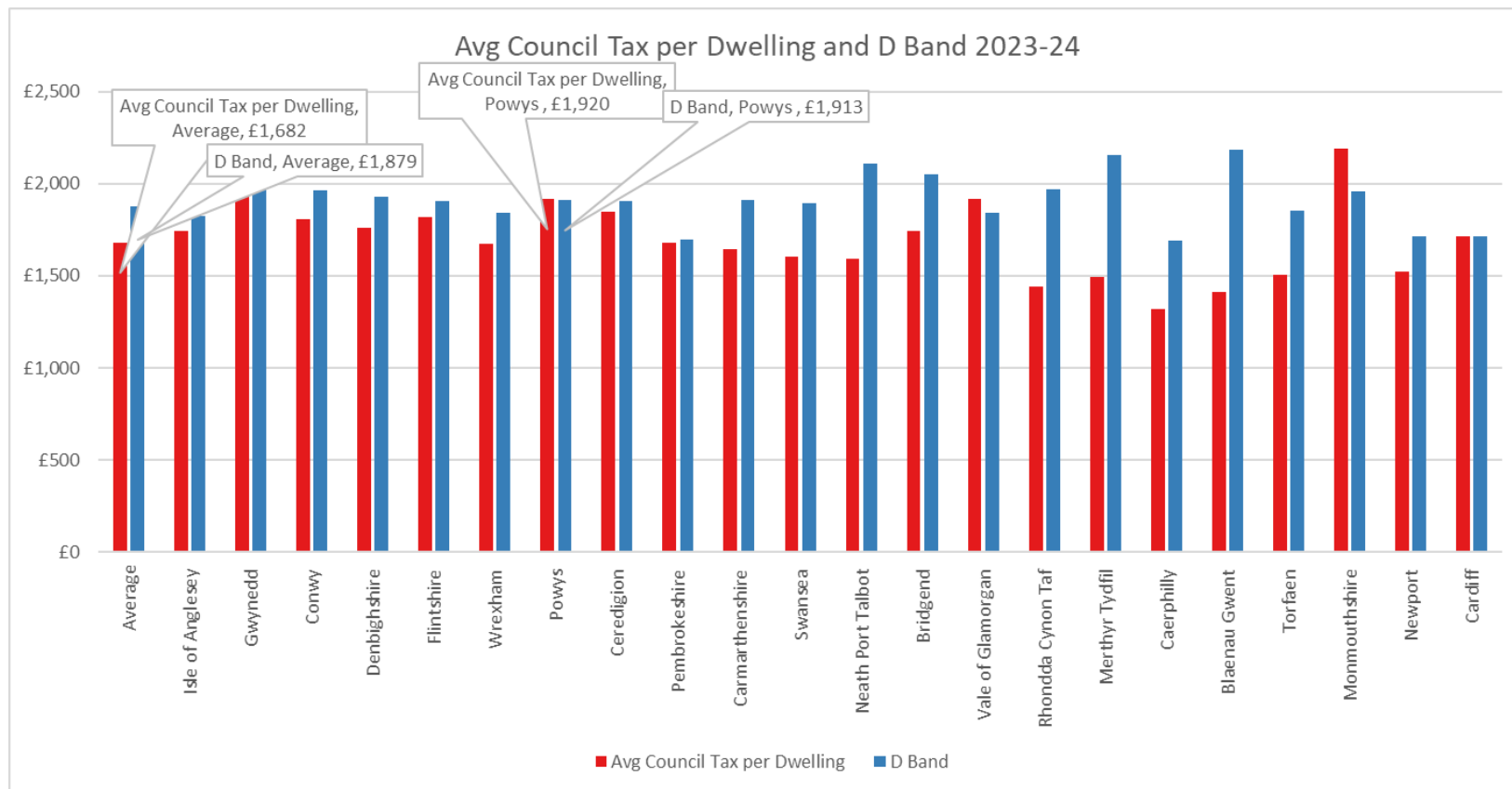
2024/25							
% Change Council Tax	1.00%	2.00%	3.00%	4.00%	5.00%	7.00%	10.00%
£'000	£980	£1,959	£2,939	£3,918	£4,898	£6,857	£9,796
Council Tax Less CTRS	£872	£1,744	£2,615	£3,487	£4,359	£6,103	£8,718

Council Tax income comes from residents but not all residents pay full Council Tax. Around 47% of Powys' 66,500 households pay the full amount, while just over 53% would receive partial or total exemption from payment.

A balance needs to be struck between the ability to raise enough money to fund important services to the right level and the impact increasing taxation has on the residents of the County. This balance will be even more difficult this year due to the high level of inflation falling both on our residents and the Council.

Average council tax per dwelling in Powys for 2023-24 was the 3rd highest in Wales, this is particularly sensitive in a county with one of the lowest average wage levels in Wales. Figure 12 compares Powys against Welsh Local Authorities in terms of council tax average cost per dwelling and the Band D average (these figures include all precepts).

Figure 12: Average Council Tax per Dwelling

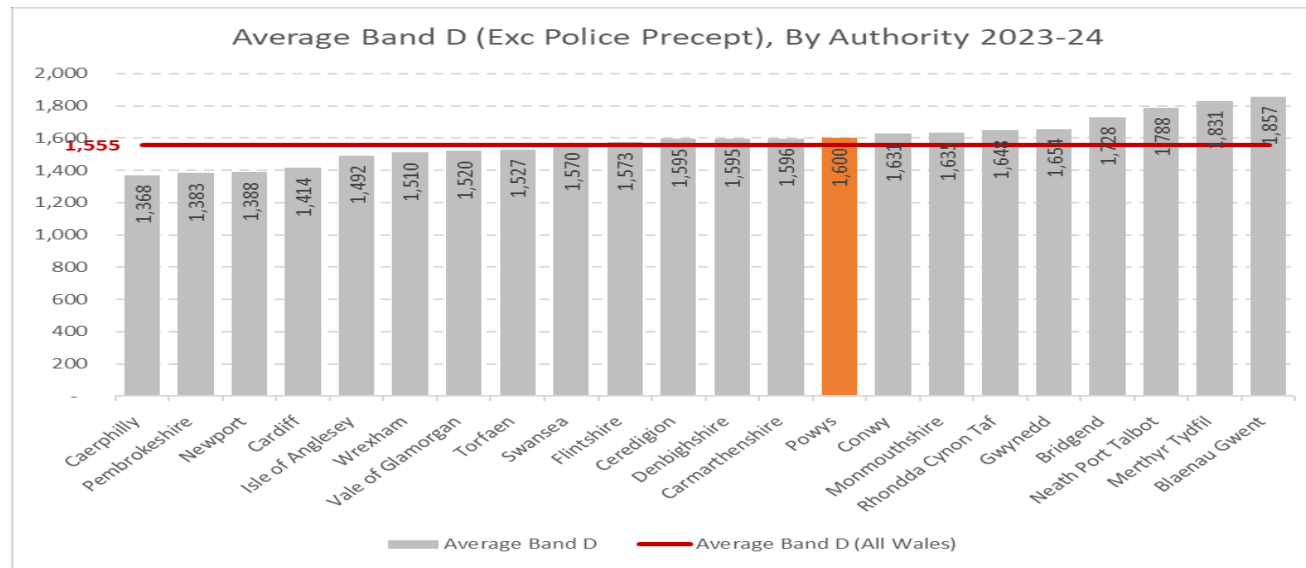


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For 2023-24, the average annual Council tax bill for a Band D property in Powys was £1,913 (including community council and police precept). This is above the Wales average for Band D properties of £1,879.

Figure 13 shows the Band D Council Tax level for each of the local authorities in Wales (excluding all precepts)

Figure 13: Average Band D by Authority



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Council Tax collection rate for 2022-23 was 97.20% (0.1% decrease on previous year) which compares with an average of 96.1% for all unitary authorities in Wales. The highest collection rate in Wales for 2022/23 was 97.8%

Council Tax premiums are applied to periodically occupied and empty properties. Following a Cabinet decision in February 2022 the premium applied to Properties that are periodically occupied increased from 50% to 75% from April 2023. This increase may generate additional income for the council, but the level is uncertain due to the options available, for example, if owners choose to transfer to Business Rates or occupy or sell their property moving it out of the premium and reducing council tax collected. Cabinet has approved an increase to the long-term empty premium from 50% to 100% effective from 1st April 2023.

Fees and Charges - Income from fees and charges makes a significant contribution (£77 million per annum) to the Council's budget and the Council's approach to income generation is set out the Councils Income Policy, fees and charges will be reviewed in line with this policy will be presented in the updated Fees and Charges Register, which will be presented with the budget papers annually for approval. The council's policy is based on the principle of full cost recovery and inflationary uplifts will be considered to ensure that the Council can continue to recover its costs for the services it provides.

Specific Grants In addition to the AEF, Councils also receive specific grants which are accompanied by specific terms and conditions as to how they can be used. We will receive around £55 million of grant funding next year. These grants can change year on year and where a grant has been reduced or withdrawn, the Council's policy is that the service funded by the grant also reduces or ceases. This creates uncertainty and risk within financial planning.

Reserves - In the interests of financial resilience, reserves should not be relied upon as general budget funding. This is because:

- It creates a gap in the finances of the following year as reserves are cash sums.
- Earmarked reserves are set aside for a particular purpose.
- Reserves are an important part of financial resilience, providing a cash buffer.
- Cash in reserves is not idle; it generates investment income in line with the Treasury Management Strategy and avoids the need for short-term borrowing.

Strategy to Bridge the Gap : Sustainable Powys

It is becoming clear that the Council in its current form is not sustainable for the longer term, in response to this challenge the Council has embarked on a programme of change to reimagine what the Council should look like in the future to ensure that it can remain financially stable and provide sustainable services in the long-term.

Delivering valued local government services is at the heart of all we do. With changing times and economic conditions, we need to be proactive, innovative and forward-thinking to deliver effective public services for the future.

We recognise the challenges and we want to work in partnership to explore the opportunities to make the changes needed to build the stronger, fairer and greener future for Powys.

"Sustainable Powys" will review what services we provide and how they are provided to meet current needs whilst ensuring we have innovative solutions to provide the best services adapted for our future generations. It is about working together to design a future for our local authority that delivers stronger, fairer and greener services whilst reducing our costs.

In line with Stronger Fairer Greener, Sustainable Powys key principles are:-

- **Outcomes and transformation**, not just modifying services
- **Engagement**: engaging early with people in agreeing, designing and delivering outcomes
- Addressing the fundamental question: **why do we do what we do?**
- Having a strategic **whole county** view, not just the Council
- **Innovation**: being open minded and seeking innovative solutions, using all the expertise available
- Using **evidence** - if we aren't getting results, we should change
- It's a **continual process** to meet existing and long-term needs sustainably
- Delivering **outcomes at lower or no costs**

When considering how we transform our services the following principles will apply:-

- Moving from an organisational focus (supporting our own internal requirements and functional silo's) to a focus that looks to meet our residents and communities' needs.
- Management ethos focuses on improving the outcomes for residents and communities by removing barriers.
- Moving from functional silos to services that effectively meets our residents and communities' demand.
- Decision making is based on a clear set of principles, experience, knowledge, robust evidence and is taken as close to the frontline as possible.
- Continuous improvement informed by timely data which will measure how well we are delivering outcomes for residents and communities. Accountable for activities and accepting responsibility, resulting in transparent delivery of effective outcomes.
- We challenge everything we do and will realise the right outcomes using our transformation methodology.
- Partnerships are outcome focused, based on collaboration and strong relationships (working together, stronger together).

Our work has gained momentum over the last year. As this work progresses proposals will be developed for consideration before inclusion in our budget plan. Where proposals can deliver earlier savings and where no policy decision is required and there is no impact on our residents, they will be implemented as soon as possible.

In addition the following strategies will also apply to deliver cost reductions: -

- Improved efficiency and a "Right First Time" ethos.
- Identification of investment opportunities and income.
- Reconsider the levels of Council Tax increase.
- Some service reductions – ceasing or reductions to levels of service.
- The use of the Spend to Save reserve to support transformation.

- The raising of capital receipts to support capital investment.

4. Risk and Sensitivity Analysis

4.1 Sensitivity Analysis

The MTFS is prepared using the best information at this point in time, but as a working document will continue to be updated through until the budget is agreed in February 2024. The volatile economic environment affecting inflation and prices and demands on services means further modelling will take place. The impact of a 1% change on headline figures is shown at Figure 14.

Figure 14

		1%	2%	3%
Tudalen 56	Modelling and impact of changes - £			
	Council Tax (before CTRS)	- 979,558	- 1,959,116	- 2,938,673
	WG Settlement	- 2,286,646	- 4,573,292	- 6,859,938
	Pay (Teachers)	599,439	1,198,877	1,798,316
	Pay (NJC)	1,137,557	2,275,114	3,412,671
	Non-Pay (excluding utilities)	1,246,221	2,492,441	3,738,662

Figure 15 provides the most recent modelling based on the known funding next year of 3.1% and -2% the following year, with the future funding expectations from 2% to a worst-case scenario of -2%. The cumulative gap is shown between £27.8 million and £64.3 million.

Figure 15

	2024/25	2025/26	2026/27	2027/28	2028/29	Cumulative
	£'000	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	340,701	360,013	379,290	394,735	411,400	
Current Year Budget	326,620	340,701	360,013	379,290	394,735	
GAP - each year	14,081	19,312	19,276	15,446	16,665	
Additional Funding						
Council Tax increase - 7.5% yr 1, 5% then on Settlement (2.8%, 2% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	
Net Gap / (surplus)	0	8,981	8,741	4,687	5,666	28,074
Additional Funding						
Council Tax increase - 7.5% yr 1, 5% then on Settlement (2.8%, 0% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	
	-6,275	0	0	0	0	
Net Gap / (surplus)	0	13,680	13,345	9,200	10,088	46,313
Additional Funding						
Council Tax increase - 7.5% yr 1, 5% then on Settlement (2.8%, -2% then on)	-7,806	-5,632	-5,931	-6,246	-6,577	
	-6,275	4,699	4,605	4,513	4,422	
Net Gap / (surplus)	0	18,379	17,950	13,713	14,510	64,552

In previous years' service demography risk has been supported through the risk budget and identified reserves, as this is an estimate of increase rather than a precise figure, in addition this demand occurs throughout the year and only needs part year funding.

Adult Social Care demographics are based on a percentage increase for the 75-79 age group, based on current average packages and equates to one Residential/Nursing placement and one Domiciliary Care package per shire per month, net of any client income. In addition, Learning Disabilities Transitions are based on a known list of service users attaining age of eighteen and the likely placement for their care. £1.4 million has been estimated for next year, this could increase or decrease depending on demand.

Childrens services have assumed an additional 54 Children Looked After totaling £1.2 million, these are new placements and assumed at the usual foster care rates.

4.2 Funding the Uncertainty

Availability of Reserves - The **Reserves Policy** establishes a framework within which decisions are made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used. This is a key component of the MTFS as a sound reserves policy is essential to underpin the financial sustainability of the Council. It is for this reason that we have developed our approach to reserves through an effective policy.

The use of reserves and the levels at which they are maintained is determined on an annual basis as part of the Council's budget setting process following a risk-based assessment. The approach is supported by the policy around the use of reserves. In the main reserves are held corporately rather than service based, except where specific reserves and their use have been agreed.

In the interests of financial resilience, reserves should not be relied upon as general budget funding. This is because:

- It creates a gap in the finances of the following year as reserves are cash sums.
- Earmarked reserves are set aside for a particular purpose.
- Reserves are an important part of financial resilience, providing a cash buffer.
- Cash in reserves is not idle; it generates investment income in line with the Treasury Management Strategy and avoids the need for short-term borrowing.

The reserves held must be at an appropriate level to mitigate this risk and any unexpected events that may arise: -

- Civil emergencies, Natural Disasters and Pandemics.
- Failure to deliver statutory duties – failure to deliver, including safeguarding activity in relation to adults, children, health and safety or public health could result in possible negligence claims.
- Increased threat of legal litigation in respect of service delivery standards and regulations and multiple insurance claims. This risk is the likelihood of needing to replenish the insurance fund immediately from reserves because of several claims above our excess.

As has been previously explained, reserves use is not a long-term solution to addressing general budget recurrent problems such as increasing costs. But in the short-term reserves may be a mechanism to address demand and price risk. Reserve use to support initiatives to deliver recurrent savings may be needed to smooth over the transition process.

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Figure 16: Usable Reserves

4.3 Risk Management Framework

At a time when the Council is facing unprecedented challenges, the effective management of risk is needed more than ever. A risk-managed approach to decision making will help us to achieve the Corporate and Strategic Equality Plan and deliver services more efficiently, using innovative and cost-effective means.

A **Risk Management Framework** is in place to ensure that at all levels of the organisation we can identify risks which would prevent us from achieving our objectives (including failing to take advantage of opportunities). There is clear guidance on the terminology associated with risk management and the process itself, along with a set of practical tools and techniques to help us manage risks, deliver objectives, meet targets, and maintain resilience.

We must not lose sight of the fact that risk is inextricably linked to opportunities and innovation. The Council cannot be risk adverse, and it needs to take full advantage of opportunities for improving services therefore we need to be proactive in the way that we identify and manage our risk.

Having a better understanding of the importance of, and fully implementing, risk management will make a huge contribution to the Council. Better identification of risks and their management will mean that better use of resources is achieved. If we use the resources available to us more efficiently and effectively then the service to our customers can only be improved.

Summary	Opening Balance (1st April 23) Surplus / (Deficit)	Budgeted (Use) of Reserves	Forecast (Over) / Under Spend	Projected Balance (31st March 24) Surplus/ (Deficit)
General Fund	9,333	0	935	10,268
Budget Management Reserve	3,584	0	0	3,584
Specific Reserves	35,329	(6,990)	(813)	27,526
Transport & Equipment Funding Reserve	9,460	(1,043)	0	8,417
Total Useable Reserves	57,706	(8,033)	122	49,795
Schools Delegated Reserves	6,666	(5,082)	(1,438)	146
School Loans & Other Items	(371)	7	0	(364)
Housing Revenue Account	3,967	0	0	3,967
Total Reserves	67,968	(13,108)	(1,316)	53,544

4.4 Key Risks

a. Budget Delivery Risks

Change Delivery Capacity - sufficient capacity and resource to deliver and implement change projects

Delivery of Cost Reductions - The level of cost reductions required in 2024/25 is significant at £10.7 million. Any unforeseen delays in implementation will impact on the achievement of the reductions required. Progress on the delivery of approved reductions will be reported to Cabinet quarterly. Slippage on the delivery of proposals presents a risk to the budget plan and any resulting overspend would ultimately fall on the council's general fund reserve. However, the emphasis is placed on ensuring reductions are delivered. Plans within service areas need to be managed robustly, to limit any underachievement and monthly budget monitoring and savings delivery monitoring ensures Cabinet has visibility of financial performance and can take corrective action if necessary.

Political Approval of Budget - The Council is required under the Local Government Act 2003 to set a balanced budget for the forthcoming financial year, and this must be approved by Full Council.

Demand - rising demand, particularly post covid has been seen within Social Care and ALN services, increased numbers of Unaccompanied Asylum Seeking Children, Homelessness modelling future demand is complex and any sensitivity analysis can have high value for small numbers of service users.

Economic Impact – Inflation: increasing costs and pressures for increasing pay awards. Interest Rates : increasing the cost of borrowing and impact on affordability of the Capital Programme.

b. Funding Risks

Variations to Settlement Assumptions - The Council makes every effort to ensure that its assumptions about budget settlements for future years are based upon the best available evidence. However, future settlements cannot be predicted with absolute accuracy and can be influenced by political and economic policy changes.

Grants – we rely on specific grants to support core activity, if these cease, we have to address the implications. Continued rising inflation will erode the value of the funding provided.

Income - The budget is supported by generated income and therefore services need to constantly review their income levels and develop creative plans to ensure that they are sustained. This risk is being mitigated by an overall strategy for income and a move to full cost recovery wherever appropriate.

Debt recovery – Cost of living crisis impact on residents, impacting on their ability to pay council fees and Council Tax.

Treasury Management - The revenue budget and capital programme are supported by daily cash movement managed within our borrowing and investment strategies. The financial climate has a significant impact on these activities. We continue to monitor these daily. Any variation in the cost of borrowing is being mitigated by a proactive approach to refinancing our borrowing wherever possible. This ensures that, wherever possible, our long-term borrowing for our capital projects takes advantage of the historically low level of debt interest.

c. **Mitigation, Review and Monitoring**

Monitoring and Managing Risk - As part of the impact assessment process, the author of the assessment is asked to identify mitigation to any negative impacts that have been identified. The risks and the identified mitigation must be managed within the appropriate project risk register to ensure continual monitoring and management of the risks.

5. Resilience

5.1 Financial Resilience

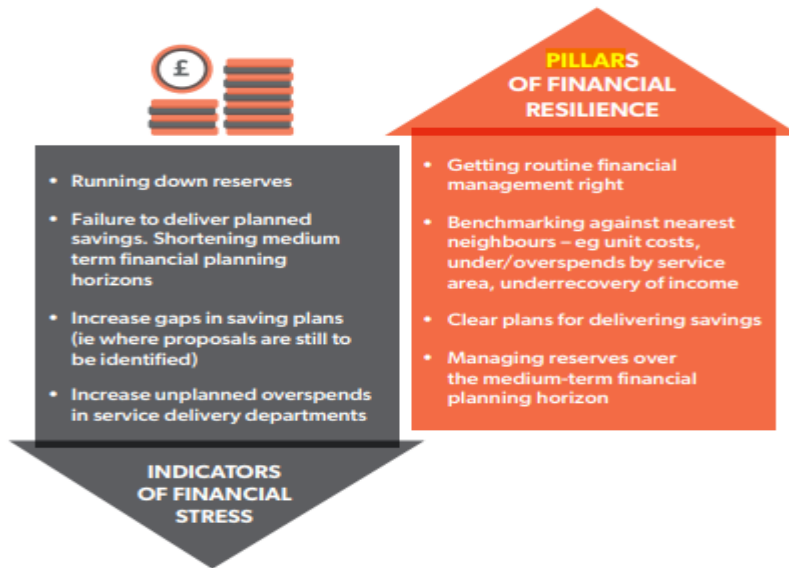
Tudalen 61 The Council continues to put financial resilience at the forefront of its financial activities and draws upon the support from Audit Wales who undertake regular pan Wales assessments on councils' financial sustainability.

In 2021 an assessment concludes the financial sustainability assessment work during 2020-21 and identified that financial sustainability was a key risk to councils' arrangements before the pandemic occurred. The focus of their report included arrangements to secure value for money in the use of resources and the general trend of decreasing resources for local government combined with rising demand for some services.

The findings of the Powys Financial Sustainability review published in July 2021 set out three proposals for improvements - addressing the medium-term budget gap, ensuring that the ambitious capital strategy is affordable and continues to ensure that it monitors whether its budget planning processes are having the desired effect and helping to prevent significant overspends in key service areas. The delivery of these is monitored through the Regulatory Tracker.

The Council draws upon CIPFA's pillars of financial resilience and indicators of financial stress (Figure 17) as a framework for improvement within its Finance Transformation plan. Symptoms of stress and pillars of resilience are shown in the diagram below:

Figure 17 CIPFA Pillars of Financial Resilience



A Financial Resilience snapshot has been developed which provides a high-level overview of the financial health of the Council. Whilst the snapshot presents no immediate cause for concern the ongoing challenges linked to the medium term are clear. Other points of note within the snapshot are summarised below:

- Revenue Outturn shows a year-on-year underspend that increased through the Covid period, it was supported by significant savings achieved each year. In recent years we have achieved less than 80% of our savings target each year, with some being written off and others rolled forward, our aspiration is to improve delivery to over 90% of our savings target in this and future years.
- A consequence of the underspends has been the ability to shore up useable reserves in readiness for specific pressures likely to materialise in the coming years, which may be needed to help support the MTFs and delivering balanced budgets. Over the medium term, it will be key that we understand the one-off nature of these resources and carefully prioritise them to ensure that, in line with their intended purpose, they are either spent on areas of most impact, or retained as a buffer against areas of highest risk.
- The snapshot highlights the importance of external income from grants to customer and client income through fees and charges. These income streams increased through the Covid period and have now dropped to pre Covid levels, the volatility of these income streams pose a risk to the council and its financial planning. Fees and charges are susceptible to external factors, whilst for grants,

there is a risk of real term reductions of cost against funding uplifts, grants ceasing and planning challenges. It is critical that these income streams and the risks associated with them are managed as proactively as possible - at best to help address the budget gap, at worst to avoid adding to it.

- Capital spend remains consistent year on year, and this years forecast is likely to reduce as services review their plans and reprofile budgets. This highlights the need to undertake robust and realistic assessment of delivery capabilities as part of rolling the programme forward and profiling expenditure. The outturn forecast is likely to mean lower than planned borrowing costs with a knock on effect in future years.
- The benchmarking comparisons show how Powys compares against other Welsh authorities, whilst our useable reserves have increased, the comparators show that we are in the bottom quartile of the level of reserve against net budget.

Significant progress has been made to improve financial resilience and is evidenced in the Audit Wales review and documented as part of our Financial Management (FM) Code Assessment.

One of the key areas covered by the Code is medium to longer term financial management, with the MTFP being an important factor in this regard. The code emphasises that a robust MTFP should have clear links to Service Plans and Capital Strategy. It should also contain a sound assessment of drivers of cost and demand, with associated sensitivity analysis.

Mae'r dudalen hon wedi'i gadael yn wag yn fwiadol

Appendix B Financial Resilience Snapshot

Financial Outturn Trend - ability to breakeven and address overspending budgets

Services	Net Revenue Variance (surplus)/Loss Across Services at Year End				
	2019/20	2020/21	2021/22	2022/23	2023/24
	£k	£k	£k	£k	Forecast £k
Adult Services	(18)	(968)	(81)	(786)	(45)
Children's Services	4,653	(944)	(118)	2,007	173
Commissioning	(385)	(369)	(974)	(747)	(16)
Education	372	111	(118)	(1,291)	(82)
Highways Transport & Recycling	1,674	(1,085)	(645)	214	14
Property, Planning, Public Protection	116	(803)	(370)	(755)	201
Housing & Community Development	(213)	(182)	(94)	71	155
Economy and Digital Services	(422)	(345)	370	(303)	(282)
Transformation, Democratic Services	(189)	(157)	(199)	(175)	(22)
Workforce & Org Development	(93)	(69)	(232)	(458)	(174)
Legal	(179)	(99)	(82)	(138)	(33)
Finance & Insurance	227	(118)	(343)	(117)	(23)
Corporate Activities	(6,803)	(3,320)	(4,922)	(4,250)	(3,593)
Total Underspend	(1,458)	(6,498)	(7,468)	(6,718)	(3,734)

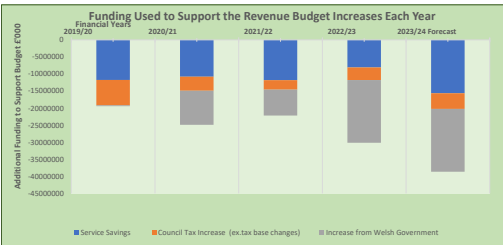
Savings Delivery Trend - ability to deliver savings to support a balanced budget

	Savings Delivered Across Services at Year End				
	2019/20	2020/21	2021/22	2022/23	2023/24
Total	(15,823)	(9,468)	(9,358)	(6,445)	(15,579)
Savings Delivered as a % of Net Budget	8.54%	5.04%	4.62%	3.80%	6.42%

Reserve Balances - ability to shore up reserves to support medium term pressures

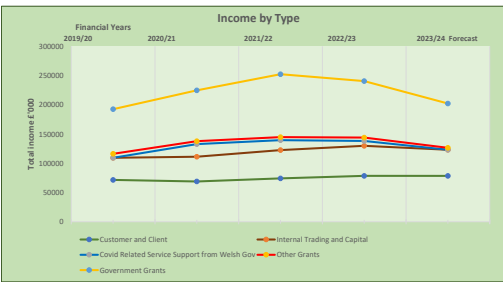
Reserve Balances	Balance 2019/20	Balance 2020/21	Balance 2021/22	Balance 2022/23	Balance 2023/24 Forecast
General Fund	9,472	13,713	9,333	9,333	9,333
Budget Management Reserve	3,584	3,584	3,584	3,584	3,584
Specific Reserves:	7,523	16,319	29,167	35,329	28,682
Transport & Equipment Funding Reserve	9,265	11,282	8,844	9,611	7,938
Council Usable Reserves	29,844	44,898	50,928	57,707	49,537
Schools Delegated Reserves	(911)	3,222	8,946	6,630	1,038
School Loans & Other Items	(349)	(342)	(35)	(35)	(326)
Housing Revenue Account	3,918	4,480	4,242	3,966	3,966
Total Reserves	32,502	52,258	63,782	67,968	54,213
Usable Reserves as a % of Net Revenue Budget	16.1%	23.9%	25.1%	26.0%	20.4%

Funding the Gaps - ability to fund the budget gap without reserve use



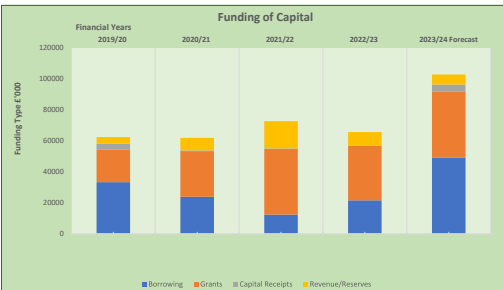
Income Outturn by Service - amount collected each year

Services	Income by Service				
	2019/20	2020/21	2021/22	2022/23	2023/24
Adult Services	(27,226)	(39,006)	(38,600)	(33,328)	(27,900)
Children's Services	(3,870)	(5,904)	(8,958)	(5,381)	(4,175)
Commissioning	(7,389)	(9,032)	(14,673)	(9,309)	(3,035)
Education	(7,264)	(8,646)	(13,240)	(16,666)	(11,157)
Highways Transport & Recycling	(40,983)	(49,362)	(48,575)	(48,453)	(48,716)
Property, Planning, Public Protection	(6,417)	(7,616)	(7,460)	(10,361)	(10,158)
Housing & Community Development	(9,113)	(10,388)	(9,638)	(14,281)	(11,292)
Economy and Digital Services	(3,464)	(3,664)	(4,250)	(5,260)	(3,211)
Transformation, Democratic Services	(460)	(654)	(737)	(371)	(260)
Workforce & Org Development	(1,773)	(1,638)	(2,094)	(2,521)	(2,724)
Legal	(1,457)	(728)	(1,051)	(852)	(711)
Finance & Insurance	(2,104)	(3,818)	(4,709)	(4,322)	(2,716)
Corporate Activities (Housing Benefit, HRA Debt)	(35,135)	(36,539)	(36,124)	(30,175)	(27,481)
Total	(147,160)	(176,994)	(190,819)	(181,541)	(153,538)
Schools Delegated	(19,743)	(20,973)	(29,588)	(26,296)	(19,002)
HRA	(25,533)	(26,673)	(32,011)	(32,524)	(29,497)
Total	(192,436)	(224,641)	(252,215)	(240,361)	(202,935)



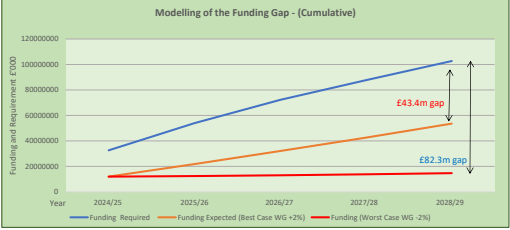
Capital Outturn - expenditure incurred each year

Capital Programme	2019/20	2020/21	2021/22	2022/23	2023/24 Estimate	Total
Schools	13,269	10,623	12,929	19,135	28,143	84,099
HTR	15,453	18,124	21,314	20,137	19,082	94,110
Other	13,243	12,148	18,569	10,951	26,879	81,790
HRA	20,399	20,932	19,783	15,320	28,647	105,081
Total	62,364	61,827	72,595	65,543	102,751	365,080



MTFS Position - ability to fully fund the budget requirement in future years

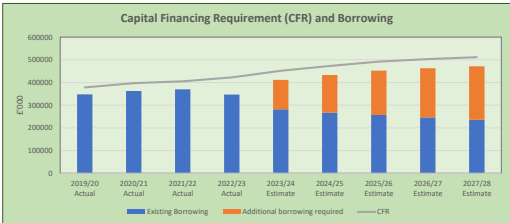
Funding Source	MTFS Budget Gap - Next 5 Years				
	2024/25	2025/26	2026/27	2027/28	2028/29
Pay Inflation for previous year	2,387	0	0	0	0
Pay Inflation	8,712	7,657	5,959	4,221	3,954
Non-pay Inflation	2,513	2,318	1,794	1,226	1,247
Grant Changes	214	0	0	0	0
Capital Financing	1,001	633	377	214	214
Corporate Pressures	897	922	948	975	1,004
Demographic Pressures	503	734	734	734	734
Contract and Other Pressures	15,471	9,461	8,252	6,099	7,860
Total Requirement	28,276	20,665	17,855	15,344	14,885
Council Tax increase - 5%	(4,898)	(5,143)	(5,400)	(5,670)	(5,953)
Welsh Government Increase - 3.1% 2%	(7,089)	(4,715)	(4,809)	(4,906)	(5,004)
Additional Funding	(11,986)	(9,958)	(10,209)	(10,575)	(10,957)
Budget Gap	16,290	10,807	7,650	4,768	3,928



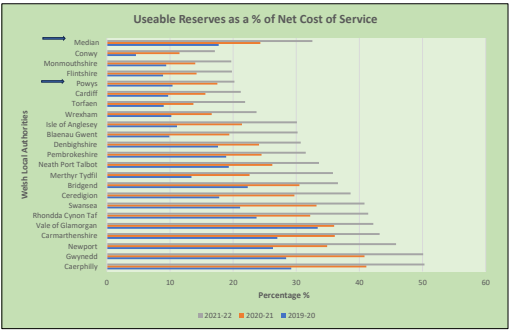
Future Capital Financing Requirements - Funded from Borrowing (Impact on revenue)

HRA and Non HRA		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Financing Costs	12,920	14,750	14,510	14,750	15,200		
Net Revenue Stream	326,620	338,606	348,464	358,673	369,249		
%	4.0%	4.4%	4.2%	4.1%	4.1%		
HRA							
Financing Costs	4,890	5,720	6,280	7,210	7,640		
Net Revenue Stream	27,550	28,101	28,663	29,236	29,821		
%	17.7%	20.4%	21.9%	24.7%	25.6%		

Future Capital Financing Requirements - measures underlining need to borrow for capital

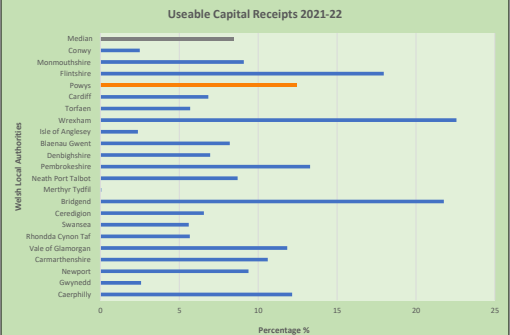


Benchmarking Comparison - reserves available to cover the core business costs



Data for this chart provided by Audit Wales Financial Sustainability Data Tool

Benchmarking Comparison - capital receipts that can be used to support capital



Data for this chart provided by Audit Wales Financial Sustainability Data Tool

Ratio Analysis	2019/20	2020/21	2021/22	2022/23	2023/24 Forecast
Increase/(Decrease) in Usable Reserve	10.3%	50.4%	13.4%	13.3%	-14.2%
Usable Reserve as a % of Net Revenue Budget (ex schools)	16.1%	23.9%	25.1%	26.0%	20.4%
Council Tax Collected as a % of Budget	97.2%	98.5%	99.0%	98.7%	98.5%
Current Ratio	0.8	0.7	0.8	0.6	0.7
Working Capital as a % of Gross Expenditure	-4.5%	-13.3%	-8.8%	-13.1%	-5.5%
Capital Funding Requirement as % of Net Revenue Budget	16.4%	15.2%	18.9%	16.6%	22.7%
Borrowing Cost (ex. HRA) as % against Net Revenue Budget	99.5%	97.9%	95.8%	80.3%	90.5%
Interest Payments / Net Revenue Budget	3.5%	3.2%	2.9%	2.5%	2.5%



FINANCE RESOURCE MODEL 2024-2029

Tudalen 67

REVENUE EXPENDITURE	2024/25	2025/26	2026/27	2027/28	2028/29
	£	£	£	£	£
Base Budget (Prior Year)	326,620,380	340,701,224	360,013,175	379,289,640	394,735,310
Pay Award inflation 2024 onwards	4,639,220	8,254,564	6,336,470	4,228,157	3,934,256
Non pay Inflation	1,559,850	2,277,202	1,771,433	1,211,085	1,231,745
Total Demography	694,841	834,270	734,270	734,270	734,270
Total Corporate Pressures	2,011,060	1,336,296	1,393,588	1,461,844	1,533,240
Total Service Pressures	11,876,154	9,933,183	9,514,072	8,780,914	9,509,979
Total Cost Reductions	-10,653,060	-3,323,565	-850,598	-1,184,730	-492,730
Undelivered Savings	352,780	0	0	0	0
Total Capital Financing	0	0	377,230	214,130	214,130
Schools Delegated Funding	3,600,000				
Total FRM Revenue Net Exp	340,701,224	360,013,175	379,289,640	394,735,310	411,400,200
	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
FRM Net Exp	340,701,224	360,013,175	379,289,640	394,735,310	411,400,200
Current Year Budget	326,620,380	340,701,224	360,013,175	379,289,640	394,735,310
GAP - each year	14,080,844	19,311,950	19,276,465	15,445,670	16,664,890
Additional Funding					
Council Tax increase (+7.5% and tax base increase, +5% then on)	-7,805,505	-5,632,222	-5,931,040	-6,245,660	-6,576,914
Settlement (+2.8%, -2% then on)	-6,275,340	4,698,799	4,604,823	4,512,726	4,422,472
Funding Shortfall Cumulative	0	18,378,527	17,950,248	13,712,736	14,510,448

Cost Reductions Proposed 2024-29

Service	Brief Description	2024/25	2025/26	2026/27	2027/28	2028/29
Adults	Utilities efficiency target	-34,228	-28,302	0	0	0
Adults	Travel efficiency target	-10,000	0	0	0	0
Adults	Mobile phone target reduction	-4,000	0	0	0	0
Adults	Older People Day Opportunities provision review, following consultation & remodelling	-120,000	-120,000	0	0	0
Adults	Void Management - supported living providing people with the option to move elsewhere	-50,000	-24,000	-22,000	0	0
Adults	Extra Care - reduction in Residential beds	-20,000	-20,000	-145,600	-270,400	0
Adults	Transforming Older Peoples Accommodation - Powys Leased Care Homes - LLETY (Accommodation Strategy)	-300,000	0	0	0	0
Tudalen 69 Adults	2023/24 Bfwd Funding Body Review back dated one off savings; however the budget reduction will need to be reinstated the following year 2024/25	1,000,000	0	0	0	0
Adults	2023/24 Bfwd Direct Payment refunds one off saving; under utilisation due to the pandemic, budget will need to be reinstated the following year 2025/26	0	500,000	0	0	0
Adults	Redesign Locality Workforce - to deliver place based model	-120,000	-360,000	0	0	0
Adults	Strengths based assessment process to Domiciliary Care	-305,840	0	0	0	0
Adults	Transform and modernise Direct Payment model, including developing pooled direct payments.	-100,000	-200,000	0	0	0
Adults	Reduce voids in Learning Disabilities respite provision and review respite local policy.	-50,000	-50,000	0	0	0

Adults	Increase number of Shared Lives Carers/placements, supporting independence and reducing use of supported living/residential care.	-300,140	-300,140	0	0	0
Adults	Change in accounting presentation of Deferred Charges outstanding, budget would need to be reinstated the following year - one off	-1,400,000	0	0	0	0
Adults	Provision against the deferred charges to mitigate the benefit (and over stating accounts)	1,200,000	0	0	0	0
Adults	Funding body review of funding for care packages	-1,000,000	0	0	0	0
childrens	Utilities Inflation decrease	-12,107	-9,723	0	0	0
childrens	Placements - Closer to Home (step down in provision)/Reduction in Children Looked After.	-800,000	0	0	0	0
childrens	16+ Accommodation - Closer to Home	-500,000	0	0	0	0
childrens	Special Guardianship Order (SGO) Project - Continuation of conversion of Independent Fostering Agency (IFA) placement to SGO placement	-150,000	-150,228	-150,228	0	0
childrens	Short Breaks - reconfigure and review policy	-200,000	0	0	0	0
childrens	Cost Saving from using permanent Social Workers once qualified instead of Agency (based on "grow your own" project - Masters Students and 50% Open University Students) plus Market Supplement.	-74,000	-74,000	-86,000	0	0
childrens	Reduction in staffing expenses/family time expenses due to "closer to home"	-10,000	-10,000	0	0	0
childrens	VAWDSW - reduction in hours	-10,940	0	0	0	0
childrens	Edge of Care grant funding utilised differently to free up baseline budget	-45,000	0	0	0	0
childrens	Reduction of agency workers over 12 months not within cost savings from Grow our Own	-200,000	0	0	0	0
childrens	Reduction of third sector contract spend by offsetting from grant funding elsewhere	-17,500	0	0	0	0

childrens	Grant Funding utilised differently to free up baseline budget	-200,000	0	0	0	0
childrens	Staffing- transformation/service redesign	-166,356	0	0	0	0
Corporate	Pension actuarial review - 0.4% reduction in employer contribution	-500,000	-400,000	0	0	0
Corporate	Capital Funding - Cost of Borrowing	-500,000	0	0	0	0
Digital	Sustainable Powys -Information Compliance	-7,000	-7,000	0	0	0
Digital	Sustainable Powys - Release Regeneration Strategy Funding	-100,000	0	0	0	0
Digital	Reduction of Information Support Specialist Officers (ISSO's)	0	0	0	-39,500	0
Digital	Placebased activity- Reduction in licencing	0	0	0	-170,000	0
Digital	Placebased activity- Staffing Reconfiguration	0	0	0	-182,000	0
Digital	Digital services restructure created a reduction in management costs	-50,000	0	0	0	0
Digital	Staff funded by Digital Transformation Programme 2023 - 2026	-156,160	0	0	0	0
Digital	Adjust inflation on Grant Funded Staffing costs in the Regeneration Team	-41,030	0	0	0	0
Digital	Reduce the Economy events function and budget	-79,000	0	0	0	0
Digital	Scale down postage from 1st class post to 2nd class plus increased use of email	-10,000	0	0	0	0
Education	Income Generation across service - Training to other LA's and Estyn Inspections	-5,000	0	0	0	0
Education	Leisure services budget reduction to Management Fee	-177,144	-265,716	0	0	0
Education	Reduction in Secondary Strategy Support	0	-50,000	0	0	0
Education	Transformation of Specialist Centre Provision (Part year Year 1, Full Year Year 2)	0	-363,920	-259,940	0	0
Education	Third Sector Spend	-50,000	-25,000	0	0	0
Education	Pay Budget Adjustment	-73,000	0	0	0	0
Education	Remodelling Service Delivery for Pupil Referral Units	-352,555	-251,285	0	0	0

Education	Reduction on Agency costs	-20,000	0	0	0	0
Education	Mobile phone target reduction	-1,000	0	0	0	0
Education	Travel efficiency target	-30,060	0	0	0	0
Education	Schools Service Restructuring	-105,000	-75,000	0	0	0
Finance	Transformation savings	-110,000	-60,000	-50,000	0	0
Finance	Insurance excess budget level that could be reduced as reserve level and provisions in place	-100,000	-100,000	0	0	0
hcd	Freedom Leisure - Utilities budget 2023/24 - Not required	-1,100,000	0	0	0	0
hcd	Leisure Contract Reduction	-50,000	0	0	0	0
hcd	Increase Secondary Meals by 10p (additional income)	-90,000	0	0	0	0
hcd	Better than expected position – increased income primarily related to the ongoing roll out of the universal provision of free school meals in primary schools.	-150,000	0	0		
hcd	Reduce Leisure Maintenance 'Backlog' budget	-70,000	0	0	0	0
hcd	Reduce Library Materials Provision	-34,500	-34,500	-50,000	0	0
hcd	Radnorshire Museum review	0	0	-36,370	0	0
hcd	Consultants Budget Policy Unit	-15,000	0	0	0	0
hcd	Utilities budgets savings	-70,000	0	0	0	0
hcd	No Inflation standstill budget for supplies and services	-18,400	0	0	0	0
hcd	Leisure services budget reduction to Management Fee	-32,230	-48,340	0	0	0
hcd	Use of grant funding to support the Arts Service	-20,000	0	0	0	0
htr	Use of grant funding to support staff budgets for the next two years	-200,000	0	200,000	0	0
htr	Increase Bus fare income on public transport routes	-85,000	0	0	0	0
htr	Charge for Post 16 or Do Not Transport Post 16 Students	0	-200,000	-200,000	0	0
htr	Increase in contributions from Cross Boundary Councils to public transport	-10,000	0	0	0	0

htr	Reduction in fuel costs from the transition from fossil fuel to green vehicles (estimate 15% reduction in fuel/energy costs)	0	0	0	-237,450	-237,450
htr	Reduction in maintenance costs from transition from fossil fuel to green vehicles (estimate 5% reduction in maintenance costs - parts/contractors)	0	0	0	-23,910	-23,910
htr	Street lighting growth awarded for inflationary pressures in 23/24 not needed in full	-331,000	0	0	0	0
htr	Street Lighting - Part Night / Part Night Dimming	-43,250	-25,000	-25,000	-25,000	-25,000
htr	Proposal to Turn off 80% of remaining street lights	0	0	0	0	0
htr	Reduce frequency of grass cutting on verge maintenance from 3 cuts down to 2 cuts from 1st April 2024	-173,000	0	0	0	0
htr	Remove growth budget awarded in previous years for ditching from 1st April 2024	-100,000	0	0	0	0
htr	As and when Unclassified minor roads (50% of network) require maintenance works, the road is to be broken up and reverted back to stone track (unsurfaced) roads reducing future maintenance expenditure	0	-20,000	-20,000	-20,000	-20,000
htr	Increase in Trunk SOR and charges to capital to contribute to Green fleet transformation depreciation costs	0	-3,910	-5,460	-116,470	-186,370
htr	Route optimisation of Waste and Recycling Collections	0	-52,500	0	0	0
htr	Review of HWRC contract to introduce charges for DIY waste disposal, implement a booking system and profit share agreement. Possible implementation date 1st July 2024 in line with HWRC contract tender.	-100,000	-300,000	0	0	0
htr	Bulk residual waste at the North Powys bulking facility	-50,000	-50,000	0	0	0

htr	Increase Greenwaste collection charge by £10 from 1st February 2024	-156,000	0	0	0	0
htr	Increase Trade Waste prices by 10% from 1st April 2024	-18,860	0	0	0	0
htr	Recyclate Income aligned to actual recovery levels on assumption market rate does not reduce	-100,000	0	0	0	0
htr	Sustainable Waste Management Grant income aligned to actual grant award 2023/24 - any potential future reduction in grant to be managed at risk	-111,800	0	0	0	0
htr	Remove cardboard banks from 1st September	-50,000	-50,000	0	0	0
htr	Retain car park charge price increase introduced 1st April 2023	-392,900	0	0	0	0
htr	Introduce Blue badge charging in car parks	-100,000	0	0	0	0
htr	Street Works Income aligned to actual recovery levels	-100,000	0	0	0	0
htr	introducing car park charges at free car parks	0	-30,000	0	0	0
legal	Increase budgeted income on registrar fees in line with actual recovery	-60,000	0	0	0	0
legal	Remove Contribution in 2024/25 to county elections reserve - one year break	-35,000	35,000	0	0	0
pppp	Increase cemetery fees to full cost recovery	-45,000	0	0	0	0
pppp	Reduce Cleaning Frequency in Corporate Officers	-40,000	0	0	0	0
pppp	Reduce Gas Budget	-30,000	0	0	0	0
pppp	Increase commercial estate income generation	-25,000	0	0	0	0
pppp	Reduce business rates via appeal process (to include appeals made in 2022/23)	-60,000	0	0	0	0
pppp	Remove flag poles from some council buildings (reducing compliance budget)	-20,000	0	0	0	0
pppp	Reduce PAT testing requirements (compliance budget)	-30,000	0	0	0	0
pppp	Dispose of the Gwalia office	-30,000	-100,000	0	0	0

T & C	Standstill budgets on supplies and services - remove non-pay inflation	-14,060	0	0	0	0
T & C	Reduction in members travel budget	-20,000	0	0	0	0
WOD	Travel efficiency target	-5,000	0	0	0	0
WOD	Review Health and safety support	0	0	0	-100,000	0
TOTAL		-10,653,060	-3,323,564	-850,598	-1,184,730	-492,730

Mae'r dudalen hon wedi'i gadael yn wag yn fwiadol

Briefing Paper to accompany the Fees and Charges Register

1. Summary

The purpose of this report is to consider and approve the changes to charges detailed within the Council's fees and charges register. The fees and charges register is maintained and updated for submission as part of the budget setting process on an annual basis, with the new fees agreed as a whole rather than on an individual basis.

The fees and charges register, contains details of all items for which a charge is made. It is important that these fees are reviewed at least annually as part of the budget setting process and reviewed during the year, in line with the Councils income policy. This will ensure existing targets are being met and to explore any further income potential to maximise the Councils resources.

Improving income management and service cost recovery has a key role to play in enabling the Council to achieve its financial and wider strategic objectives.

The fees and charges are being reviewed by each Service area, and appropriate uplifts proposed. Some of the fees have been increased in line with Welsh Government guidance, while others have been increased to reflect the increasing cost associated with these fees and linked to inflation, whilst other areas have increased charges below this rate in order to retain their customer base. Further detail of changes is discussed below. Some of the charges are still to be confirmed but will be available for full council in February.

There are several fees and charges which are outside of the council control as these are set by statute or the HSE and these will be updated when we have confirmation of fees for the coming financial year.

2. Changes to Note to the Register

Car Parks – Charging structure introduced in April 2023 is to be retained. There will be no increases in respect of parking for longer than four hours nor for car park permits.

LAPAAAN – The highways technical team have reviewed the charges made for Licences, Authorisations, Permissions, Agreements, Approvals and Notices. Fees have been reviewed, the average increase across these sources of income is 6.71%. Some charges have a greater increase due to increasing costs and future increased cost risks associated with these sources of income.

Waste Collection – Average increase across Greenwaste collection sources of income is 27.3%. These charges are being reviewed as part of the service FRM savings requirements.

Social Care – There has been a change in the charges for Direct payment scheme and home care. These charges may be subject to review following receipt of updated Welsh Government guidance.

Burial Services – All collection sources of income have been increased by 10%. These charges are being reviewed as part of the service FRM savings requirements.

SCHOOLS

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
School Houses Rent per Year (Peppercorn)	Wayleaves and Leases	£ 690.88	£ 690.88	£ 690.88	Increase in line with the electric board
School Houses Rent per Month	Various	£ 667.50	£ 735.58	£ 784.94	6.71%

WATER SAMPLING FEES

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Sampling Fees	Risk Assessment for single dwelling supplies (by req. only)	£220 + VAT	£242 + VAT	£254+ VAT	5.00%	
	New risk assessment	£220.00	£242.00	£254.00	5.00%	
	Revised risk assessment	£135.00	£149.00	£156.00	4.7%%	
	Sampling of single supplies (by req. only)	£100.00	£100.00	£100.00	0.00%	statute
	Sampling of statutory supplies (each visit)	£100.00	£100.00	£100.00	0.00%	statute
	Investigation (each supply)	£110.00	£121.00	£127.00	4.96%	
	Small shared domestic property only	£100.00	£100.00	£100.00	0.00%	statute

WEIGHTS & MEASURES

Category	ITEM/SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Measuring Instruments Directive	Automatic discontinuous totalisers, automatic rail weighbridges, automatic catchweighers, automatic gravimetric filling instruments and beltweighers.	£93.86	£103.25	£111.51	8.00%
	Cold water meters				
	Measuring instruments for liquid fuel and lubricants	10% surcharge	10% surcharge	10% surcharge	TBC
	Measuring instruments for liquid fuel delivered from road tankers	10% surcharge	10% surcharge	10% surcharge	TBC
	Capacity serving measures	10% surcharge	10% surcharge	25% surcharge	TBC
	Material measures of length	10% surcharge	10% surcharge	25% surcharge	TBC
Tudalen 81	Equipment designed to weigh loads in motion	£93.86	£103.25	£111.51	8.00%
	Bulk fuel measuring equipment tested following a Regulation 65 or 66 occurrence under the 1983 Regulations or Regulation 23 or 24 occurrence under the 1988 Regulations	£93.86	£103.25	£111.51	8.00%
	Weighing or measuring equipment tested by means of statistical sampling	£93.86	£103.25	£111.51	8.00%
	The establishment of calibration curves from templates	£93.86	£103.25	£111.51	8.00%
	Templates graduated in millilitres	£93.86	£103.25	£111.51	8.00%
	Testing or other services in pursuance of a Community obligation other than EC initial or partial verification	£93.86	£103.25	£111.51	8.00%
Weights (per hour)	Full hourly rate for the first hour, thereafter £XX.XX ph	93.86 Discount £56.32	£103.25 Discount £61.95	£111.51 Discount £69.91	TBC
Measures (ea)	Linear measures not exceeding 3m, for each scale	£11.69	£12.86	£13.89	8.01%
	Capacity measures, without divisions, not exceeding 1 litre	£9.23	£10.16	£10.97	7.97%
	Cubic ballast measures (other than brim measures)	£206.68	£227.35	£245.54	8.00%
	Liquid capacity measures for making up and checking average quantity packages	£32.67	£35.94	£38.82	8.01%

WEIGHTS & MEASURES

Category	ITEM/SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Templates (ea)	Per scale - first item	£56.80	£62.48	£67.48	8.00%
	Second and subsequent items	£21.49	£23.64	£25.53	7.99%
Weighing Instruments - Non NAWI	Not exceeding 1 tonne (ea)	£74.19	£81.61	£88.14	8.00%
	Exceeding 1 tonne to 10 tonne (ea)	£120.18	£132.20	£142.78	8.00%
	Exceeding 10 tonnes (ea)	£251.00	£276.10	£298.18	8.00%
	Certification of Weighbridge Operators (ph)	£93.86	£103.25	£111.51	8.00%
Weighing Instruments - NAWI	Not exceeding 1 tonne (ea)	£123.50	£135.85	£146.74	8.02%
	Exceeding 1 tonne to 10 tonne (ea)	£191.12	£210.23	£227.05	8.00%
	Exceeding 10 tonnes (ea)	£418.38	£460.22	£497.04	8.00%
	When testing instruments incorporating remote display or printing facilities, and where completion of the test requires a second person or a second series of tests by the same person, an additional fee may be charged.	50% surcharge	50% surcharge	50% surcharge	TBC
Measuring Instruments for Intoxicating Liquor: (ea)	Not exceeding 150ml	£20.36	£22.40	£24.19	7.99%
	Other	£23.53	£25.88	£27.95	8.00%

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WEIGHTS & MEASURES

Category	ITEM/SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Measuring Instruments for Liquid Fuel and Lubricants:	Container type (not subdivided) (ea)	£85.30	£93.83	£101.34	8.00%
Single/multi-outlets (nozzles)	First nozzle tested, per site (ea)	£139.14	£153.05	£165.29	8.00%
	Each additional nozzle tested (ea)	£85.48	£103.43	£111.70	8.00%
	Testing of peripheral electronic equipment on a separate visit (per site) (ph)	£93.86	£103.25	£111.51	8.00%
	Testing of credit card acceptor (per unit, regardless of no. of slots/nozzles/pumps) (ph)	£93.86	£103.25	£111.51	8.00%
Road Tanker Fuel Measuring Equipment (Above 100 Litres):	Meter measuring systems: Wet hose with two testing liquids (ea)	£298.65	£328.52	£354.80	8.00%
	Meter measuring systems: Wet hose with three testing liquids (ea)	£348.43	£383.27	£413.93	8.00%
	Meter measuring systems: Dry hose with two testing liquids (ea)	£331.79	£364.97	£394.17	8.00%
	Meter measuring systems: Dry hose with three testing liquids (ea)	£381.76	£419.94	£453.54	8.00%
	Meter measuring systems: Wet/dry hose with two testing liquids (ea)	£464.55	£511.01	£551.89	8.00%
	Meter measuring systems: Wet/dry hose with three testing liquids (ea)	£496.61	£546.27	£589.97	8.00%
Certificate of errors	For supplying a certificate containing results of errors found on testing (certificate supplied upon request of the submitter; fee applies when no other fee is payable).	£60.52	£66.30	£71.60	7.99%

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OTHER LICENCES

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
GAMBLING	Small Lotteries - New Registration	40.00	£ 40.00	£ 40.00	0.00%	Set by statute
	Small Lotteries - Renewal	20.00	£ 20.00	£ 20.00	0.00%	
	Notification of Gaming Machine	50.00	£ 50.00	£ 50.00	0.00%	
	Betting Premises Annual Fee	480.00	£ 480.00	£ 480.00	0.00%	
	Betting Premises Application	2,400.00	£ 2,400.00	£ 2,400.00	0.00%	
	Licensed Family Entertainment Centre Application	1,600.00	£ 1,600.00	£ 1,600.00	0.00%	
	Licensed Family Entertainment Centre Annual Fee	600.00	£ 600.00	£ 600.00	0.00%	
	Unlicensed Family Entertainment Centre permit (10 year permit)	300.00	£ 300.00	£ 300.00	0.00%	
	Club Gaming Machine - New Permit	200.00	£ 200.00	£ 200.00	0.00%	
	Club Gaming Machine - Renewal	100.00	£ 100.00	£ 100.00	0.00%	
	Club Gaming/Machine Permit Annual fee due in the first month of applying	50.00	£ 50.00	£ 50.00	0.00%	
ANIMALS	INITIAL APPLICATION					TBC will be Consulted and approved by Licensing Committee process
	Riding Establishments Cat 1	£ 356.00	£ 407.00	TBC	TBC	
	Riding Establishments Cat 2	£ 400.00	£ 458.00	TBC	TBC	
	Commercial Kennels/Cattery	£ 279.00	£ 318.00	TBC	TBC	
	Pet Shops	£ 375.00	£ 429.00	TBC	TBC	
	Dog Breeding Cat 1	£ 411.00	£ 471.00	TBC	TBC	
	Dog Breeding Cat 2	£ 460.00	£ 529.00	TBC	TBC	
	Dog Breeding Cat 3	£ 499.00	£ 572.00	TBC	TBC	
	Dangerous Wild Animals	£ 622.00	£ 708.00	TBC	TBC	
	Zoo (4 year)	£ 1,717.00	£ 1,973.00	TBC	TBC	
	Home Boarder	£ 254.00	£ 290.00	TBC	TBC	
	RENEWAL OF LICENSE					
	Riding Establishments Cat 1	£ 328.00	£ 375.00	TBC	TBC	
	Riding Establishments Cat 2	£ 366.00	£ 419.00	TBC	TBC	
	Commercial Kennels/Cattery	£ 253.00	£ 288.00	TBC	TBC	
	Pet Shops	£ 282.00	£ 322.00	TBC	TBC	
	Dog Breeding Cat 1	£ 328.00	£ 374.00	TBC	TBC	
	Dog Breeding Cat 2	£ 375.00	£ 429.00	TBC	TBC	
	Dog Breeding Cat 3	£ 421.00	£ 483.00	TBC	TBC	
	Dangerous Wild Animals	£ 575.00	£ 656.00	TBC	TBC	
	Zoo (6 year)	£ 2,341.00	£ 2,597.00	TBC	TBC	
Home Boarder	£ 186.00	£ 213.00	TBC	TBC		
Advisory Visit at request of License	£ 101.00	£ 112.00	TBC	TBC		
Duplicate License		£ 22.00	TBC	TBC		
	Private Hire Operator: Admin charge for consideration of the Application	£ 387.00	£358.00	£ 355.00	TBC	

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OTHER LICENCES

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
TAXI	Private Hire/Hackney Carriage Drivers: Administration Charge for consideration of a New Application	£ 248.00	£269.50	£ 284.00	TBC	Calculated using the All Wales toolkit and approved by Licensing Committee in normal years. Fees proposed for 24/25 have been consulted on as legally required and approved by licensing committee.
	Private Hire/Hackney Carriage Drivers: Administration Charge for Renewal	£ 248.00	£269.50	£ 284.00	TBC	
	Driver Licence (1 year – on request)	£ 140.00	£186.50	£ 160.00	TBC	
	Private Hire Vehicle	£ 130.00	£146.00	£ 150.00	TBC	
	Hackney Carriage Vehicles	£ 130.00	£146.00	£ 150.00	TBC	
	Plate Bracket	£ 11.30	£11.30	£ 11.30	TBC	
	Pair of door stickers	£ 7.50	£7.50	£ 7.50	TBC	
	Driver test	£ 40.00	£40.00	£ 40.00	TBC	
PETROLEUM	Less than 2,500 litres (550 gallons)	£ 45.00	£ 46.00	TBC		Set by HSE
	Between 2,500 litres (550 gallons) and 50,000 litres (11,000) gallons	£ 61.00	£ 62.00	TBC		
	More than 50,000 litres (11,000 gallons)	£ 128.00	£ 131.00	TBC		
	Transfer of Licence	£ 8.00	No fee	No fee		
EXPLOSIVES	Licence to store explosives >0m separation - 1 year	£ 189.00	£ 193.00	TBC	Not yet known	Set by HSE
	Licence to store explosives >0m separation - 2 year	£ 248.00	£ 253.00	TBC	Not yet known	
	Licence to store explosives >0m separation - 3 year	£ 311.00	£ 317.00	TBC	Not yet known	
	Licence to store explosives >0m separation - 4 year	£ 382.00	£ 390.00	TBC	Not yet known	
	Licence to store explosives >0m separation - 5 year	£ 432.00	£ 441.00	TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 1	£ 88.00	£ 90.00	TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 2	£ 150.00	£ 153.00	TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 3 year	£ 211.00	£ 215.00	TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 4 year	£ 272.00	£ 277.00	TBC	Not yet known	
	Renewal of Licence to store explosives >0m separation - 5 year	£ 333.00	£ 340.00	TBC	Not yet known	
	Licence to store explosives <=0m separation - 1 year	£ 111.00	£ 113.00	TBC	Not yet known	
	Licence to store explosives <=0m separation - 2 year	£ 144.00	£ 147.00	TBC	Not yet known	
	Licence to store explosives <=0m separation - 3 year	£ 177.00	£ 181.00	TBC	Not yet known	
	Licence to store explosives <=0m separation - 4 year	£ 211.00	£ 215.00	TBC	Not yet known	
	Licence to store explosives <=0m separation - 5 year	£ 243.00	£ 248.00	TBC	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 1	£ 55.00	£ 56.00	TBC	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 2	£ 88.00	£ 90.00	TBC	Not yet known	
	Renewal of Licence to store explosives <=0m separation - 3 year	£ 123.00	£ 125.00	TBC	Not yet known	
Renewal of Licence to store explosives <=0m separation - 4 year	£ 155.00	£ 158.00	TBC	Not yet known		

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OTHER LICENCES

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
	Renewal of Licence to store explosives <=0m separation - 5 year	£ 189.00	£ 193.00	TBC	Not yet known	
	Any other kind of variation					
	Licence Variation: Amending name of licensee or address of site	£ 37.00	£ 38.00	TBC	Not yet known	
	Licence Variation: Transfer of licence or registration	£ 37.00	£ 38.00	TBC	Not yet known	
	Licence Variation: Replacement of Licence or registration if lost	£ 37.00	£ 38.00	TBC	Not yet known	

OTHER LICENCES

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
MISCELLANEOUS	Sexual Entertainment Venue/Sex Establishment	£ 1,185.00	£ 1,312.00	£ 1,378.00	5.00%	
	Street Trading Consents	£ 467.00	£ 517.00	£ 543.00	5.03%	
	Skin Piercing, Tattooing, special procedures	£ 239.00	£ 265.00	£ 278.00	4.91%	Will be superseded by a new legislative requirement
	Scrap Metal Site - New	£ 270.00	£ 330.00	£ 330.00	0.00%	Scrap reviewed every 3 years and calculated using an All Wales toolkit to account for full cost recovery. Last reviewed and approved in Aug 22 in advance of renewals.
	Scrap Metal Site - Renewal	£ 270.00	£ 330.00	£ 330.00	0.00%	
	Scrap Metal Collector - New	£ 270.00	£ 330.00	£ 330.00	0.00%	
	Scrap Metal Collector - Renewal	£ 270.00	£ 330.00	£ 330.00	0.00%	
	Mobile Home Site	£1054/£781	£1054/£781	£1054/£781	0.00%	Mobile homes licences renewable every 5 years and calculated using an All Wales toolkit to account for full cost recovery.
	Variation of licence conditions (no visit)	£ 67.00	£ 67.00	£ 67.00	0.00%	
	Variation of licence conditions (visit)	£ 127.00	£ 127.00	£ 127.00	0.00%	
	Depositing site rules	£ 39.00	£ 39.00	£ 39.00	0.00%	
	Replacement licence	£ 21.00	£ 21.00	£ 21.00	0.00%	
Environmental Search Enquiry	£ 76.50	£ 84.10	£88	4.64%	per hour	

FOOD & H&S

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
FOOD HYGIENE	Request for re-rating	£180.00	£180.00	TBC	TBC	Nationally set
	Food advisory service	£150.00	Suspended	Suspended	TBC	Fee for 2 hours plus £55 plus vat per hour for any further hours based on actual costs. (although currently service suspended)
	Food export health certificates	£97.00	£107.00	£112.00	4.67%	
	Voluntary surrender of foods	£97.00	£107.00	£112.00	4.67%	Fee for first hour, plus £55 per additional hours and actual costs of food disposal.
	Food hygiene training	Suspended	Suspended	Suspended	TBC	suspended
	Primary Authority Arrangements for food hygiene	Fee will be based on actual cost	Fee will be based on actual cost	Fee will be based on actual cost	TBC	fee will be based on actual cost
HEALTH AND SAFETY	Safety Certificate for Sports Ground	£577.00	£639.00	£670.00	4.85%	

LICENSED PREMISES

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Licensed Premises/Club Application/Variation	Band A (non-domestic rateable value £0 - £4,300)	£100.00	£100.00	£100.00	0.00%	Same as other years as set by statute (last revision 2003)
	Band B (non-domestic rateable value £4,301 - £33,000)	£190.00	£190.00	£190.00	0.00%	
	Band C (non-domestic rateable value £33,001 - £87,000)	£315.00	£315.00	£315.00	0.00%	
	Band D (non-domestic rateable value £87,001 - £125,000)	£450.00	£450.00	£450.00	0.00%	
	Band E (non-domestic rateable value £125,001+)	£635.00	£635.00	£635.00	0.00%	
	Band B (non-domestic rateable value £4,301 - £33,000)	£180.00	£180.00	£180.00	0.00%	
	Band C (non-domestic rateable value £33,001 - £87,000)	£295.00	£295.00	£295.00	0.00%	
	Band D (non-domestic rateable value £87,001 - £125,000)	£320.00	£320.00	£320.00	0.00%	
	Band E (non-domestic rateable value £125,000+)	£350.00	£350.00	£350.00	0.00%	
Miscellaneous	Copy of Premises Licence	£10.50	£10.50	£10.50	0.00%	
	Premises Provisional Statement	£315.00	£315.00	£315.00	0.00%	
	Premises Change of name	£10.50	£10.50	£10.50	0.00%	
	Premises Change DPS	£23.00	£23.00	£23.00	0.00%	
	Premises Transfer	£23.00	£23.00	£23.00	0.00%	
	Premises Interim Notice	£23.00	£23.00	£23.00	0.00%	
	Club Change of Name or Rules	£10.50	£10.50	£10.50	0.00%	
	Club Change of Registered Address	£10.50	£10.50	£10.50	0.00%	
	Minor Variation	£89.00	£89.00	£89.00	0.00%	
	Disapply DPS on Community Premises	£23.00	£23.00	£23.00	0.00%	
	Temporary Event Notice	£21.00	£21.00	£21.00	0.00%	
	TEN Copy Notice	£10.50	£10.50	£10.50	0.00%	
	Personal Licence	£37.00	£37.00	£37.00	0.00%	
	Personal Licence Copy	£10.50	£10.50	£10.50	0.00%	
Personal Change Name/address	£10.50	£10.50	£10.50	0.00%		
Premises Freeholder Interest	£21.00	£21.00	£21.00	0.00%		

BUILDING CONTROL

Category	Quantity	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Table A - New Dwellings Number of Units (Full Plans Vetting Charge): *	1		£197.50	£200.00	£210.00	5.00%	Inflation increase
	2		£265.00	£300.00	£315.00	5.00%	Inflation increase
	3		£347.50	£375.00	£395.00	5.33%	Inflation increase
	4		£431.67	£450.00	£475.00	5.56%	Inflation increase
	5		£521.67	£525.00	£550.00	4.76%	Inflation increase
	6		£611.67	£600.00	£630.00	5.00%	Inflation increase
	7		£637.50	£650.00	£680.00	4.62%	Inflation increase
	8		£663.33	£725.00	£760.00	4.83%	Inflation increase
	9		£689.17	£775.00	£815.00	5.16%	Inflation increase
	10		£695.00	£800.00	£840.00	5.00%	Inflation increase
11 - 30		Quote	Quote		Quote		
Table A - New Dwellings Number of Units (Full Plans Inspection Charge): *	1		£502.50	£550.00	£580.00	5.45%	Inflation increase
	2		£835.00	£900.00	£945.00	5.00%	Inflation increase
	3		£1,052.50	£1,125.00	£1,180.00	4.89%	Inflation increase
	4		£1,218.33	£1,300.00	£1,365.00	5.00%	Inflation increase
	5		£1,428.33	£1,575.00	£1,655.00	5.08%	Inflation increase
	6		£1,588.33	£1,800.00	£1,890.00	5.00%	Inflation increase
	7		£1,812.50	£2,000.00	£2,100.00	5.00%	Inflation increase
	8		£1,986.67	£2,175.00	£2,285.00	5.06%	Inflation increase
	9		£2,160.83	£2,325.00	£2,440.00	4.95%	Inflation increase
	10		£2,305.00	£2,450.00	£2,570.00	4.90%	Inflation increase
11 - 30		Quote	Quote		Quote		
Table A - New Dwellings Number of Units (Building Notice Charge):	1		£700.00	£790.00	£910.00	15.19%	Introduction of BN surcharge
	2		£1,100.00	£1,260.00	£1,445.00	14.68%	Introduction of BN surcharge
	3		£1,400.00	£1,575.00	£1,810.00	14.92%	Introduction of BN surcharge
	4		£1,650.00	£1,840.00	£2,115.00	14.95%	Introduction of BN surcharge
	5		£1,950.00	£2,205.00	£2,535.00	14.97%	Introduction of BN surcharge
	6		£2,200.00	£2,520.00	£2,900.00	15.08%	Introduction of BN surcharge
	7		£2,450.00	£2,780.00	£3,200.00	15.11%	Introduction of BN surcharge
	8		£2,650.00	£3,045.00	£3,500.00	14.94%	Introduction of BN surcharge
	9		£2,850.00	£3,255.00	£3,745.00	15.05%	Introduction of BN surcharge
	10		£3,000.00	£3,410.00	£3,920.00	14.96%	Introduction of BN surcharge
11 - 30		Quote	Quote		Quote		
Table B - Amount of Full Plans Vetting Charge	Garages	Erection or extension of a detached building which consists of a garage carport or both having a floor area not exceeding 60m2 in total, and which is not an exempt building.	£131.67	£140.00	£147.00	5.00%	Inflation increase
	Single Storey Extensions and loft conversions	Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2, including means of access and work in connection with that extension.	£131.67	£140.00	£147.00	5.00%	Inflation increase
		Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£131.67	£140.00	£147.00	5.00%	Inflation increase

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BUILDING CONTROL

Category	Quantity	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Table B - Amount of Full Plans Inspection Charge	Garages	Erection or extension of a detached building which consists of a garage carport or both having a floor area not exceeding 60m2 in total, and which is not an exempt building.	£160.00	£185.00	£195.00	5.41%	Inflation increase
	Single Storey Extensions and loft conversions	Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2, including means of access and work in connection with that extension.	£293.33	£325.00	£340.00	4.62%	Inflation increase
		Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£443.33	£490.00	£515.00	5.10%	Inflation increase
Table B - Amount of Building Notice Charge Tudalen 91	Garages	Erection or extension of a detached building which consists of a garage carport or both having a floor area not exceeding 60m2 in total, and which is not an exempt building.	£291.66	£325.00	£395.00	21.54%	Introduction of BN surcharge
	Extensions and loft conversions	Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2, including means of access and work in connection with that extension.	£425.00	£465.00	£560.00	20.43%	Introduction of BN surcharge
		Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2, including means of access and work in connection with that extension.	£575.00	£630.00	£765.00	21.43%	Introduction of BN surcharge
	Other Works	Conversion of a single domestic garage in to a habitable room	£250.00	£300.00	£362.00	20.67%	Introduction of BN surcharge
		Replacement of windows in a dwelling (up to 20 windows)	£104.17	£120.00	£145.00	20.83%	Introduction of BN surcharge
		Installation or replacement of domestic sewage treatment system	£179.17	£200.00	£241.00	20.50%	Introduction of BN surcharge
		Upgrading thermal elements (as defined in guidance note)	£110.00	£120.00	£145.00	20.83%	Introduction of BN surcharge
		Installation or replacement of a heat producing appliance (e.g. solid fuel appliance, oil fired appliance, ground source heat pump or solar hot water system etc). Where the installer is not a member of a 'Competent Persons Scheme'	£308.33	£325.00	£391.00	20.31%	Introduction of BN surcharge
		Electrical Installations where the installer is not a member of a 'Competent Persons Scheme'	£308.33	£325.00	£391.00	20.31%	Introduction of BN surcharge
	Table C - Cost of Works - Amount of Full Plans Vetting Charge	£0 - £1,000		N/A	N/A	N/A	N/A
£1,001 - £5,000			N/A	N/A	N/A	N/A	Inspection fee only
£5,001 - £10,000			£80.00	£100.00	£105.00	5.00%	Inflation increase
£10,001 - £30,000			£115.00	£150.00	£158.00	5.33%	Inflation increase
£30,001 - £50,000			£166.67	£200.00	£210.00	5.00%	Inflation increase
£50,001 - £75,000			£220.83	£250.00	£263.00	5.20%	Inflation increase
Table C - Cost of Works - Amount of Full Plans Inspection Charge	£0 - £1,000		£130.00	£150.00	£158.00	5.33%	Inflation increase
	£1,001 - £5,000		£212.50	£250.00	£262.00	4.80%	Inflation increase
	£5,001 - £10,000		£253.33	£300.00	£315.00	5.00%	Inflation increase
	£10,001 - £30,000		£345.00	£450.00	£472.00	4.89%	Inflation increase
	£30,001 - £50,000		£579.17	£590.00	£620.00	5.08%	Inflation increase
	£50,001 - £75,000		£716.67	£740.00	£777.00	5.00%	Inflation increase
	£75,001 - £100,000		£797.50	£825.00	£866.00	4.97%	Inflation increase

BUILDING CONTROL

Category	Quantity	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Table C - Cost of Works - Amount of Building Notice Charge	£0 - £1,000		£130.00	£150.00	£184.00	22.67%	Introduction of BN surcharge
	£1,001 - £5,000		£212.50	£250.00	£301.00	20.40%	Introduction of BN surcharge
	£5,001 - £10,000		£333.33	£400.00	£483.00	20.75%	Introduction of BN surcharge
	£10,001 - £30,000		£460.00	£600.00	£727.00	21.17%	Introduction of BN surcharge
	£30,001 - £50,000		£745.83	£790.00	£954.00	20.76%	Introduction of BN surcharge
	£50,001 - £75,000		£937.50	£990.00	£1,195.00	20.71%	Introduction of BN surcharge
	£75,001 - £100,000		£1,050.00	£1,100.00	£1,327.00	20.64%	Introduction of BN surcharge
Tudalen 92 NEW Table D - Supplementary Charges and Services	Undertaking inspections through to completion on unfinished buildings works 5 years after the date of deposit		POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished		
	Undertaking inspections through to completion on bulding works that have been occupied for more than 6 months and where intended occupation was not notified to Building Control.		POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished	POA. Based on current hourly rate and anticipated number of outstanding inspections. Recalculated every 12 months thereafter for works that remain unfinished		
	Withdrawal of an application post validation		£83.33	£90.00	£95.00	5.56%	Plan fees to also be retained where a full plan appraisal through to a decision has been made.
	Copy of decision notices/completion certificates		£62.50	£60.00	£63.00	5.00%	Inflation increase
	Letter confirming exemption from building regulations		£83.33	£90.00	£95.00	5.56%	Inflation increase
	Pre application advice after the first hour (free of charge) where a building regulation application is subsequently not submitted or an Initial Notice is lodged.		£60.00	£60.00	£63.00	5.00%	Inflation increase
	Issuing of a demolition notice		£75.00	£90.00	£95.00	5.56%	Inflation increase

BUILDING CONTROL

Category	Quantity	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
	Redirection of inspection fee invoices		£30.00	£35.00	£37.00	5.71%	Inflation increase
	Personal Searches requiring a response within 48 hrs by email		£75.00	£75.00	£79.00	5.33%	Inflation increase
NEW Table E Street Naming and Numbering Charges	Existing private dwelling name change		£90.00	£95.00	£100.00	5.26%	Inflation increase
	Existing business property name change		£125.00	£132.50	£140.00	5.66%	Inflation increase
	Renaming of an existing street		£300.00	£318.00	£334.00	5.03%	Inflation increase
	Naming of a brand new street		£175 per plot	£200 for single plot	£210.00	5.00%	Inflation increase. Fees then based on a sliding scale dependent upon number of plots
	Letter Confirming an existing address		£62.50	£66.25	£70.00	5.66%	Inflation increase
	Naming of new property (Dom & Non Dom)		£175.00	£200.00	£210.00	5.00%	Inflation increase

CLEANING

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
External Sites	Cleaner	£14.11	£16.98	£18.51	9.01%
	Cleaner in Charge	£14.11	£16.98	£18.51	9.01%
Schools	Cleaner	£13.82	£13.82	TBC	TBC
Internal Sites	Cleaner	£13.82	£13.82	TBC	TBC
	Cleaner in Charge	£13.82	£13.82	TBC	TBC
	Cleaner Supervisor	£14.39	£14.39	TBC	TBC
Other sites	Fire Stations small Not including materials	£14.11	£16.98	£18.51	9.01%

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PLANNING

Planning Fees

The latest planning permission fees can be obtained by clicking on the following link:-

<https://en.powys.gov.uk/article/6040/Planning-permission-fees>

BURIAL FEES

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Excavation	<i>Burial - Adults: Single Depth</i>	£ 820.91	£ 905.00	£ 995.00	10.00%
	<i>Burial - Adults: Double Depth</i>	£ 1,034.75	£ 1,140.00	£ 1,255.00	10.00%
	Burial - Children: Children under 18 years	£ -	£ -	£ -	N/A
	Cremated Remains: Adults (over 18 years)	£ 259.79	£ 286.00	£ 315.00	10.00%
Monument Registrations	Right to erect a headstone & first inscription Adults (over 18 years old)	£ 236.83	£ 261.00	£ 287.00	10.00%
	Right to erect a headstone & first inscription Children (under 18 years old)	£ -	£ -	£ -	N/A
	Subsequent inscriptions Adults (over 18 years old)	£ 60.08	£ 66.00	£ 73.00	10.00%
Purchase of Exclusive Right of Burial (ERB)	Adults (over 18 years old)	£ 945.23	£ 1,042.00	£ 1,146.00	10.00%
	Children - under 18 years	£ -	£ -	£ -	N/A
	Cremation Space Adults (over 18 years old)	£ 468.34	£ 516.00	£ 568.00	10.00%
Registration of Burial	Adults (over 18 years old)	£ 294.56	£ 325.00	£ 357.00	10.00%
	Children (under 18 years old)	£ -	£ -	£ -	N/A
Miscellaneous	Scattering of Ashes Adults (over 18 years old)	£ 294.56	£ 325.00	£ 357.00	10.00%
	Home burial visit	£ 120.00	£ 132.00	£ 145.00	10.00%
	Genealogy Research Requests*	£ 70.18	£ 77.00	£ 85.00	10.00%
	Saturday cremations (additional cost) Adults (over 18 years old)	£ 264.00	£ 291.00	£ 320.00	10.00%
	Saturday burials (additional cost) Adults (over 18 years old)	£ 528.00	£ 582.00	£ 640.00	10.00%

DOGS & PEST CONTROL

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
DOG	Statutory fee	£25.00	£25.00	£25.00	Statute
WARDEN	Administration fee	£25.00	£25.00	£26.00	4.00%
	Cost per day	£13.00	£13.00	£14.00	7.69%

CATERING

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Primary School	Meal	£2.35	£2.45	£0.00	N/A	Rollout of Universal Free School Meals for Primary
	Free Meal	£2.35	£2.45	£0.00	N/A	
High School	Meal of the day	£2.45	£2.55	£2.65	3.92%	Part of the MTFS savings plan of 10p a meal
	Free Meal	£2.45	£2.55	£2.65	3.92%	

LIBRARIES

SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Fines – books	Branches: Adult: 15p per open day overdue for each item (max. £5.00 per item). Mobile libraries: 15p per item per missed visit. Children: no fines on children’s items.	All fines for overdue books were removed by Delegated Decisions September 2022	All fines for overdue books were removed by Delegated Decisions September 2022	100% decrease
Fines – other	Talking books: Adult – 15p per day overdue for each item, to a maximum of £5.00. No fines on children’s items. DVDs: childrens, information and music: 20p per open day DVDs - feature films and boxed sets: 50p per open day to a maximum of £5.00	All fines for overdue items were removed by Delegated Decisions September 2022	All fines for overdue items were removed by Delegated Decisions September 2022	100% decrease
Reservations	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter-library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter-library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	Books in stock or on order: no charge Not in stock book or periodical: £10.00 Music and play sets: from £30.00 depending on number of copies wanted etc. Application for renewal of inter-library loan items (minimum of one week's notice required): £10.00 Overdue inter-library loan items: £10.00 recharge	no change

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LIBRARIES

SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	Hire charge: £1.00 per week for children's, information, and music. Hire charge: £2.50 per week for adults and children's feature films Hire charge: £4 per week for boxed sets containing 3 or more DVDs	no change
Talking Books	Hire charge: £3.00. No charge for children's items.	Hire charge: £3.00. No charge for children's items.	Hire charge: £3.00. No charge for children's items.	no change
Replacement tickets	Adult / children: £2	Adult / children: £2	Adult / children: £2	no change
Photocopies	A4, 20p per side A3, 40p per side	A4, 20p per side A3, 40p per side	A4, 20p per side A3, 40p per side	no change
Paper	A4 10p per sheet	A4 10p per sheet	A4 10p per sheet	no change
Printouts	A4: 20p black & white, 40p colour Microfiche/film printout: - A4: 30p self-service, 50p postal (where available) Standard charge through public i-cam printer Digital copies and printouts undertaken by staff: £1.00 each	A4: 20p black & white, 40p colour Microfiche/film printout: - A4: 30p self-service, 50p postal (where available) Standard charge through public i-cam printer Digital copies and printouts undertaken by staff: £1.00 each	A4: 20p black & white, 40p colour Microfiche/film printout: - A4: 30p self-service, 50p postal (where available) Standard charge through public i-cam printer Digital copies and printouts undertaken by staff: £1.00 each	no change
Damaged & lost items	Books: In print: current published price Out of print: current average cost for book type DVDs: Individually priced	Books: In print: current published price Out of print: current average cost for book type DVDs: Individually priced	Books: In print: current published price Out of print: current average cost for book type DVDs: Individually priced	no change
Use of Computers	Free bookable sessions	Free bookable sessions	Free bookable sessions	no change
Sale of memory sticks	8gb memory stick £6	8gb memory stick £6	8gb memory stick £6	no change

LIBRARIES

SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Room hire	<p>Voluntary / educational organisations: £30.00 per 3 hour session; £15.00 per hour; £50 per 3 hour session out of library opening hours</p> <p>Other organisations: £50.00 per 3 hour session during library opening hours; £20 per hour plus caretaker costs for opening/closing per session outside of library opening hours Use of kitchen facilities (Brecon £10.00, others £5.00)</p> <p>Reduced rates for regular bookings: 10% reduction for regular bookings (10 per year and over)</p>	<p>Large meeting rooms - £50/£30 for 3-hour sessions and £20/£15 per hour Small meeting rooms and pods - £30/£20 for 3-hour sessions and £7.50/£10 per hour Co-working desks - £5 per half day and £10 for a day. Reduced rates for regular bookings: 10% reduction for regular bookings (10 per year and over)</p>		TBC
Exhibitions	<p>Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions</p> <p>Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions</p> <p>Local organisations information displays: FREE at the discretion of the Branch Librarian</p>	<p>Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions</p> <p>Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions</p> <p>Local organisations information displays: FREE at the discretion of the Branch Librarian</p>	<p>Galleries: No charge for non selling exhibitions £50 + 10% of sales for selling exhibitions</p> <p>Display cases: No charge for non selling exhibitions Selling: £25 + 10% of sales for selling exhibitions</p> <p>Local organisations information displays: FREE at the discretion of the Branch Librarian</p>	no change

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LIBRARIES

SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Fax	Incoming: 50p per page Outgoing: UK £1.00; Europe - £2.00 for 1st page, £1.00 for each subsequent page; World - £3.00 for 1st page, £1.00 for each subsequent page	No longer used	No longer used	delete
Laminating (where available)	A4 size: £1.50 A3 size: £2.00	A4 size: £1.50 A3 size: £2.00		no change
Local studies research	£20 per half hour	£20 per half hour - private research; £25 per half hour - commercial research		TBC

MUSEUMS

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
COPY CHARGES	Photocopy: Single A4/ BW	£0.25	£0.25	£0.25	0.00%
	Photocopy: A4 colour	£0.50	£0.50	£0.50	0.00%
	Photocopy - laminated	£1.00	£1.00	£1.00	0.00%
	Photocopy: A3 B/W	£0.50	£0.50	£0.50	0.00%
	Photocopy: A3 colour	£1.00	£1.00	£1.00	0.00%
ROOM HIRE	Half day incl. tea & coffee	£30.00	£30.00	£30.00	0.00%
	Full day incl. tea & coffee	£60.00	£60.00	£60.00	0.00%
VENUE HIRE	Filming etc. per day	Negotiable – depending on requirements	Negotiable – depending on requirements	Negotiable – depending on requirements	TBC
SALES	Exhibition art work sales, commission, pictures / books / cards	33% of wall price	33% of wall price	33% of wall price	TBC
EDUCATION CHARGES	SLA - school annual agreement	N/A	N/A	N/A	TBC
	Visit to Museum by an educational organisation (with Education & Access Officer)	£50.00	£50.00	£50.00	0.00%
	Visit to school or other educational institution (with Education & Access Officer)	£70.00 (Discount of £15.00 for 2 or more bookings made within the same financial year)	£70.00 (Discount of £15.00 for 2 or more bookings made within the same financial year)	£70.00 (Discount of £15.00 for 2 or more bookings made within the same financial year)	TBC
	Visit to Museum / Outreach visit by Education & Access Officer to Special schools / Adults with disabilities	£30.00	£30.00	£30.00	0.00%
	Visit to Museum / Outreach visit by Education & Access Officer to Adult groups	£55.00	£55.00	£55.00	0.00%
	Craft activities / holiday activities – per child / adult	£0-£3.00 Depending on activity	£0-£3.00 Depending on activity	£0-£3.00 Depending on activity	TBC

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MUSEUMS

	Visit to retirement / nursing home	£25.00	£25.00	£25.00	0.00%
	3rd Age / Adult Learning visits	£20.00 - £60.00 Depending on requirements / activity	£20.00 - £60.00 Depending on requirements / activity	£20.00 - £60.00 Depending on requirements / activity	TBC
Education Charges (Rad and Mont)	Visit to Museum by an educational organisation	Free	Free	Free	TBC
	Use of handling collection at museum	£25 per Topic	£25 per Topic	£25 per Topic	TBC
	Use of Victorian/WW2 school room - (Mont only)	£25.00	£25.00	£25.00	0.00%
	Rental of handling collection	£40 per Topic	£40 per Topic	£40 per Topic	TBC
	Transport of above (delivery/return)	£0.45 per mile	£0.45 per mile	£0.45 per mile	TBC
	Crafts	£2 per child	£2 per child	£2 per child	TBC

ARCHIVES

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Photocopies	A4 per sheet	£0.50	£0.50	£0.50	0.00%
	A3 per sheet	£1.00	£1.00	£1.00	0.00%
	Micro film / fiche printout	£1.00	£1.00	£1.00	0.00%
	Postal requests (cost of copies, plus postage)	£3.00	£3.00	£3.00	0.00%
	Images digitised from the original document, printout, per image	charged as per staff time	charged as per staff time	charged as per staff time	TBC
	Images of existing digital images, on CD, per image	charged as per staff time	charged as per staff time	charged as per staff time	TBC
	Images of existing digital images, printout, per image	charged as per staff time	charged as per staff time	charged as per staff time	TBC
Research Service	Half an hour quick “look-up” (parish registers and census only)	£20.00	£20.00	£20.00	0.00%
	One hour research	£40.00	£40.00	£40.00	0.00%
	Two hours research	£80.00	£80.00	£80.00	0.00%
Photography Permit	Annual permit to take digital photographs of archive documents (for private research only)	Daily permit £9; weekly permit £20; annual permit £50	Daily permit £9; weekly permit £20; annual permit £51	Daily permit £9; weekly permit £20; annual permit £51	TBC
Family and Local History Internet Sessions	One-to-one sessions on family or local history sources on the Internet, one hour	£5 per individual in group; £10 individual	£5 per individual in group; £10 individual	£5 per individual in group; £10 individual	TBC

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PRIVATE SECTOR HOUSING

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Renewals:	Landlord Loans	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to £35k works per unit recovered over 5-years)	0.00%
	CO2I Loans (ZILF)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	0.00%
	W.G. Home Improvement Loans (HILS)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	0.00%
	WG Houses into Homes Loans (Formal Route)	up to £495 administration fee, plus £50 land registry fee	up to £495 administration fee, plus £50 land registry fee	no longer offered - activity now delivered via local authority landlord loan (up to 15% fee)	N/A
	WG Houses into Homes Loans (Following Works in Default Notice - Supervised)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	up to 15% of loan value (up to £5K per measure recovered over 5 years)	0.00%
	WG Town Centre Loans	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to £25K per unit recovered over 5 years)	up to 15% of loan value (up to 35k works per unit recovered over 5-years)	0.00%
	Safe Warm & Secure Assistance	up to 15% of approved works - e.g. to support delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided applications, or Housing Standards Enforcement Guidance.	up to 15% of approved works - e.g. to support delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided applications, or Housing Standards Enforcement Guidance.	up to 15% of approved works - e.g. to support delivery of W.G. Loan Capital), otherwise limited to a maximum of £1k per building for voided applications, or Housing Standards Enforcement Guidance.	0.00%
Enforcement:	HMO Mandatory Licensing	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	£750 fee + £25 for every self contained unit in a building beyond 5 (fee covers 5-yr license)	0.00%
	Immigration Inspection fee	£150 per inspection	£150 per inspection	£150 per inspection	0.00%
	Rent Smart Wales Landlord Training Course Fee	N/A - Powys is no longer a training provider for Cardiff	N/A - Powys is no longer a training provider for Cardiff	N/A - Powys is no longer a training provider for Cardiff	N/A
	Statutory Enforcement (works in default)			up to £750 to cover reasonable recovery of officer time/expense for enforcement activity.	100.00%

Tudalen 106

FREEDOM WEBSITE LINK

Junior Annual	£242.00	£ 258.00
NPTC / sixth form	£25.20	£ 26.90
Concession / Corporate Monthly	£35.50	£ 37.90
Concession / Corporate Annual	£355.00	£ 379.00
Concession / Corporate Joint	£72.80	£ 77.70
PCC Employee DD	£35.50	£ 37.90
PCC Employee (historic) DD	£35.50	£ 37.90
Swim only Monthly 60+	£21.20	£ 22.60
Swim only Annual 60+	£212.00	£ 226.00
ATF membership	£25.50	£ 27.20
Health' Membership	£27.40	£ 29.30
Swim School		
Swim School Joining Fee	£10.00	£ 10.00
Child Lesson	£6.90	£ 7.40
Adult Lesson	£7.50	£ 8.00
Adult Swim Lessons 1-1	£27.50	£ 29.30
Junior Swim Lessons 1-1	£27.50	£ 29.30
Baby Lessons	£6.90	£ 7.30
Rookie Lifeguard	£7.60	£ 8.10
Piranha Swim Club	£7.60	£ 8.10
1:1 Private Lesson	£27.50	£ 29.30
30 Min Junior DD	£29.80	£ 31.75
45 Min Junior DD	£32.50	£ 34.70
60 Min Junior DD	£36.50	£ 38.90
Bowls Hall		£ -
Penlan 1hr	£3.40	£ 3.60
Penlan 2hr	£4.50	£ 4.80
Casual 1hr	£3.90	£ 4.10
Casual 2hr	£5.40	£ 5.70
Ten Pin Bowling		
Adult		
Adult (Off Peak)		
Junior		
Junior (Off Peak)		
Family		
Family (Off Peak)		
Health & Fitness		
Induction	£15.00	£ 16.00
Casual Fitness	£8.50	£ 9.10
Casual Fitness (Junior) *****	£4.40	£ 4.70
YEP Teen Toners *****	£4.50	£ 4.80
Personal Training	£39.20	£ 41.80
Group Fitness Classes	£6.90	£ 7.40
NERS	£2.50	£ 2.50

FREEDOM WEBSITE LINK

Tudalen 109

AAA Over 50's	£5.60	£ 6.00
Dryside Activities		
Adult Hall Hire	£60.50	£ 64.50
Junior Hall Hire	£35.20	£ 37.50
Half Hall Hire	£37.60	£ 40.10
Junior Half Hall Hire	£29.15	£ 31.10
Activity Hall (Adult) *****	£38.90	£ 41.50
Activity Hall (Junior) *****	£29.15	£ 31.00
Badminton	£12.40	£ 13.20
Junior Badminton	£7.80	£ 8.30
Table Tennis	£5.50	£ 5.90
Gymnastics	£6.80	£ 7.30
Squash		
Adult	£7.40	£ 7.90
Junior	£5.90	£ 6.30
Outdoor		
ATP pitch - full pitch 1 hour adult	£58.80	£ 62.70
ATP floodlights (per hour)	£10.00	£ 10.70
ATP pitch - half pitch 1 hour adult 24.00	£35.50	£ 37.90
ATP pitch - full pitch 1 hour junior 33.00	£47.80	£ 51.00
ATP pitch - half pitch 1 hour junior 21.00	£30.80	£ 32.90
ATP pitch - third pitch 1 hour	£23.50	£ 25.10
ATP Match Adult (per 2 hours) *****	£78.20	£ 83.40
ATP Match Junior (per 2 hours) *****	£55.50	£ 59.20
Athletics track - adult	£3.90	£ 4.20
Athletics track - junior	£3.20	£ 3.40
Field Inside Track *****	£53.10	£ 56.60
Field Inside Track with Floodlights *****	£82.80	£ 88.40
Athletics Events		
Half day - 4 hours (no staff included, chargeable on hire)	£458.00	£ 488.70
Full day (no staff included, chargeable on hire)	£770.00	£ 821.60
Track hire - 1 hour	£30.10	£ 32.10
Brecon AC track and pavilion per hour	£33.90	£ 36.20
Netball court hire - adult (per hour)	£32.80	£ 35.00
Netball court hire - junior (per hour)	£22.20	£ 23.70
Tennis courts - adult (per hour)	£6.20	£ 6.60
Tennis courts - junior (per hour)	£4.20	£ 4.50
Floodlights (per hour)	£30.00	£ 32.00
Pavilion (per hour) *****	£24.20	£ 25.80
Big Shed Changing Rooms (per match) **	£24.20	£ 25.80
Meeting Rooms		
Meeting Room over Pool (per day) *****	£120.00	£ 128.00
Meeting Room over Pool (per hour) *****	£23.50	£ 25.00
Meeting Room 2 (per hour) *****	£17.80	£ 19.00

FREEDOM WEBSITE LINK



Tudalen 110

CTAX

CATEGORY	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Council Tax	Summons (subject to Court approval)	£50.00	£50.00	£50.00	0.00%	as per Legislation maximum costs that can be charged in Wales is £70.00 (any combination).
	Liability Order	£20.00	£20.00	£20.00	0.00%	
	<i>Council tax Premium- second homes</i>	50%	75%	75%	0.00%	Housing (Wales) Act enables a 300% premium to be charged on second homes. Council determined 09/03/2016 to charge a premium of 50% from 01/04/2017 and then 75% from 01/04/23 . Exceptions to premium apply.
	Council tax Premium -Long Term empties	50%	100%	100%	0.00%	Housing (Wales) Act enables a 300% premium be charged on Long-term empty properties. Council determined 09/03/2016 to charge a premium of 50% from 01/04/2017 and 100% from 01/04/23 . Exceptions to premium apply
NNDR	Summons (subject to Court approval)	£50.00	£50.00	£50.00	0.00%	

Tudalen 111

CAR PARK

CAR PARK FEES AND CHARGES	CATEGORY	UP TO 1 HR					UP TO 2 HRS					UP TO 4 HRS					OVER 4 HRS					OVERNIGHT					
		21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	
Short Stay Car Parks	Motor Car	£1.00	£1.00	£1.40	tbc	40.00%	£2.00	£2.00	£2.50	tbc	25.00%																
Hay on Wye - Market Square car park Brecon - George Street, Viaduct Inner and Y Gaer car parks Llandrindod Wells - Middleton Street car park Knighton - Norton Arms car park Welshpool - Severn Stars car park																											
Long Stay Mixed Use Car Parks	Motor car/cycle	£1.00	£1.00	£2.50	tbc	150.00%	£2.00	£2.00	£2.50	tbc	25.00%	£3.00	£3.00	£3.25	tbc	8.33%	£4.00	£4.00	£4.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
	Vehicle & Trailer/caravan	£2.00	£2.00	£5.00	tbc	150.00%	£4.00	£4.00	£5.00	tbc	25.00%	£6.00	£6.00	£6.50	tbc	8.33%	£8.00	£8.00	£8.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
	Van <3t	£1.00	£1.00	£2.50	tbc	150.00%	£2.00	£2.00	£2.50	tbc	25.00%	£3.00	£3.00	£3.25	tbc	8.33%	£4.00	£4.00	£4.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
Builth Wells - Smithfield and The Groe car parks Crickhowell - Beaufort Street car park Hay-on-Wye - Oxford Road car park Brecon - Promenade car park Knighton - Bowling Green Lane car park Rhayader - Dark Lane car park Newtown Back Lane and Gravel car parks Welshpool - Berriew Street and Church Street car parks Llandioes - Mount Street car park Machynlleth - Maengwyn Street car park																											
Long Stay Motorcars/Cycles plus Trailer/Caravan	Motor car/cycle/van <3t	£1.00	£1.00	£2.50	tbc	150.00%	£2.00	£2.00	£2.50	tbc	25.00%	£3.00	£3.00	£3.25	tbc	8.33%	£4.00	£4.00	£4.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
	Vehicle & Trailer/caravan	£2.00	£2.00	£5.00	tbc	150.00%	£4.00	£4.00	£5.00	tbc	25.00%	£6.00	£6.00	£6.50	tbc	8.33%	£8.00	£8.00	£8.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
Brecon - Alexandra Road, Kensington, Dinas Road, Scout Lane, Viaduct Outer and Canal Road car parks Ystradgynlais - Heol Maes y Dre and Heol Eglwys Presteigne - Hereford Street and High Street car parks																											
Long Stay Motorcars/Cycles only	Motor car/cycle	£1.00	£1.00	£2.50	tbc	150.00%	£2.00	£2.00	£2.50	tbc	25.00%	£3.00	£3.00	£3.25	tbc	8.33%	£4.00	£4.00	£4.00	tbc	0.00%	£0.00	£0.00	£0.00	tbc	TBC	
Brecon - Alexandra Road, Kensington, Dinas Road, Scout Lane, Viaduct Outer and Canal Road car parks Ystradgynlais - Heol Maes y Dre and Heol Eglwys Presteigne - Hereford Street and High Street car parks Llandrindod Wells - Town Hall car park																											

CAR PARK FEES AND CHARGES	CATEGORY	Per Day				OVERNIGHT				
Long Stay Coach and Lorry Park	Coach/Goods Vehicle	£8.00	£8.00	£8.00	tbc	0.00%	£0.00	£0.00	£0.00	TBC
Brecon - Canal Road Coach and Lorry Park										

LOCATION	TYPE OF VEHICLE	PERMITS					% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge	21/22	22/23	2023/24	2024/25	% increase /decrease from previous charge				
		21/22	22/23	2023/24	2024/25	21/22																	22/23	2023/24	2024/25	
CAR PARK PERMITS	TYPE OF VEHICLE																									
	Motor Cars	£40.00	£40.00	£40.00	tbc	0.00%	£115.00	£115.00	£115.00	tbc	0.00%	£205.00	£205.00	£205.00	tbc	0.00%	£370.00	£370.00	£370.00	*	tbc	TBC				
	Cars and Trailers	£70.00	£70.00	£70.00	tbc	0.00%	£185.00	£185.00	£185.00	tbc	0.00%	£340.00	£340.00	£340.00	tbc	0.00%	£610.00	£610.00	£610.00	*	tbc	TBC				
	Motorhomes	£70.00	£70.00	£70.00	tbc	0.00%	£185.00	£185.00	£185.00	tbc	0.00%	£340.00	£340.00	£340.00	tbc	0.00%	£610.00	£610.00	£610.00	*	tbc	TBC				
	Goods Vehicles	£70.00	£70.00	£70.00	tbc	0.00%	£185.00	£185.00	£185.00	tbc	0.00%	£340.00	£340.00	£340.00	tbc	0.00%	£610.00	£610.00	£610.00	*	tbc	TBC				
Bus/Coach	£70.00	£70.00	£70.00	tbc	0.00%	£185.00	£185.00	£185.00	tbc	0.00%	£340.00	£340.00	£340.00	tbc	0.00%	£610.00	£610.00	£610.00	*	tbc	TBC					

Tudalen 112

WASTE COLLECTION

Category	SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Household Waste	Bulky Household Waste (subject to conditions)	£35 (up to 3 items)	£38.50 (up to 3 items)	£42.00	10.00%	10% increase to reflect increase in disposal costs
Misc	Purple Sacks (domestic) 26 per roll	£59.90	£65.90	£72.50	10.02%	10% increase to reflect increase in disposal costs
	HWRC Trade Recycling permit (annual fee)	£250.00	£275.00	£300.00	9.09%	10% increase to reflect increase in HWRC costs
Greenwaste	Domestic Garden (Garden Sacks) Annual Charge	£ 34.00	£ 35.00	£ 45.00	28.57%	
	Domestic Garden (120 Litre) Annual Charge	£ 34.00	£ 35.00	£ 45.00	28.57%	
	Domestic Garden (240 Litre) Annual Charge	£ 39.00	£ 40.00	£ 50.00	25.00%	

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Tudalen 114

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
Temporary Traffic Signals	2 way lights	1 week	Notification Only No Charge	Notification Only No Charge	Notification Only No Charge	N/a	Each period of installation
	3 / 4 way lights	6 weeks County 12 weeks Trunk	Notification Only No Charge	Notification Only No Charge	Notification Only No Charge	N/a	Each period of installation
Scaffolding	Consideration of an application to erect over a highway any scaffolding or other structure.	1 week	£ 100.00	£ 106.00	£ 113.00	6.60%	Initial consideration and first 2 weeks
	Consideration of an application to retain on or over a highway any scaffolding or other structure.	1 week	£ 60.00	£ 65.00	£ 70.00	7.69%	Each additional week or part thereof
Skip	Consideration of an application for permission to place a skip on any highway.	1 week		£ 60.00	£ 65.00	8.33%	Initial consideration and first 2 weeks
	Consideration of an application for permission to retain a skip on any highway.	1 week	£ 30.00	£ 30.00	£ 32.01	6.70%	Each additional week or part thereof
Hoarding	Consideration of an application for consent to erect a hoarding or fence.	1 week	£ 100.00	£ 106.00	£ 113.00	6.60%	Initial consideration and first 2 weeks
	Consideration of an application for consent to retain a hoarding or fence.	1 week	£ 60.00	£ 65.00	£ 70.00	7.69%	Each additional week or part thereof
0							
Seasonal Decs,Banners/Bunting	Consideration of application to erect short term banners & decorations within or over a highway or street.	2 weeks	£ 111.00	£ 115.00	£ 125.00	8.70%	
Materials storage/Working areas on the Highways	Consideration of an application for consent to temporarily deposit building materials rubbish or other things in a street that is maintainable at public expense.	1 week	£ 100.00	£ 106.00	£ 113.00	6.60%	Initial consideration and first 2 weeks
	Consideration of an application for consent to continue temporarily depositing building materials rubbish or other things in a street that is maintainable at public expense.	1 week	£ 60.00	£ 65.00	£ 70.00	7.69%	Each additional week or part thereof

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Tudalen 115

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
Vehicle Access	Vehicle Access - Residential property verge and/or footway crossing. Authorisation of access and inspection of the works as required.	1 month	£ 140.00	£ 150.00	£ 150.00	0.00%	
	Vehicle Access - Commercial premises verge and/or footway crossing. Authorisation of access and inspection of the works as required.	1 month	£ 280.00	£ 300.00	£ 320.00	6.67%	
Private apparatus placed in the Highway	Single dwelling, non-commercial development and the like. New Connections up to 100 metres	1 month	£ 330.00	£ 350.00	£ 360.00	2.86%	
	Multiple dwellings, commercial development and the like. New Connections up to 100 metres	1 month	£ 490.00	£ 520.00	£ 555.00	6.73%	
	Repair, renewal or replacement of existing where no previous licence exists up to 100 metres.	1 month	£ 275.00	£ 290.00	£ 360.00	24.14%	
	Repair, renewal or replacement of existing where licence already granted up to 100 metres.	1 month	£ 185.00	£ 195.00	£ 210.00	7.69%	
	New connections, repair, renewal or replacement. Extra over for each additional 100 metres of excavation or part thereof.	1 month	£ 185.00	£ 195.00	£ 210.00	7.69%	
Excavations in Streets	Authorisation for temporary excavations in streets such as foundations of adjacent walls, trial pits etc.	1 month	£ 275.00	£ 290.00	£ 310.00	6.90%	
	Structural calculations in connection with works in Highways or Streets Checking of submitted calculations in connection with applications for consents, authorisation etc.	1 month	Quote	Quote	Quote	TBC	
	Cellars under Streets Consideration for construction or control of openings to cellars etc. under the street. (Includes checking of submitted structural calculations)		£ 510.00	£ 540.00	£ 580.00	7.41%	
	Temporary Traffic Regulation Orders (TTRO) and Temporary Traffic Regulation Notices (TTRN) for works in the highway	10 weeks	£ 1,100.00	£ 1,100.00	£ 1,210.00	10.00%	
	TTRO & TTRN amendments to existing orders and notices		£ 335.00	£ 355.00	£ 380.00	7.04%	
	Temporary for single events on the highway	10 weeks	£ 505.00	£ 535.00	£ 575.00	7.48%	First Event
	Temporary for repeat events on the highway within 6 months of last event.	10 weeks	£ 365.00	£ 385.00	£ 415.00	7.79%	Repeat event (within 12 months)

LAPAAN 2024)

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
Road Closures/Traffic Regulation Order etc.	Traffic Regulation Order - Permanent	9 months	£ 4,000.00	£ 4,300.00	£ 4,590.00	6.74%	
	Stopping up of Highways	9 months	£ 3,500.00	£ 3,700.00		-100.00%	Minimum deposit required. Costs above this must be met by applicant
	Motor Race Order [MRO] - to Process application for a road Rally under s12a to 12e of the Road Traffic Regulation Act 1988 MRO and Special events Order under section 16a Road Traffic Regulation Act 1984	6 months			£ 5,000.00		New Charge
	MRO - Fee per Race Stage				£ 1,250.00		New Charge
Use of Council venue	Use of Council owned or operated car park for event	10 weeks	Loss of average daily income plus £77.25 administration	Loss of average daily income plus £82.00 administration		TBC	Charges calculated on full day basis only
	Cultivation of or planting within the Highway and maintenance thereafter.	3 months	£ 205.00	£ 220.00	£ 235.00	6.82%	
	Furniture placed on highway, street, walkway etc. - Authorisation to place furniture or similar	3 months	£ 205.00	£ 205.00	£ 205.00	0.00%	Charging schedule under review
Cattle Grids	Consideration of application to install in a highway, assessment of contribution from the Council and Report.	12 months	£ 620.00	£ 660.00	£ 750.00	13.64%	
	Applicant's contribution towards the costs of installation and future maintenance.		0 to 100%	0 to 100%	0 to 100%	TBC	

Tudalen 116

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Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
Enquiries and advice	View the record of highways maintainable at public expense at Headquarters.	By appointment	No charge	No charge	No charge	TBC	
	Extract from highway register for residents in relation to their property.	2 weeks	No charge	No charge	No charge	TBC	
	Enquiries, advice and site visits		No charge	£ 90.00	Quote	TBC	Minimum 1 hour based on officer charge rates for Engineering Design Services
	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study max site length 0.5km (excludes rights of way).	6 weeks	£ 215.00	£ 230.00	£ 260.00	13.04%	
	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study & site visit max site length 0.5km (excludes rights of way).	6 weeks	£ 425.00	£ 450.00	£ 510.00	13.33%	
	Opinion in relation to the extent of County classified and unclassified highways. Desk-top study and/or site visit site length over 0.5km (excludes rights of way).	variable	Quote	Quote	Quote	TBC	
Information	Supply of information in format to be agreed e.g. road and traffic schemes information, report copies/extracts, plans etc (incl. where distributed by email).		£ 30.00	Quote	Quote	TBC	
	Accident data - standard report		£ 15.00	£ 20.00	£ 25.00	25.00%	Per collision
	Traffic data - (existing) each individual type of report		£ 75.00	£ 80.00	£ 90.00	12.50%	Per site per report type
	Traffic data - Location plan (each plan max A3 size)		£ 45.00	£ 50.00	£ 55.00	10.00%	For collision or survey locations
	Traffic surveys - ATC including analysis & provision of data per site		£ 490.00	£ 520.00	£ 555.00	6.73%	Excludes traffic management which will be quoted individually under "Works"
	Traffic surveys - ATC - each additional site within 5km radius		£ 230.00	£ 250.00	£ 270.00	8.00%	Excludes traffic management which will be quoted individually under "Works"
APC's and Section 38 Agreement	Section 38 Agreement - Vetting fee for review of proposals outside agreement.		£ 1,050.00	£ 1,115.00	£ 1,190.00	6.73%	
	Section 38 Agreement - Minimum inspection / administration fee.		the greater of 7% of bond or £3,500	the greater of 7% of bond or £3,750	the greater of 7% of bond or £3,850	TBC	
	Unit rate per linear metre for carriageway - width up to 5.5 metres.		£ 950.00	£ 1,120.00	£ 1,290.00	15.18%	
	Unit rate per linear metre for carriageway - width over 5.5 metres up to 7.3 metres.		£ 1,100.00	£ 1,300.00	£ 1,500.00	15.38%	

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Tudalen 118

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
	Site inspection - Over and above that covered by the agreement.		£ 210.00	£ 225.00	£ 290.00	28.89%	
	Agreements - Extension beyond the initial period.		2.5% of bond per year or part thereof	2.5% of bond per year or part thereof	2.5% of bond per year or part thereof	TBC	
	Surface Water Drainage - connection to highway drainage (per dwelling where existing system has capacity).		£ 2,500.00	£ 2,650.00	£ 3,500.00	32.08%	
	Soakaways - Commuted sum for future maintenance of soakaways to deal with highway drainage.		Specific calculation for each site	Specific calculation for each site	Specific calculation for each site	TBC	
	Non-standard construction materials - Commuted sum for future maintenance.		Specific calculation for each site	Specific calculation for each site	Specific calculation for each site	TBC	
	Checking structural proposals and calculations		Quote	Quote	Quote	TBC	
	Consultancy		Quote	Quote	Quote	TBC	
	Attendance at site - following accidents or incidents of potential damage for traffic management, debris clearance, inspection, making safe, repairs etc.		At Cost	At Cost	At Cost	TBC	
Works		Quote	Quote	Quote	TBC		
Traffic Signs, Signals and Parking	Suspension of On-Street parking		£ 350.00	£ 370.00	£ 395.00	6.76%	
	Temporary parking dispensation in exceptional circumstances		£ 20.00	£ 22.00	£ 25.00	13.64%	Per vehicle per day. Maximum of 2 vehicles and limited to 5 days.
	Traffic signal switch off/on to allow temporary traffic management		£ 450.00	£ 480.00	£ 515.00	7.29%	Covers initial application
	Traffic signal switch off/on to allow temporary traffic management - additional visits		£ 225.00	£ 240.00	£ 260.00	8.33%	Per each additional visit
	H-Bar marking on the carriageway		£ 110.00	£ 115.00	£ 125.00	8.70%	
	Advisory Disabled bay		Free	Free	Free	TBC	
	Tourist Signing - Consideration of a request for tourist signing. Excluding cost of sign(s) and installation.		£ 130.00	£ 140.00	£ 150.00	7.14%	
	Provision of Design and Manufacture of Tourism signs		Quote	Quote	Quote	TBC	
	Notices for road humps and/or traffic calming		£ 1,500.00	£ 1,600.00	£ 1,710.00	6.88%	New Charge
	Sustainable Drainage (SuDs) Pre-Application Advice – Dwelling Houses 1 to 9		£ 250.00	£ 250.00	£ 280.00	12.00%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Dwelling Houses 10 to 24		£ 600.00	£ 600.00	£ 675.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Dwelling Houses more than 24		£ 1,000.00	£ 1,000.00	£ 1,125.00	12.50%	

LAPAAAN 2024

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
NEW Flood Risk & Sustainable Drainage	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space does not exceed 999 sq.m.		£ 250.00	£ 250.00	£ 280.00	12.00%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space between 1,000 sq.m. to 1,999 sq.m.		£ 600.00	£ 600.00	£ 675.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Erection of buildings (other than dwelling houses) – Area of gross floor space exceeds 1,999 sq.m.		£ 1,000.00	£ 1,000.00	£ 1,125.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site area does not exceed 0.49 ha		£ 250.00	£ 250.00	£ 280.00	12.00%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site area is 0.5 ha to 0.99 ha		£ 600.00	£ 600.00	£ 675.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Material change in the use of land – Site area exceeds 0.99 ha		£ 1,000.00	£ 1,000.00	£ 1,125.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – All other Construction not detailed above (site area less than 1 ha)		£ 250.00	£ 250.00	£ 280.00	12.00%	
	Sustainable Drainage (SuDs) Pre-Application Advice – All other Construction not detailed above (site area more than 1 ha)		£ 600.00	£ 600.00	£ 675.00	12.50%	
	Sustainable Drainage (SuDs) Pre-Application Advice – Site Meeting		£ 60.00	£ 60.00	Quote	TBC	Per hour or part thereof
	Sustainable Drainage (SuDs) Pre-Application Advice – Office Meeting		£ 30.00	£ 30.00	Quote	TBC	Per hour or part thereof
	Sustainable Drainage (SuDs) Full Application		Set by WG	Set by WG	Set by WG	TBC	Applicants should check for current price, charge set by Welsh Government. EIA = Environmental Impact Assessment.
	Land Drainage - Ordinary Watercourse Consent		£ 50.00	£ 50.00	£ 50.00	0.00%	Applicants should check for current price, charge set by Welsh Government.

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LAPAAAN 2024

Category	Service	Typical Minimum Notice Period	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Notes
	Site inspection				£ 168.00		Applicants should check for current price, charge set by Welsh Government. Number of inspections required variable depending on site design
NEW EV Charging	charge per kWh at the Councils owned/operated fast chargers		£ 0.65	*	*	TBC	Includes VAT - Prices are constantly under review due to uncertainties in energy supply costs. users will need to check the chargers/app for current prices. PH paper published 2 Dec 2022 for rise to 65p

* - to be determined by separate Portfolio Holder paper once the energy charges for 24-25 are confirmed

REGISTRATIONS

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Category	SERVICE	2022/23	2023/24	2024/25 exc VAT	% increase /decrease from previous charge	Comments
Approved premises	License (for a 3 year period)	£1,000.00	£1,100.00	£1,170.00	6.36%	
Marriage/Civil Partnership at Licensed Premises and other Ceremonies Fee:	Monday-Thursday	£357.00	£393.00	£429.00	9.16%	
	Friday	£375.00	£413.00	£442.00	7.02%	
	Saturday	£431.00	£475.00	£507.00	6.74%	
	Sunday/Bank Hols	£510.00	£561.00	£599.00	6.77%	
Civil Naming Ceremony Fees and Re-Affirmation of Vows/Commitment Ceremonies:	Mon - Fri	£190.00	£209.17	£233.33	11.55%	VAT @ 20% to be charged on top
	Saturday	£213.00	£235.00	£271.67	15.60%	
	Sunday/Bank Hols	£239.00	£263.33	£308.33	17.09%	
	Non-refundable booking fee	£25.00	£27.50	£29.17	6.07%	VAT @ 20% to be charged on top
Issuing a standard or short certificate of birth,	Standard service – issued at time of registration, or if requested later then processed within 15 working days	£ 11.00	£ 11.00	£ 11.00	0.00%	Statutory Fee

REGISTRATIONS

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death or marriage (and for statutory purposes):	Priority Service – issued on or before next working day (orders up to 3pm)	£ 35.00	£ 35.00	£ 35.00	0.00%	Statutory Fee
Attending a civil ceremony	at the register office - Mon - Friday	£ 46.00	£ 46.00	£46.00	0.00%	Statutory Fee
	at the register office - Saturday	£188.00	£207.00	£221.00	6.76%	
	Next day delivery (UK)	21	23.00	25.00	8.70%	
	Recorded delivery (UK)	16	17.00	18.00	6.25%	
	Statutory priority certificate fee for 24-hour service	£ 35.00	£ 35.00	35.00	0.00%	Statutory Fee
Misc.	Non refundable, non deductible booking fee for civil ceremonies	£25.00	£28.00	£30.00	7.14%	
	Proof of Life	£28.00	£31.00	£33.00	6.45%	
	Licensing update	£11.00	£12.00	£13.00	8.33%	
Decommissioned rooms	Mon - Fri	£143 - £235	£157-£258	£238 - £293	TBC	

REGISTRATIONS

Decommissioned rooms	Saturday	£235 - £363	£258-£399	£355 - £426	TBC	
Additional registration fees	Conversion of a civil partnership into marriage		£45.00	£45.00	0.00%	Statutory fee
	Entry of notice of marriage/civil partnership for persons subject to the Home Office Referral and Investigation Scheme		£47.00	£47.00	0.00%	Statutory fee
	Entry of notice of marriage/civil partnership for all other persons		£35.00	£35.00	0.00%	Statutory fee
	Consideration by the Superintendent Registrar of a divorce/civil partnership dissolution obtained outside the British Isles		£50.00	£50.00	0.00%	Statutory fee
	Consideration by the Registrar General of a divorce/civil partnership dissolution obtained outside of the British Isles		£28.00	£28.00	0.00%	Apportioned LRS (Statutory fee of £75)
	Consideration of a reduction in the 28 day notice to marry or form a civil partnership		£20.00	£20.00	0.00%	Apportioned LRS (Statutory fee of £60)
Fees for corrections to initial registration	Forename added within 12 months of birth registration		£40.00	£40.00	0.00%	Statutory fee
	Consideration of customer at fault correction by Superintendent Registrar		£75.00	£75.00	0.00%	Statutory fee
	Consideration by the Registrar General of a correction application		£32.00	£32.00	0.00%	Apportioned LRS (Statutory fee of £90)

LAND CHARGES

Category	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Searches of the Land Charges Register	LLC1 Search of the Local Land Charges Register - view only	£0.00	£0.00	£0.00	TBC	Statutory
	LLC1 Search of the Local Land Charges Register - tailored report	£6.00	£6.00	£6.00	0.00%	Statutory
	LLC1 Search of the Local Land Charges Register - electronic via NLIS	£4.00	£4.00	£4.00	0.00%	Statutory
	Personal Search of Local Land Charges Register - view only	£0.00	£0.00	£0.00	TBC	Statutory
	Additional Parcel - tailored report - per parcel	£1.00	£1.00	£1.00	0.00%	Statutory
	Additional Parcel - electronic via NLIS - per parcel	£1.00	£1.00	£1.00	0.00%	Statutory
Property Enquiries	CON29R - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. VIEW ONLY	£80.54	£87.67	£93.50	6.65%	& VAT
	CON29R - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. TAILORED REPORT	£125.83	£138.33	£147.50	6.63%	& VAT
	CON29R - Standard property enquiries, requested in full (individual questions may be requested, see individual question fees below. ELECTRONIC VIA NLIS	£125.83	£138.33	£147.50	6.63%	& VAT
	CON29O - Optional enquiry No. 22 View Only	n/a	n/a	n/a	TBC	& VAT
	CON29O - Optional enquiry No. 22 Tailored Report	£23.33	£25.83	£27.50	6.47%	& VAT
	CON29O - Optional enquiry No. 22 Electronic Via NLIS	£23.33	£25.83	£27.50	6.47%	& VAT
	Drafted Enquiries - tailored report	£23.33	£25.83	£27.50	6.47%	& VAT
	Drafted Enquiries - electronic via NLIS	£23.33	£25.83	£27.50	6.47%	& VAT
	Additional Parcel - tailored report - per parcel	£12.92	£15.00	£15.83	5.53%	& VAT
	Additional Parcel - electronic via NLIS - per parcel	£12.92	£15.00	£15.83	5.53%	& VAT
Full Standard Search LLC1 & CON29R: Search of the Local Land Charges Register together with standard property enquiries, and further additional enquiries have now been included- Tailored Report	Full Standard Search LLC1 & CON29R: Search of the Local Land Charges Register together with standard property enquiries, and further additional enquiries have now been included- Tailored Report	£131.83	£144.33	£153.50	6.35%	& VAT on CON29
	Full Standard Search LLC1 & CON29R: Search of the Local Land Charges Register together with standard property enquiries, and further additional enquiries have now been included- Electronic via NLIS	£129.83	£142.33	£151.50	6.44%	& VAT on CON29
	Additional Parcel - tailored report - per parcel	£13.92	£16.00	£16.83	5.19%	& VAT on CON29
	Additional Parcel - electronic via NLIS - per parcel	£13.92	£16.00	£16.83	5.19%	& VAT on CON29
1.1 a-i Planning Application Decisions and Pending Applications - view only	1.1 a-i Planning Application Decisions and Pending Applications - view only	FOC	FOC	FOC	TBC	
	1.1 a-i Planning Application Decisions and Pending Applications - compiled report	£21.67	£23.83	£25.40	6.59%	
	1.1 j-l Building Control Decisions and Pending Applications - view only	£19.00	£19.04	£20.30	6.62%	
	1.1 j-l Building Control Decisions and Pending Applications - compiled report	£19.00	£19.04	£20.30	6.62%	
	1.2 Planning Designations and Proposals - view only	£4.56	£5.04	£5.35	6.15%	
	1.2 Planning Designations and Proposals - compiled report	£4.56	£5.04	£5.35	6.15%	
	2.1 a-d Roads If a road, footpath or footway is not a highway, there might be no right to use it. The Council cannot express and opinion, without seeing the title plan of the property and carrying out an inspection, whether or not any existing or proposed highway directly abuts the boundary of the property. VIEW ONLY	FOC	FOC	FOC	TBC	

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LAND CHARGES

Category	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Individual CON29R Question Fees Available to Local Land Charge Office subject to the following fees:	2.1 a-d Roads If a road, footpath or footway is not a highway, there might be no right to use it. The Council cannot express an opinion, without seeing the title plan of the property and carrying out an inspection, whether or not any existing or proposed highway directly abuts the boundary of the property. - compiled report	£19.20	£20.96	£22.35	6.63%	
	2.2-2.5 Public Rights of Way - view only	£21.00	£23.33	£24.90	6.73%	
	2.2-2.5 Public Rights of Way - Compiled Report	£21.00	£23.33	£24.90	6.73%	
	3.1 Land Required for Public Purposes. View only.	£1.25	£1.42	£1.50	5.63%	
	3.1 Land Required for Public Purposes. Compiled Report	£1.25	£1.42	£1.50	5.63%	
	3.2 Land to be Acquired for Road Works. View only.	£1.25	£1.42	£1.50	5.63%	
	3.2 Land to be Acquired for Road Works. Compiled Report.	£1.25	£1.42	£1.50	5.63%	
	3.3 Drainage Agreements and Consents. Please contact the relevant water authority. View only.	£1.01	£1.16	£1.25	7.76%	
	3.3 Drainage Agreements and Consents. Please contact the relevant water authority. Compiled Report.	£1.01	£1.16	£1.25	7.76%	
	3.4 Nearby Road Schemes. View only.	£5.00	£5.49	£5.90	7.47%	
	3.4 Nearby Road Schemes. Compiled report.	£5.00	£5.49	£5.90	7.47%	
	3.5 Nearby Railway Schemes. View only.	£1.90	£2.09	£2.20	5.26%	
	3.5 Nearby Railway Schemes. Compiled report.	£1.90	£2.09	£2.20	5.26%	
	3.6 Traffic Schemes. View only.	£5.00	£5.49	£5.90	7.47%	
	3.6 Traffic Schemes. Compiled report.	£5.00	£5.49	£5.90	7.47%	
	3.7 Outstanding Notices. View only.	£5.99	£6.61	£7.05	6.66%	
	3.7 Outstanding Notices. Compiled report.	£5.99	£6.61	£7.05	6.66%	
	3.8 Contravention of Building Regulations. View only.	£2.97	£3.25	£3.45	6.15%	
	3.8 Contravention of Building Regulations. Compiled report	£2.97	£3.25	£3.45	6.15%	
	3.9 Notices, Orders, Directions and Proceedings under Planning Acts. View only.	£2.22	£2.91	£3.10	6.53%	
	3.9 Notices, Orders, Directions and Proceedings under Planning Acts. Compiled report.	£6.64	£8.78	£9.35	6.49%	
	3.10 Community Infrastructure Levy - View Only	£1.01	£1.16	£1.25	7.76%	
	3.10 Community Infrastructure Levy - Compiled Report	£1.01	£1.16	£1.25	7.76%	
	3.11 Conservation Areas. View only.	£2.22	£2.45	£2.60	6.12%	
	3.11 Conservation Areas. Compiled report.	£2.22	£2.45	£2.60	6.12%	
	3.12 Compulsory Purchase. View only.	£1.33	£1.45	£1.55	6.90%	
	3.12 Compulsory Purchase. Compiled report.	£1.33	£1.45	£1.55	6.90%	
	3.13 Contaminated Land. View only.	£2.17	£2.37	£2.50	5.49%	
	3.13 Contaminated Land. Compiled report.	£2.17	£2.37	£2.50	5.49%	
	3.14 Radon Gas. View only.	£1.65	£1.83	£1.95	6.56%	
	3.14 Radon Gas. Compiled report.	£1.65	£1.83	£1.95	6.56%	
	3.15 Assets of Community Value- View Only	£1.01	£1.16	£1.25	7.76%	
3.15 Assets of Community Value- Compiled Report	£1.01	£1.16	£1.25	7.76%		
4. Road Proposals by Private Bodies - view only.	£12.92	£15.00	£15.83	5.53%		
4. Road Proposals by Private Bodies - compiled report.	£12.92	£15.00	£15.83	5.53%		
5. Advertisements. View only.	£12.92	£15.00	£15.83	5.53%		
5. Advertisements. Compiled report.	£12.92	£15.00	£15.83	5.53%		
6. Completion Notices. View only.	£12.92	£15.00	£15.83	5.53%		
6. Completion Notices. Compiled Report.	£12.92	£15.00	£15.83	5.53%		

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LAND CHARGES

Category	Service	2022/23	2023/24	2024/25	% increase /decrease from previous charge	Comments
	7. Parks and Countryside. View only.	£12.92	£15.00	£15.83	5.53%	
	7. Parks and Countryside. Compiled Report.	£12.92	£15.00	£15.83	5.53%	
	8. Pipelines. View only.	£12.92	£15.00	£15.83	5.53%	
	8. Pipelines. Completion only.	£12.92	£15.00	£15.83	5.53%	
	9. Houses in Multiple Occupation. View only	£12.92	£15.00	£15.83	5.53%	
	9. Houses in Multiple Occupation. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	10. Noise Abatement. View only.	£12.92	£15.00	£15.83	5.53%	
	10. Noise Abatement. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	11. Urban Development Areas. View only.	£12.92	£15.00	£15.83	5.53%	
	11. Urban Development Areas. Completion only.	£12.92	£15.00	£15.83	5.53%	
	12. Enterprise Zones. View only.	£12.92	£15.00	£15.83	5.53%	
	12. Enterprise Zones. Completion only.	£12.92	£15.00	£15.83	5.53%	
	13. Inner Urban Improvement Areas. View only.	£12.92	£15.00	£15.83	5.53%	
	13. Inner Urban Improvement Areas. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	14. Simplified Planning Zones. View only.	£12.92	£15.00	£15.83	5.53%	
	14. Simplified Planning Zones. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	15. Land Maintenance Notices. View only.	£12.92	£15.00	£15.83	5.53%	
	15. Land Maintenance Notices. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	16. Mineral Consultation Areas. View only.	£12.92	£15.00	£15.83	5.53%	
	16. Mineral Consultation Areas. Compiled report	£12.92	£15.00	£15.83	5.53%	
	17. Hazardous Substance Consents. View only.	£12.92	£15.00	£15.83	5.53%	
	17. Hazardous Substance Consents. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	18. Environmental and Pollution Notices. View only.	£12.92	£15.00	£15.83	5.53%	
	18. Environmental and Pollution Notices. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	19. Food Safety Notices. View only.	£12.92	£15.00	£15.83	5.53%	
	19. Food Safety Notices. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	20. Hedgerow Notices. View only.	£12.92	£15.00	£15.83	5.53%	
	20. Hedgerow Notices. Compiled report.	£12.92	£15.00	£15.83	5.53%	
	21. Flood Defence & Land Drainage Consents	£12.92	£15.00	£15.83	5.53%	
	21. Flood Defence & Land Drainage Consents	£12.92	£15.00	£15.83	5.53%	
	22. Common Land, Town and Village Greens: Information also available free of charge by inspection of the definitive plan held at Llandrindod Wells. Compiled report. View only.	£23.33	£25.83	£27.50	6.47%	
	22. Common Land, Town and Village Greens: Information also available free of charge by inspection of the definitive plan held at Llandrindod Wells. Compiled report. Compiled report.	£23.33	£25.83	£27.50	6.47%	

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SOCIAL CARE

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Category	ITEM/SERVICE	2022/23	2023/24	2024/25	Comments
Miscellaneous Items	Home Care (domiciliary care) (per hour)	£23.50 up to max of £100pw, as set by WG	£23.50 up to max of £100pw, as set by WG	£25.00 up to max of £100pw, as set by WG	The fees and charges for Community Based Services will be increased in line with Welsh Government Guidelines when known
	Attendance at a Older Day Centre (per day)/Day and Employment Centre	£15 per day up to max of £100pw, as set by WG	£15 per day up to max of £100pw, as set by WG	£20 per day up to max of £100pw, as set by WG	
	Attendance at Learning Disabilities services in the community (per day)	£15 per hour up to max of £100pw, as set by WG	£15 per hour up to max of £100pw, as set by WG	£20 per hour up to max of £100pw, as set by WG	
	Transport to Older Day Centre	Free as directed by WG	Free as directed by WG	Free as directed by WG	
	24 hour Support (supported tenancy) (per week)	max of £100 per week, as set by WG	max of £100 per week, as set by WG	max of £100 per week, as set by WG	
	Shared Lives (short terms/respite placements)	£9.00 per night up to max of £100pw as set by WG	£9.00 per night up to max of £100pw as set by WG	£9.00 per night up to max of £100pw as set by WG	
	Shared Lives - sessional support	TBC	£26 per hour up to max of £100pw, as set by WG	£26 per hour up to max of £100pw, as set by WG	
	Package of care i.e. a range of services - maximum	Up to a max of £100.00 as set by WG	Up to a max of £100.00 as set by WG	Up to a max of £100.00 as set by WG	
	Respite i.e. a stay not exceeding 8 weeks	Up to a maximum of £100pw per single episode of care, as set by WG	Up to a maximum of £100pw per single episode of care, as set by WG	Up to a maximum of £100pw per single episode of care, as set by WG	
Direct Payment Scheme - service provision	£23.50 up to max of £100pw, as set by WG	£23.50 up to max of £100pw, as set by WG	£25 up to max of £100pw, as set by WG		
Meals	<i>Meals at the day centre (per meal)</i>	7.50	7.50	£7.50	
Appointee &	Protection of property	£35 per month	£40 per hour including mileage, in line with Court of Protection guidance	£40 per hour including mileage, in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	In line with Court of

SOCIAL CARE

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Deputyship				Tiered from £350 to a maximum of £700, in line with Court of Protection guidance	Tiered from £350 to a maximum of £700, in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	
	Winding up fee	£ 350.00				
	Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs - CAT 1				£745 charged to anyone who has above the hardship threshold of £3000 in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	Protection (COP) Practice
	Annual management fee for Deputyship payable on the anniversary of the Court Order - CAT 2				A) £775 for the first year of work, charged to those with assets over £16,000 in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ) B) £650 for the second and subsequent years, charged to those with assets over £16,000 C) Variable - 3.5% of capital held on anniversary date, for those who cannot be charged A or B above, i.e. charged to anyone with assets between £3000 and £16,000 in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	Direction Fees and agreed by Ministry of
	Annual Property management fee - CAT3			£300	£300 in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	
	Preparation and lodgement of accounts to the Office of the Public Guardian – CAT 4				£216 charged to anyone who has assets over £3000 and where report submitted to OPG in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	Justice (MOJ), so will be
	Completion of HMRC Tax Returns - CAT 5				£70 Basic £140 Complex where tax returns are completed for HMRC on behalf of 'P' in line with Court of Protection (COP) Practice Direction Fees and agreed by Ministry of Justice (MOJ)	increased when known

DIGITAL SERVICES

Category	ITEM/SERVICE	2022/23	2023/24	2024/25	% increase /decrease from previous charge
Careline	Careline	£ 50.77	£ 50.77	£ 50.77	0.00%

COUNTRYSIDE

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Category	SERVICE	2022-23	2023/24	2024/25	% increase /decrease from previous charge	Comments
Public rights of way	Copy Definitive Map extract - A4 or A3 sheet	£20.00	£20.00	£20.00	0.00%	Includes scanned and emailed copies
	Section 33 Motorsport authorisation	£30.00	£30.00	£30.00	0.00%	Approved by Cabinet as part of revised protocol March 2020
	Temporary closure notice required for motorsport events <i>(NB Band One: Where no more than two public rights of way are affected. Band Two: Where three or more public rights of way are affected.)</i>	If Council puts up notices: Band 1 - £240 Band 2 - £750 If event organiser puts up notices: Band 1 - £50 Band 2 - £117	If Council puts up notices: Band 1 - £240 Band 2 - £750 If event organiser puts up notices: Band 1 - £50 Band 2 - £117	If Council puts up notices: Band 1 - £240 Band 2 - £750 If event organiser puts up notices: Band 1 - £50 Band 2 - £117	0.00%	Costs approved by Cabinet as part of revised protocol March 2020
	Section 135 authorisation for works disturbing surface of public right of way	£282.50 plus actual advertising costs	£312.73 plus actual advertising costs	£333.70 plus actual advertising costs	6.71%	
	Public path Order (diversion, extinguishment or creation)	£1697 plus actual advertising costs	£1878 plus actual advertising costs	£2004 plus actual advertising costs	6.71%	Subject of separate charging policy - pre-approved. Costs increase annually in line with inflation where positive
Commons Registration	Copy Commons Register extract - Register plan	£6 minimum, £0.50 per A4 or A3 sheet thereafter	£6 minimum, £0.50 per A4 or A3 sheet thereafter	£6 minimum, £0.50 per A4 or A3 sheet thereafter	TBC	Under review - Portfolio Holder report being prepared
	Copy Commons Register extract - Rights, ownership or land text entries	£1 for first A4 or A3 sheet, £0.50 per sheet thereafter	£1 for first A4 or A3 sheet, £0.50 per sheet thereafter	£1 for first A4 or A3 sheet, £0.50 per sheet thereafter	TBC	
	Copy Commons Register extract - Supplemental plans	£1 per plan	£1 per plan	£1 per plan	TBC	
	Commons Register Investigations	Minimum £20 plus VAT	Minimum £20 plus VAT	Minimum £20 plus VAT	TBC	
	Commons Register 'Corrective' applications	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Full cost recovery, minimum indicative cost £1500	Actual costs of officer time to be re-assessed annually to ensure full cost recovery. Indicative costs and hourly rates published on Council website in line with Regulations.

COUNTRYSIDE

	Landowner statements under section 15A of the Commons Act 2006	Costs being developed - subject of separate Portfolio Holder report	Costs being developed - subject of separate Portfolio Holder report	Costs being developed - subject of separate Portfolio Holder report		Will need to be full cost recovery
Outdoor recreation	Play area and open space inspections for external organisations	£52.90 plus VAT	£58.50 plus VAT	£62.40 plus VAT	6.67%	E.g. land transferred to Community Councils

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		2024/25	2025/26	2026/27	2027/28	2028/29
		£	£	£	£	£
Service						
	Corporate Pressures					
corp	Council Tax Reduction Scheme (7.5% CT increase in 24/25, 5% CT increase per year thereon)	740,250	777,263	816,126	856,932	899,779
corp	Fire Levy (+5% from 2025/26 on)	1,090,344	508,568	533,996	560,696	588,731
corp	BBNP	18,466	18,466	18,466	18,466	18,466
corp	Apprenticeship levy increase linked to pay award - around 0.4% of pay	162,000	32,000	25,000	25,750	26,265
		2,011,060	1,336,296	1,393,588	1,461,844	1,533,240
	Growth Demography (+)					
Schools	Schools Delegated - Pupil number - change in formula	-218,997	0	0	0	0
Schools	Schools Delegated - Pupil number - change in formula	137,008	100,000	0	0	0
Schools	Schools Delegated - Pupil number - change in formula	55,000	0	0	0	0
ASC	ASC Learning Disabilities Transitions - based on a known list of service users attaining age of 18, current costs v adult possible placement i.e., right sized	721,830	734,270	734,270	734,270	734,270
		694,841	834,270	734,270	734,270	734,270
	Schools					
Schools	Increase delegated funding	3,600,000				
		3,600,000	0	0	0	0
	Service Specific Pressures (+)					
Schools	Utility pressures - 24-25 deflation and future years	0	-748,446	170,000	190,000	210,000
Schools	ICT - Schools Sustainability Programme (currently WG Ed Tech funded)	0	250,000	0	0	0
Education	Freedom Leisure Contract inflation CPI %	101,858	82,018	71,945	49,403	50,391

Education	Existing Early Retirement pressure net cost pension strain School level (policy)	100,000	0	0	0	0
Education	Sustainable Communities for Learning Programme funding ceasing March 2026 - Transformation Team sit in Transformation directorate	0	0	449,450	0	0
Education	Sustainable Communities for Learning Programme funding ceasing March 2026 - ALN team	0	0	137,430	0	0
HCD	Library Staff equal pay re: Customer Services Review (@grade 5)	23,250	23,250	0	0	0
HCD	Business Case for 'Compliant Homeless Services for Powys' Part One: Instant Access 24-7 Triage Service – Clients aged 16 to 25 years old; Instant Access 24-7 Triage Service – Clients aged 25+ (Please refer to Business Case for details of potential savings in bed-and-breakfast costs). Project Officer post to oversee the project and find the properties	0	38,688	38,688	-59,920	0
HCD	Business Case for 'Compliant Homeless Services for Powys' Part Two: 24/7 Supported Accommodation for Households with Higher Support Needs.(Please refer to Business Case for details).	0	244,204	0	0	0
ASC	Contract/provider uplifts - Residential, Nursing, Supported Living, Domiciliary Care, Direct Payments -in line with	8,553,179	4,630,956	4,862,504	5,105,629	5,307,329
Childrens	Unaccompanied Asylum Seeking Children (UASC) - Additional Staffing in line with allocation increase	99,649	0	0	0	0
Childrens	Unaccompanied Asylum Seeking Children (UASC) Placements under 18 - 23 placements as per Home Office allocation	309,817	36,750	36,750	36,750	36,750
Childrens	Unaccompanied Asylum Seeking Children (UASC) Placements Post 18 - net of income (not included in the 23 Home Office allocation)	393,331	115,686	46,274	46,274	23,137

Childrens	Placements - Full Year effect of previous part year (2023/24) Children Looked After (CLA) in 2024/25	600,195	-500,000	-500,000	-500,000	-500,000
Childrens	Full Year effect on leaving care from children turning 18 in 2023/24 and 2024/25 (Part Year)	486,649	470,000	470,000	470,000	470,000
Childrens	Assured Savings in 2023/24 yet to deliver	-955,850	0	0	0	0
Childrens	Full Year effect of previous part year Short Breaks in 2023/24	80,748	0	0	0	0
Childrens	Full Year effect of previous part year Direct Payments in 2023/24	15,630	0	0	0	0
Childrens	Contract/provider uplifts, include Real Living Wage (RLW)	724,433	913,517	1,008,730	1,113,198	1,226,691
Childrens	In house Residential - Increase in staffing due to complexity of children estimated	200,000	0	0	0	0
Childrens	Mothball a property, temporarily and deploy staff	-517,000	0	0	0	0
Childrens	Early Help in line with increased demand	97,133	0	0	0	0
PPPP	Local Development Plan 2	70,670	1,720	-295,040	0	0
PPPP	Reprofiled Local Development Plan 2	-97,020	-29,120	349,200	-223,060	0
PPPP	Strategic Property - Asset Management Project Leader	48,930	0	0	0	0
PPPP	Strategic Property - Energy Officer - To assist in working toward net zero targets	48,930	0	0	0	0
HTR	Temporary Reduction in the revenue contribution to the transport reserve in 2023/24 reestablished as base budget in 2024/25 as agreed last year (b/fwrđ from 23/24)	0	1,191,000	0	0	0
HTR	Temporary Depreciation reduction	-514,750	514,750	0	0	0
HTR	Home to School Transport historic budget deficit b/fwrđ from 23/24	517,500	0	0	0	0
HTR	Inflation on payments to bus operators for school transport routes expected at 9% b/fwrđ from 2023/24	477,920	0	0	0	0

HTR	School mainstream additional budget pressure 2023/24	291,950	0	0	0	0
HTR	School mainstream transport contracts to be retendered in September 2025. 20% increase on existing contract price expected.	0	865,860	602,810	0	0
HTR	Mitigation - operating inhouse school bus service for 14 routes in South of county. Could be introduced from September 2025 to coincide with school contract retender.	0	-119,090	-226,980	0	0
HTR	Additional school routes tendered September 2023 (School closures)	118,730	0	0	0	0
HTR	Impact of fossil fuel vehicle purchase inflation on revenue depreciation (Based on existing asset life assumptions) - inflation on vehicle purchases assumed at cumulative 3% annual inflation	0	138,230	65,620	74,550	40,990
HTR	Impact of introducing alternative fleet (e.g. electric) on revenue deprecation. (Based on existing asset life assumptions) Mitigation to depreciation pressures - delay by 1 year	0	10,870	330,180	759,240	921,010
HTR	Inflation on public transport routes including concessionary fares	337,850	345,710	269,670	185,150	188,820
HTR	Proposed increase in Winter maintenance standby tbc	72,000	0	0	0	0
HTR	HWRC Retender July 2024 (estimated 10% increase to current prices)	69,420	0	0	0	0
HTR	Residual Contracts gate fee increase to charges from 1st November 2023	247,360	0	0	0	0
HTR	Inflation on agency staff contracts used to support Waste Collection and Highways Technical Services.	21,570	18,120	14,150	9,710	9,890

HTR	Inflation on Materials/contractors/fuel estimated at 5% for 2024/25 - used to deliver Highways works, fleet repairs, residual/recycling contracts	603,990	574,930	447,910	307,780	313,700
HTR	Increase in income to mitigate inflation for materials/contractors/fuel	-279,920	-235,120	-183,420	-125,930	-128,450
HTR	Increase in income to mitigate pay inflation awarded. This is recovered in income from customers e.g. trunk road	-594,340	-338,620	-264,180	-181,360	-184,960
HTR	Increase in income to mitigate non pay inflation awarded, this will be achieved through charging customers the increased inflation	-46,570	0	0	0	0
T & C	Additional 1x FTE translator due to increased service demand (total cost: £45k but part funding £10k from external translation budget as this spend would reduce with extra capacity in team)	35,000	0	0	0	0
digital	a - Cyber Security contracts	0	100,000	0	0	0
digital	d) - Azure cloud consumption- Moving to Azure will de-risk County Hall, support business continuity, and will support the modernisation of services. It was also decrease the councils carbon footprint	0	100,000	0	0	0
digital	f) E5 Licensing- Improving the quality of the Councils accounts by moving from an E3 licence to and E5. This will provide added security benefits, logging capabilities and increased functionality and will support the council to have an increased level of cyber resilience.	0	110,000	40,000	0	0

digital	h) Staff funded by Digital Transformation Programme 2023 - 2026	0	56,000	100,000	0	0
legal	Contribution to HM Coroner Service - budget pressure 2023/24 plus inflation	133,910	21,320	22,380	23,500	24,680
legal	Review of the boundaries structure community council boroughs	0	50,000	-50,000	0	0
corp	Other pressures in future years not identified	0	1,000,000	1,000,000	1,000,000	1,000,000
corp	RLW provider	0	0	500,000	500,000	500,000
		11,876,154	9,933,183	9,514,072	8,780,914	9,509,979
Total		18,182,054	12,103,749	11,641,930	10,977,028	11,777,489

Powys County Council Reserves Policy

Introduction

This policy establishes a framework within which decisions will be made regarding the level of reserves held by the Council and the purposes for which they will be maintained and used.

The requirement for Financial Reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 requires authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

There are also a range of safeguards in place that help prevent local authorities over committing themselves financially. These include:

- The balanced budget requirement
- Chief finance officers' duty to report on the robustness of estimates and adequacy of reserves when the authority is considering its budget requirement (Section 25 of the Local Government Act 2003)
- The legislative requirement for each local authority to make arrangements for the proper administration of their financial affairs and that the chief finance officer has responsibility for the administration of those affairs as set out in Section 151 of the Local Government Act 1972.
- The requirements of the Prudential Code.

These requirements are reinforced by section 114 of the Local Government Finance Act 1988 which requires the chief financial officer to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the Authority will not have resources to meet its expenditure in a particular financial year.

Definitions

Reserves are sums of money held by the Council to meet future expenditure.

Types of Reserve

General Fund Reserves – to meet short term, unforeseeable expenditure arising from unexpected events or emergencies. To enable significant changes in resources or expenditure to be properly managed over the period of the Medium Term Financial Strategy.

Earmarked and Specific Reserves – to meet known or predicted requirements, or established by statute.

Unusable reserves – these arise out of the interaction of legislation and proper accounting practice either to store revaluation gains or as adjustment accounts to reconcile requirements driven by reporting standards to statutory requirements. These reserves are not backed by resources and cannot be used for any other purpose.

Reserves should not be held without a clear purpose.

General Fund Reserves

In assessing the appropriate level of reserves the Authority will ensure that the reserves are not only adequate but also necessary and will be appropriate for the risk (both internal and external) to which it is exposed.

In assessing its financial risk the Chartered Institute of Public Finance and Accountancy (CIPFA) has issued guidance on the factors that should be considered:

- Budget Assumption for inflation and interest rates
- Estimates of the level and timing of capital receipts
- The treatment of demand led pressures
- The Authorities track record in budget and financial management
- Treatment of planned efficiencies/savings
- The financial risk inherent in any significant new funding partnerships, major outsourcing and capital developments
- The likely level of Government support to deal with major unforeseen events
- The adequacy of the authority's Insurance arrangements
- The Authority's virement and end of year procedures in relation to budget under and over spends
- The general financial climate and future funding assumptions

The risk assessment will be reviewed annually.

The appropriate level of General Fund Reserves will be determined annually as part of the Budget Setting process and Medium Term Financial Strategy and will be subject to approval by the Cabinet and Full Council.

The Financial Strategy will set out the level of planned reserve balances including financial arrangements for any replenishing of reserves, it will also confirm acceptable thresholds above and below the balance. If the balance falls outside of these thresholds a plan will be agreed by Cabinet to restore balances to the appropriate level.

Earmarked and Specific Reserves

These are required for specific purposes and are a means of building up funds to meet known or predicted liabilities. By nature these reserves balances do not have minimum and maximum thresholds. Creation of such reserves must be approved by the Section 151 Officer.

Balances should be reasonable for the purpose held and must be used for the item for which they have been set aside, if circumstances arise to which the reserve is no longer required for its original purpose they will transfer to the General Fund Reserve.

Ringfenced Reserves

Housing Revenue Account (HRA)

The Housing Revenue Account is ringfenced this means that HRA resources may only be expended with the HRA. Councils are not allowed to transfer resources between the HRA and their general funds. The Balance on the HRA is held in a ringfenced reserve.

Schools Reserves

Schools are able to carry forward surplus and deficit balances from one year to the next and utilise these balances for managing changes in pupil numbers and funding, or the funding of projects and future liabilities. The balances are held by individual schools, they are not for general Council use. Guidance on the level of balances held, and possible clawback of funds by the Authority is documented within section 4 of Powys' Scheme for the Financing of Schools.

Reporting of Reserves

The balances and movement of all reserves is required to be reported within the Authorities Annual Statement of Accounts.

The balance held and projected movement of useable reserves is reported quarterly as part of the Budget Monitoring Report to Cabinet, this includes the level of reserves held against the threshold set for the year.

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Capital Strategy and Treasury Management Strategy 2024-29



Including Minimum Revenue Provision Policy Statement and Annual Investment Strategy

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Introduction

- 1.1 The Capital and Treasury Management Strategies are fundamental to the effective delivery of the Council's priorities and Council's Corporate and Strategic Equality Plan. The provision of the right asset in the right place at the right time will ensure the effective and efficient delivery of a comprehensive range of quality services.
- 1.2 This strategy document provides a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, an overview of how the associated risk is managed and the implications for future financial sustainability.
- 1.3 It sets out an integrated plan for the future management of the Council's assets and its capital programme. It is a key document running alongside the Corporate and Strategic Equality Plan and the Medium-Term Financial Strategy (MTFS) and will provide the framework to facilitate a seamless interface between business planning and the management of assets and capital resources. This will ensure that the provision of resources and future investment are prioritised and ensures the effective and affordable management of the Council's assets.
- 1.4 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a **Capital Strategy** report which will provide the following: -
 - a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
 - an overview of how the associated risk is managed
 - the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

- 1.5 This Strategy document provides both the **Capital Strategy** and the **Treasury Management Strategy** as they are inherently linked through the activities they undertake. The document sets out the Capital Programme over a five year period from 2024/25 to 2028/29 and the funding approach through treasury management activities.
- 1.6 The Authority is currently required to receive and approve, as a minimum, three main **Treasury Management** reports each year, which incorporate a variety of policies, estimates and actuals.
 - a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers: -
 - the capital plans, (including prudential indicators)
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
 - b. **Quarterly management reports** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. These reports are prepared for the **Governance and Audit Committee** and **Cabinet**.
 - c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations

compared to the estimates within the strategy.

1.7 **Scrutiny** - The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the **Governance and Audit Committee**.

1.8 **Treasury Management Strategy for 2024/29**

The strategy for 2024/29 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

Treasury management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

1.9 These elements cover the requirements of the Local Government Act 2003, Welsh Government Investment Guidance and MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.10 **Training**

1.11 The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

1.12 Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

1.13 The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

1.14 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”

1.15 In further support of the revised training requirements, CIPFA’s Better Governance Forum and

Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.

1.16 Members are required to attend two sessions each year provided by the Council's Treasury Advisors Link Group, Link Treasury Services Limited, the sessions for 2023/24 were held in October 2023 and January 2024. A further two sessions will be arranged for 2024/25 and further training will be arranged as required.

1.17 The training needs of treasury management officers are periodically reviewed.

1.18 A formal record of the training received by officers central to the Treasury function will be maintained by the Capital & Financial Planning Accountant. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by Democratic Services.

1.19 Treasury Management Consultants

1.20 The Authority uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

1.21 The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

1.22 It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

1.23 Capital Strategy

1.24 The key aims of the Capital Strategy are to:

- Provide a clear context within which proposals for capital expenditure are evaluated to ensure all capital investment is targeted to deliver the Council's priorities.
- Clarity about how the Council identifies and prioritises capital requirements and proposals arising from various strategies including the Corporate and Strategic Equality Plan, Service Improvement Plans, and other corporate strategies, and how they will be managed within the limited capital resources available.
- Challenge our current estate, continue with the programme of asset rationalisation, ensuring that assets retained are effective, efficient and economically sustainable to deliver services.
- Identify and consider options available to fund capital expenditure that minimises the ongoing revenue implications of historic capital expenditure and of any new investments.
- Use partnerships, both public and private, more effectively to support our overall strategy.
- Establish effective arrangements for managing capital schemes including assessment of outcomes and achievement of value for money.
- Ensure there is a full understanding of the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

1.25 It is a requirement that the capital strategy demonstrates that the Local Authority takes both capital and investments decisions in line with service objectives. The capital strategy shows that the key drivers of the Council's Capital plans are captured through various plans across the authority. These include

- Highways Asset Management Plan (HAMP)
- Welsh Housing Quality Standard Plan (WHQS)
- Strategic Asset Management Plan (including Asset Review, paragraph 2.18)
- Schools Transformation Plan
- Health and Care Strategy
- Service Integrated Business Plans
- Digital Powys

1.26 Treasury Management

1.27 The Treasury Management Strategy and Annual Investment Strategy report is a requirement of the CIPFA Code of Practice on Treasury Management and a requirement under the Local Government Act 2003. It has regard to the Guidance on Local Government Investments issued by the Welsh Government which requires the Treasury Management Strategy and Annual Investment Strategy to be approved by Full Council.

CIPFA defines treasury management as:

'The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'

1.28 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

1.29 A key function of the treasury management service is arranging the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.30 The contribution the treasury management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

1.31 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these

activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities. This authority has engaged in only minimal commercial investments and has no (or immaterial) non-treasury investments.

Capital Strategy

1.32 Background

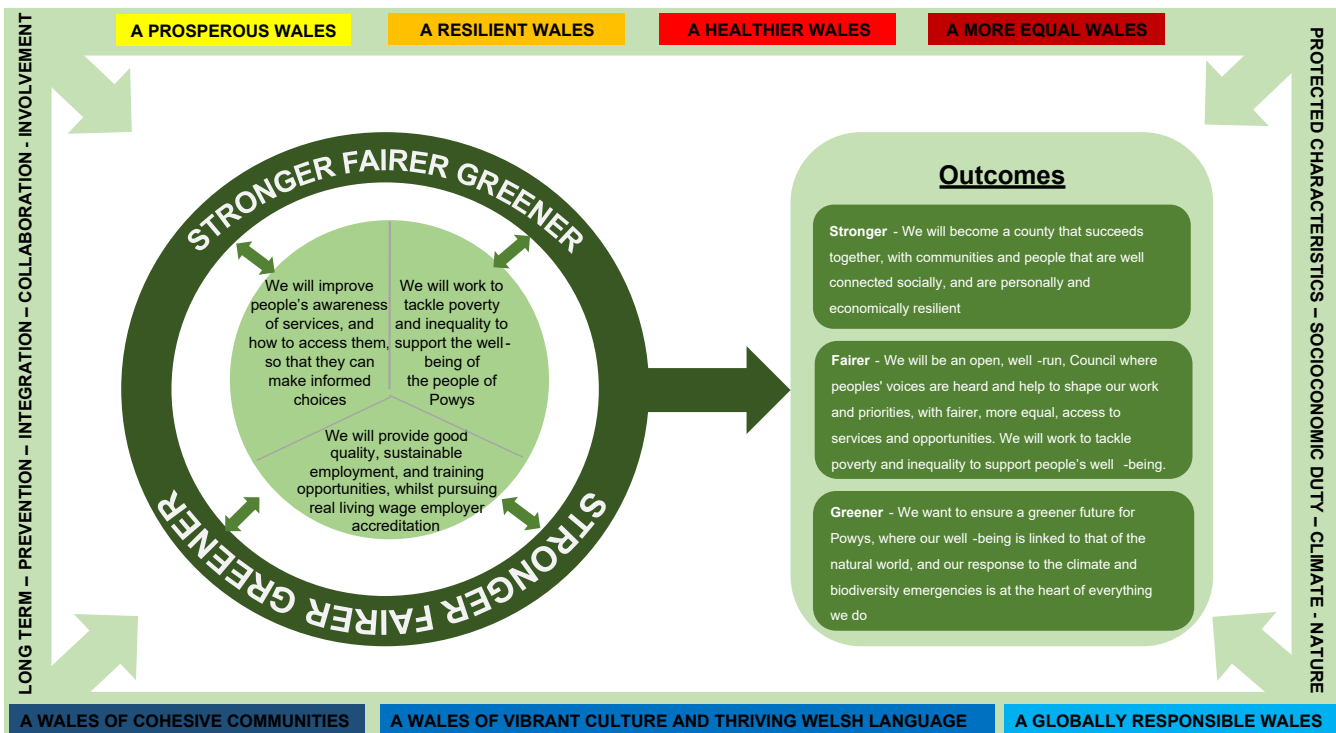
1.33 Part 1, Section 3 of the Local Government Finance Act 2003 requires that the Authority shall determine and keep under review how much it can afford to borrow. The Act is supported by the Prudential Framework for local authority capital investment and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Code). The CIPFA Prudential Code was revised in December 2017. The revised Code introduced a new requirement that all authorities produce a capital strategy, which sets out the long-term context in which capital expenditure and investment decisions are made.

1.34 The Capital Strategy and Treasury Management Strategy (TMS) are closely linked, and both are revised annually. The Capital Strategy defines the Council's spending and the TMS sets out how it will be funded and its impact on the overall financial standing of the Council.

1.35 Aims, Priorities and Principles

1.36 The purpose of this strategy is to set out the objectives, principles and governance framework to ensure that the Authority takes capital expenditure and investment decisions in line with service objectives that underpin the delivery of the Corporate and Strategic Equality Plan. The Council's Vision sets out the key priorities and objectives of the Council.

1.37 The Councils' priorities are set out below.



1.38 The priorities align to the 5 ways of working and the 7 Well-being goals of The Well-being of Future Generations (Wales) Act (2015) and meet statutory requirements and legislative changes are defined. In finding sustainable solutions for service delivery objectives broadly align to any one of the following requirements:

- Objectives to redesign services to deliver them more efficiently, effectively or in an alternative manner.
- Objectives that identify key delivery partnerships or outsourcing opportunities
- Objectives that contribute positively to support Climate Change

- Objectives that realise opportunities to stop delivering services because requirements or priorities have changed, allowing the planned release of resources.
- Objectives that realise opportunities to generate additional income.

It is essential that the Council priorities are funded through either revenue or capital to ensure that they can be delivered over the short to medium term.

1.39 Programme Overview

1.40 The Capital Programme is a key enabler to deliver the Council's ambition. Broadly the programme covers three areas of expenditure:

- A core programme of schemes that are regulatory / statutory in nature, and minimise legal challenge or revenue risk, these schemes are related to day-to-day activities that will ensure the Council meets its statutory requirements.
- A programme to achieve a Sustainable and well maintained asset base
- A programme that prioritises investment to support key Council priorities and delivery of corporate objectives in line with Sustainable Powys

1.41 The Capital Strategy for 2024/25 and future years will need further development, the Capital Programme will be reviewed and reconsidered to ensure that the revenue implications of capital expenditure are accurately reflected in the FRM and that the capital expenditure plans of the council remain **affordable, prudent** and **sustainable**. To support this there are a number of key considerations:

- Managing capital financing costs
- Maximising grant funding and other income sources
- Sustainable and well maintained asset base
- Prioritising investment to support key Council priorities and delivery of corporate objectives in line with Sustainable Powys
- undertaken only where there is a statutory requirement on the Council to undertake such works to address identified corporate risks.
- Delivery of approved transformation projects which contribute to cost reductions or improvement
- Release assets to deliver capital receipts
- Decarbonisation and climate risk
- Demonstrate Value for Money

1.42 Schemes already included in the indicative programme will be reviewed in line with these principles. Schemes that are not time critical may be deferred to later in the programme to focus internal capacity on delivery of priority schemes, allowing the impact of economic uncertainty to be clearer, and to spread the timing of any borrowing requirement and treasury management risk.

Capital Investment across Services

1.43 The Council has developed its capital strategy which sets out a five year long-term plan and demonstrates that the capital / investment decisions are taken in line with priorities and considers both risk/reward and impact; as well as properly taking account of stewardship, value for money, prudence, sustainability and affordability.

1.44 The Council will continue to invest in services that underpin the priorities set out above, the key themes have clear service projects:

Residents and the Community - We will support our Residents and Communities.

- **Housing** -The Council will continue to maintain, for all the homes it owns, the Welsh Housing Quality Standard (WHQS) with an ongoing capital programme in part funded through Welsh Government Funding and Borrowing. A revised WHQS is to be introduced by the Welsh Government in April 2024, which will increase the specification requirements for all social landlords. The most immediate change will be the provision of floor coverings throughout all properties prior to letting to new tenants. The cost of this element of the new WHQS is currently being assessed but initial estimates suggest a cost of £500,000 per annum. The Housing Revenue Account Thirty Year Business Plan demonstrates an affordable capital strategy alongside delivering the day-to-day landlord service and has key objectives linked to the Council's Corporate and Strategic Equality Plan.

The Council has completed the construction and letting of 18 new homes in 2023-2024, the acquisition and letting of four homes under a Partnership Package Deal and is on course to complete the purchase of a further 18 existing homes. A total of seventy-two homes are now subject to a tendering exercise, across three sites, for development to start in 2024-2025. A further 195 additional homes are under active consideration for future development (dependent upon site acquisitions, viability assessments and resolution of the phosphates issues affecting development of all types).

Subject to revenue funding being secured, work will begin in 2024-2025 on the development of two Instant Access 24/7 Triage Centres to improve the service to those who find themselves to be homeless, alongside two Interim 24/7 Accommodation Centres for those who need help and support prior to moving into a home of their own, to reduce instances of repeat homelessness. Housing Services is looking for suitable locations for twenty Modular Interim Accommodation Units, to reduce the need to use high-cost bed-and-breakfast style accommodation as temporary housing for homeless households.

The Council will continue to fund a major programme of Disabled Facilities Grants enabled works and improvements to homes to improve the quality of life for people who need help to live as independently as possible. In addition, Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm & Secure), Landlord Loans and the ZILF Co2i loan schemes. The Council will, using ECO4 and ORP3 funding, improve the energy efficiency of at least 74 Council owned homes that currently have EPC ratings of E, F or G. An application has been submitted to the Welsh Government as part of the Empty Homes Grant scheme, which will be in addition to the Council's interest free loans programme for owners of privately owned properties that need works to make suitable for use as homes. Work on bringing into use empty properties as homes is now well underway, with a dedicated Empty Property Officer in place, funded by the Council Tax Premium.

- **Leisure Centres** - The Leisure facility provision contributes to a wide-ranging preventative agenda throughout the county, supporting the Public Health Wales Long Term Strategy (2018-30) and delivering health interventions such as the NERS program (National Exercise Referral Scheme) in collaboration with Powys Teaching Health Board and General Practices within Powys. Since 2019 the Council has approved a five-year programme which has already enabled significant and essential infrastructure replacement of plant, fixtures, end-of-life equipment, materials, playing surfaces and decoration. The Capital commitment supports the Council's 'landlord' responsibilities as part of the leisure contract but also ensures that the buildings are fit for purpose, compliant, attractive and provide a positive customer experience. Leisure Services in Powys not only support the overall well-being of our 'residents and communities' and now more than ever, contribute to the 'health & care' agendas, providing early intervention and prevention programmes to help reduce the burden on health services. Also, as a collaborative partner to the School's Transformation Programme, enabling learning and development through specific opportunities that the service provides or facilitates. The requirement for a sustainable long term capital investment strategy will be a key component and outcome of the Leisure Services Review, in conjunction with future place-based plans.

- **Waste Strategy** - Powys County Council faces a stringent Welsh Government (WG) statutory

recycling target of 64% for 2019/20 through to 70% for 2024/25. There is also a non-statutory WG target to reduce landfill to 10% by 2019/20 reducing to 5% by 2024/25. This has required a step change in the way all local authorities approach waste and recycling. The continued capital investment in the Waste and Recycling service will ensure that the Council is able to meet the targets whilst obtaining maximum value from the service. A network of assets under the Council's control allows flexibility to adapt to any changing requirements within the industry and Government policy and legislation. Some of these schemes are linked to efficiency savings and service improvements in future years.

Health and Care – We will lead the way in providing effective, integrated Health and Care in a rural environment

- **Social Care** - The capital programme focuses on supporting those who wish to remain in their own home rather than residential care and supports the integrated Health and Care Strategy for Powys. This strategy acknowledges that people in Powys live longer and healthier lives than elsewhere in Wales and that Powys is a place aspiring to help improve the wellbeing of all people. Capital funding mainly focus on accommodation options, including supporting the building and redevelopment of facilities to increase the stock of supported living and extra care housing in collaboration with Powys Teaching Health Board and local Registered Social Landlords. There are also capital funding requirements for the 13 Powys owned care homes.

- **Children's Services** -

In order to ensure a sufficient supply of appropriate, safe placements for children in care, as close to home as possible, investment is mostly focused upon accommodation development for a range of placements in County to support the complex needs of young people who remain under the local authority's care. Funding is being utilised to develop accommodation within County for children aged 16 years. Welsh Government have been particularly supportive in offering investment to progress such developments, as mirrored in current Ministerial direction in line with the not for profit care agenda for children in care.

Work to identify possible locations and opportunities to develop additional family centres across Powys continues with possible joint working with other partners and agencies.

- **Assistive Technology** - has a key role to play in the modernisation of health and social care. With ever increasing technological advances, it offers a range of possibilities for greater choice, not only of how people can access the support they need, but also where and when they access support. In doing so, assistive technology enables people to take greater control, and to live independently for longer by preventing hospital admissions and premature moves to residential care. Enabling access to better accommodation options is essential in order to support independent living and reduce demand for other types of care.

Learning and Skills – We will strengthen learning and skills.

- **Transforming Education Programme** - The Council has developed a ten-year Strategy to Transform Education in Powys 2020-30 with the implementation of a major capital investment programme that will ensure that schools in Powys have inspiring, environmentally sustainable buildings that can provide opportunities for wider community activity, including where possible childcare services, early years, Additional Learning Needs (ALN), multi-agency support and community and leisure facilities. This will also include developing a reliable, high quality digital infrastructure. The Council is investing £123m over the next five years in its schools through the Welsh Government's Sustainable Communities For Learning Programme (SCLP). The SCLP has a 65% capital intervention rate for mainstream schools, 75% for special schools and it also offers a new and innovative funding route where the intervention rate is 85% for the Mutual Investment Model. Welsh Government has recently confirmed that the SCLP is now a rolling programme, rather than being time-bound, and is expecting local authorities to submit new Strategic Outline Programmes to support new school projects once they are ready to do so. Welsh Government has also issued a directive that all projects need to achieve Carbon Zero in Operation, with additional funding available to support this until 2026. The Council will develop its strategies to ensure

maximisation of the potential investment opportunities that may be available via WG funding.

However, to deliver the full Transforming Education Programme in Powys, significant funding sources above what is currently included in the current Capital Programme will be required. That said, the cost of transformation over the lifetime of the schools' assets is cheaper than the status quo in the majority of localities.

Alongside this, capital funding through our major repairs programme will be focussed on where the need is greatest, as identified through the Schools Service's Asset Management Plan.

The Economy – We will develop a vibrant economy.

- **Highways and Environment** - The Council has a statutory duty to maintain the adopted highway, maintained at public expense in a safe condition for the passage of the user. A strategic approach has been used to develop the Highways Asset Management Plan (HAMP) in identifying and allocating resources for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers. Current gross replacement cost of these assets is estimated at £4.4bn.

The highway network includes public rights of way, which are a major attraction to the county for visitors. There are 1,700 recorded bridge structures on the public rights of way network; most are Council assets. Several major bridges (over £100,000 each) need to be replaced within the next 5 years due to age. Additional grant funding is being sought to replace five of these major bridges.

In addition, storm damage with increased rates of riverside erosion and rotting of timber is affecting many small to medium bridges (up to £50,000 each). Over the 2020-21 and 2021-22 financial years, eight of these medium bridges have been replaced using Access Improvement Grant capital funding. A further four are programmed for replacement in 2022-25 under the same grant. Where the locations are logistically challenging to reach or particularly wet with an increased risk of rot, recycled glass reinforced plastic bridges have been installed with a design life of over 30 years and reduced maintenance requirements. Ongoing inspection is required to monitor rates of deterioration in timber bridges and performance of plastic structures.

A county wide inventory of all bridges on the rights of way network is being developed, to record bridge condition and forward plan for their replacement. Proactive inspection of small bridges is under way with proactive cleaning to reduce the rate of rot in timber structures. Previously, this has been reactive.

Outdoor recreation assets are also a significant tourist attraction and can provide valuable opportunities to maintain and enhance biodiversity. There are two remaining building assets under management by the Service; investment is needed in one of them, to enable ongoing lease arrangements.

Work has been carried out to address the designation of Llandrindod Lake as a reservoir; this structure will require ongoing monitoring. The Llandrindod Rock Park woodland has several bridge structures, not on public paths but on publicly accessible land. The largest of these has just been replaced using grant funding, following a period of closure. Again, steel beams have been included in the design to increase longevity, but timber parts will eventually require replacement.

- **Property** - The vision is to ensure that through the Corporate Landlord initiative, the Council's assets are appropriately managed to provide safe, efficient, sustainable properties in the right locations to support the delivery of services and the achievement of key priorities. The Strategic Asset Board and Asset Management Plans are the mechanisms in place to help deliver these priorities, which will ensure close working and collaboration across all service areas and partner organisations such as Neath Port Talbot College / Powys Teaching Health Board (PTHB). The Property team will be supported in this crucial work with investment provided to procure a new Property Management database which will provide a single point of reference for all aspects of the Council's operational and investment estate. A property disposals programme is being developed.
- **Regeneration, Property and Development** - The Council needs to intervene where the private sector is not able (for economic reasons) to create or facilitate investment in business units in order to keep and attract business to the County. Abermule business park is one such scheme that sees

the Authority developing a former Welsh Government site which otherwise would not have been developed in the short to medium term. Capital investment will also form an important part of supporting the regeneration and viability of town centres complementing the Welsh Government's Transforming Towns funding programme. An initial annual allocation of £2 million starting in 2024-25 has been included as the Council's contribution towards the Mid Wales Growth Deal. As the investment plans for the deal develop the funding will be released to the relevant projects on completion of the relevant governance and approval processes. Major infrastructure project funding has been secured from Welsh Government and these require match funding to deliver the ambition for economic growth from this strategic investment. Both National and Welsh Government are providing a capital injection in the south of the county for a purpose-built, modern railway infrastructure and rolling stock testing facility. This is expected to form an important addition to the UK rail industry and would be the only test facility in the UK that includes circuits tracks, would offer significantly more efficient testing than shunting facilities, which require trains to change direction of travel at the end of track.

- **County Farms** - It is essential that the Council manages its agricultural estate prudently, efficiently, and professionally. Effective management of County Farms estate will enable the continued opportunities already enjoyed by current tenant farmers and maintain an income stream. The financial demands of the Estate need to be evaluated against the competing demands across the council whilst noting the estate produces an annual surplus in its trading account. The opportunity for capital receipts will continue to arise as reviews are undertaken at each tenant departure from the Estate. An Invest to Save initiative is being developed which will see investments made to the Farm Estate which should create opportunities for capital receipts and reduced revenue expenditure, for example barn conversions and subsequent sales.
- **Information Technology (IT)** - The service engages with change programmes so that investment and resource meets identified Council priorities. In respect of infrastructure, IT will seek to invest in up-to-date cloud-based technologies including 'Azure' cloud technologies, core infrastructure and improved telephony and mobile systems, Web and share-point and improved wireless as well as further enabling our staff to work in an agile manner. Cyber resilience is also a key programme, since 2017 an active Cyber Security improvement plan has been in place which details improvements required to maintain our Cyber Security resilience and to maintain standards and accreditations such as Cyber Essentials Plus and Public Service Network Accreditation. In order to maintain the council's resilience and standards, this investment and programme of work is key. This includes investment in tools to detect and prevent malicious activity, tools, processes and resources to maintain systems to prevent vulnerabilities from exploitation, systems to enable us to share and collaborate information digitally and securely without risk of unintended exposure and ultimately damage or complete loss of any of the council's data or systems. The funding also ensures that the Council has an effective device refresh programme in place, ensuring that staff have the necessary devices to undertake their work effectively.

Investment in Regenerative Commercial Activity

- 1.45 The commercial activity undertaken in the Council relates to holding properties that are utilised by tenants, these include livestock markets, caravan park, restaurant and office space. These are held primarily for their regenerative benefits to the local economy.
- 1.46 Around £240,000 in rental income is received each year.
- 1.47 The Council has registered a trading company (currently dormant) that may become the vehicle that supports greater commercial activity, but any investment must evidence the following criteria:
 - Support the strategic community objectives of the council.
 - Have a balanced investment approach.
 - Improve covenant strength.
 - Drive income generation and maintain yield.

- 1.48 To ensure that the council is able to benefit from the lower borrowing rates offered by the Public Works Loans Board (PWLB) the council will currently not consider investing in any commercial property where yield is the primary investment driver.

Funding the Capital Strategy

- 1.49 The cost of funding the capital programme is closely monitored due to the impact on the budget and the ongoing funding constraints of the MTFs. The Council aims to minimise the cost of borrowing on the Financial Resource Model (FRM) and other sources need to be maximized such as capital receipts and external grant funding. Funding capital from borrowing incurs extra costs from interest on the loan and the minimum revenue provision, repayment of the principal. Capital projects are prioritised where they can evidence a reduction in the cost of revenue, such as digital technologies or generate income such as building council dwellings.
- 1.50 The Housing Revenue Account (HRA) supports its own capital expenditure and provision for this is included in the HRA Business Plan. The surplus on the HRA account (excess of rental income over expenditure) is used to fund capital expenditure. This does not impact on the Council Fund. Although the HRA operates separately from the Council Fund, the Council does not borrow separately for Council Fund and HRA expenditure, all borrowing is combined, and the costs apportioned to the two funds based on the level of expenditure funded from borrowing for the two funds. The apportionment method is kept under review to ensure that it remains the most equitable method.

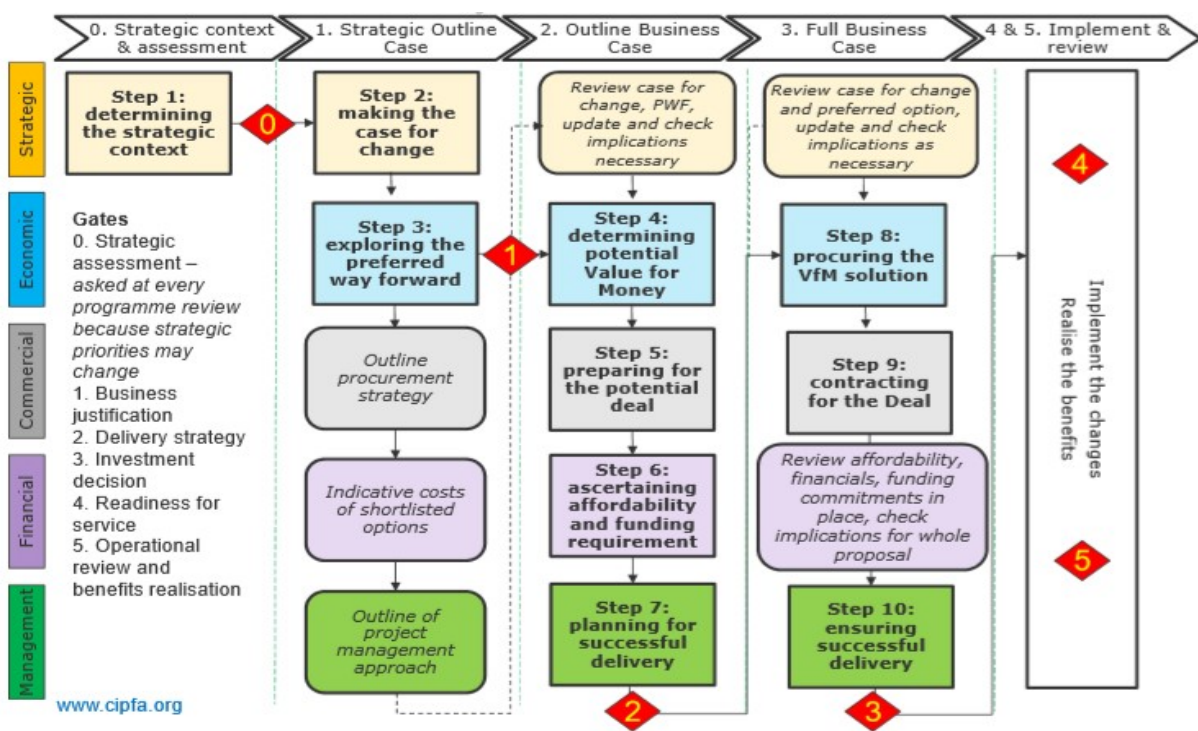
The Capital programme detailed at Appendix A, sets out how the programme is funded, the sources are explained below:

- **General Capital Grant** – This is a sum of money which is provided by the Welsh Government as part of the annual settlement. The Council is free to use the capital grant on any capital project it wishes.
 - **Supported Borrowing** – The Council will borrow from establishments including the Public Works Loans Board (PWLB) to fund the expenditure. The revenue costs arising from the borrowing (Interest Costs and Minimum Revenue Provision) are funded by the Welsh Government through the annual revenue settlement, hence the term “Supported Borrowing”.
 - **Unsupported Borrowing** – Again, the Council borrows the funding but is required to finance the revenue costs from its own resources. Projects funded by means of unsupported borrowing tend to be projects which deliver revenue savings, and these savings contribute to meet the additional revenue costs arising from the borrowing.
 - **Specific Capital Grants** – The Council will be awarded capital grants which partly or fully fund the cost of a project. Capital grants usually come with restrictions surrounding the expenditure which can be funded and by when the expenditure must be incurred.
 - **Revenue Contribution** – Services can contribute from their revenue budgets to fund projects. These contributions tend to be as a match funding to a project which is mainly funded from a specific capital grant.
 - **Capital Receipts** – The funds generated from the sale of assets can be used to contribute to the funding of the capital programme. These are usually generated from the sale of surplus assets (normally land or buildings). The Councils’ Capital Receipts Policy is set out in Appendix B.
 - **Reserves** – Funding held in reserve, e.g., unapplied capital receipts, can be used to support the capital programme. Specific reserves can also be built up and set aside for this purpose.
- 1.51 An extensive review of the Councils assets is being undertaken, this will establish the current condition of all assets, the ongoing maintenance costs and any investment requirements, how the assets contribute to the delivery of services and supports the Corporate Plan. An enhanced focus is needed on disposal, relinquishment and alternative use, and working with partners to maximise opportunities for co-location of services. Once this is complete, any future capital investment together with the proceeds from the sale of surplus assets will be included in the capital programme.

1.52 Capital receipts are an important means of increasing the affordability of the Capital Programme. The generation of capital receipts is also consistent with the need to accelerate a reduction in the Council's asset base where this can support savings requirements or reduce maintenance liabilities and the carbon output of the Council. To support this approach a target of at least £10m of capital receipts generated year on year is set to support our Capital Strategy. The release of assets will be delivered through the review and rationalisation of our assets as we prioritise our property estate to deliver the Sustainable Council for the future.

Governance and Approval Approach

1.53 Welsh Government have adopted the Better Business Case approach to building, reviewing, and agreeing business cases. These principles have been adopted in the Councils' Capital Governance Framework. This approach introduces a more formal regime to follow and ensures consistency and a robust approach to developing each project. The diagram below sets out the gates and steps necessary to develop a capital from proposal through to a successful delivery. There has been an urgency in adopting this new regime to evidence stronger governance based on robust business cases from services.



1.54 The governance of this Capital Strategy follows the same process as the Revenue Budget Setting Process and is presented to the Cabinet as part of the MTFs which is then recommended to full Council for approval.

1.55 The three stages of the Governance Framework are:

- **Stage 1 - The Strategic Outline Case (SOC)**, these must be completed for the new bids and have necessary approval.
- **Stage 2** - Once the SOC is approved, managers will need to complete more detailed work, particularly on the economics of the case, finances (detailed costings) and submit the **Outline Business Case (OBC)** for approval through the Capital Oversight Board, who provide challenge and then make recommendation to EMT / Cabinet to approve.
- **Stage 3** - The **Final Business Case (FBC)** is the final gateway, and the project would move to the

procurement stage. At this point the tender price for the project would be known and the risks quantified. Only when the FBC becomes a live project does the capital budget get allocated, which will improve our budget forecasting and profiling. Any revenue contributions including MRP costs would need to be built into the budget at stage 3.

- For business cases between £75k and £1m a less formal business justification case will be used, being simpler and quicker to develop and proceed to project.
- Each year there is a small bids programme funded by an allocation in the Capital Programme for capital projects under £75k, these are dealt with through the Capital Oversight Board.
- The Council is moving away from an annual capital cycle and using the new framework will have an ongoing process of projects in development through to approval through Cabinet and Council as needed with the necessary prudential indicators updated and presented.

1.56 The Capital Oversight Board is in place which strengthens the Council's oversight, challenge and assurance of the development, management and control of the Capital Programme, including changes in scope, cost, outputs and outcomes.

Capital Programme 2024-2029

1.57 The overall capital programme for the Council in 2024/25 is £102.43 million, which includes £37.57 million for the Housing Revenue Account (HRA). Appendix A provides a full list of all the schemes.

1.58 The General Fund includes schemes which have previously been approved or are in progress and expected to continue into future years. These total £64.86 million. The programme includes a list of schemes that have had their Strategic Outline Case approved and have been progressed to Outline Business case. Providing the economic and financial justification stacks up these schemes are likely to develop to Final Business Case stage and become live projects, totalling £14.39 million. Split over three years, £7.19 million in 2024/25, £4.04 million in 2025/26 and £3.16 million in 2026/27. An initial annual allocation of £2.00 million starting in 2024/25 has been included as the Council's contribution towards the Mid Wales Growth Deal. As the plans for the deal develop, the funding will be released to the relevant projects on completion of the relevant governance and approval processes.

1.59 The need to maintain the highways infrastructure through the HAMP has been highlighted at strategic level as a critical area of the Council's long-term strategy. The programme includes £5.00 million per annum for the HAMP and an additional £1.00 million per annum for street lighting column upgrades.

1.60 An additional £10.00 million has been included in 2027/28 to continue school transformation once the existing Band A and B funding allocations have been fully utilised. This additional funding can only be drawn down once the relevant business case(s) has been approved and it is assumed that Welsh Government will continue to provide grant funding towards 65% of the costs of these schemes.

1.61 Overall additional borrowing requirements are estimated at £47.83 million in 2022/23 which includes £24.93 million for the HRA. However, it is likely that this figure will be less based on previous years slippage on spend and grants that are received in year.

1.62 The capital programme remains within budget for 2024/25 however additional revenue or other sources of funding will need to be identified to fund investment in future years. The impact of the capital programme is set out through the following prudential indicators:

Capital Prudential Indicators

1.63 The Council's capital expenditure plans are the key driver of treasury management activity. The

output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital Expenditure

- 1.64 This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts.

£'m	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Non-HRA	59.72	64.86	68.49	61.59	36.99	28.24
HRA	20.12	37.57	40.63	21.91	19.55	26.15
Total	79.84	102.43	109.12	83.50	56.54	54.39

- 1.65 **Other long-term liabilities** - The financing need set out in the table above excludes other long-term liabilities, such as leasing arrangements that already include borrowing instruments.
- 1.66 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a requirement to fund through borrowing, this figure is shown as the net financing need.

£'m	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Capital receipts	4.71	4.19	6.19	4.25	4.25	2.25
Capital grants	40.65	38.01	53.51	32.45	17.04	17.04
Revenue/Reserves	5.14	12.40	9.89	8.77	11.32	8.33
Net financing need for the year	29.34	47.83	39.53	38.03	23.93	26.77

The Council's Borrowing Need (the Capital Financing Requirement)

- 1.67 This is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure which has not immediately been paid for through a revenue or capital resource, will increase the CFR.
- 1.68 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset life, and so charges the economic consumption of capital assets as they are used.
- 1.69 The greater the CFR the larger the impact will be on the revenue budget, therefore in the long-term there will be a need to keep capital expenditure funded by borrowing at a level below the MRP budget in order to maintain the revenue budget at a sustainable level.
- 1.70 The Council is asked to approve the CFR projections below:

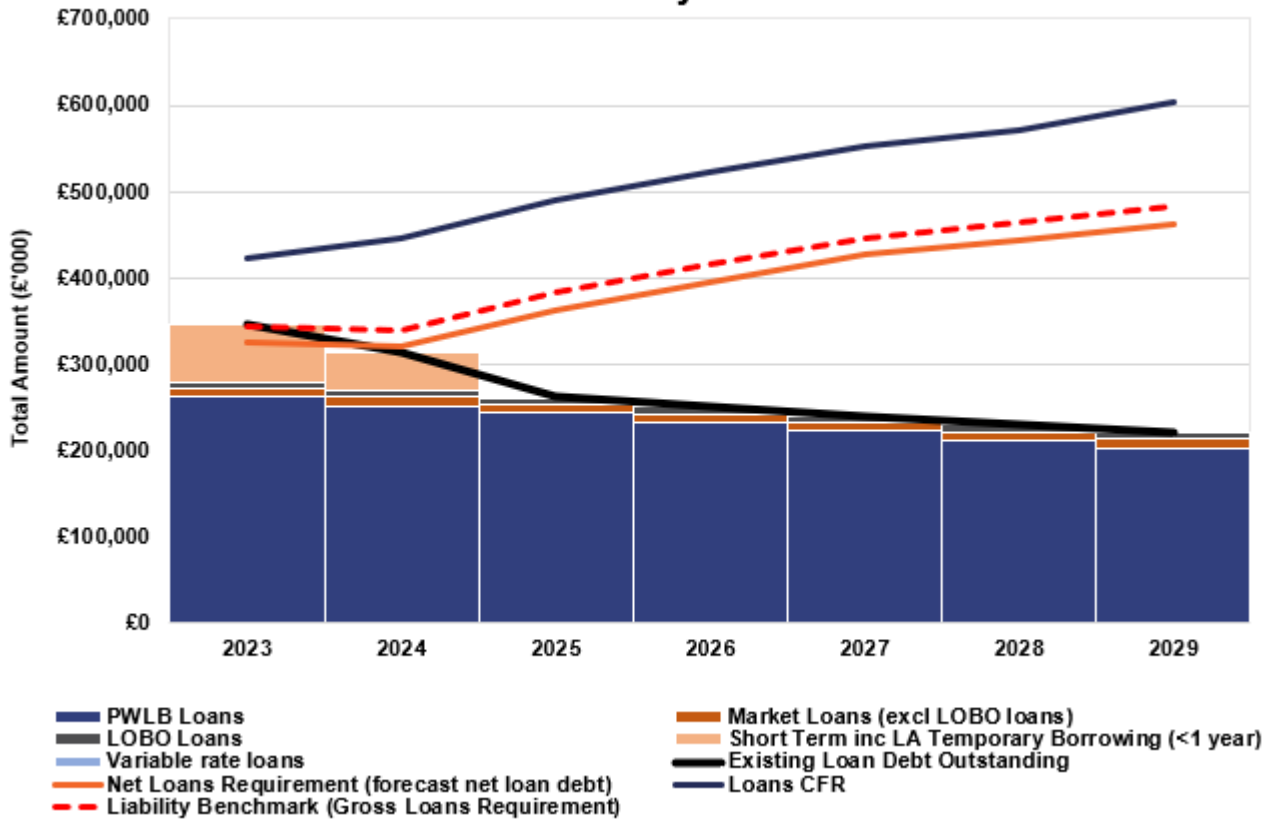
£'m	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
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CFR – non HRA	334.91	353.66	359.71	382.78	393.68	400.54
CFR – HRA	111.76	135.47	162.82	170.93	176.46	188.38
Total CFR	446.67	489.13	522.53	553.71	570.14	588.92
Movement in CFR	24.47	42.46	33.40	31.18	16.43	18.78
Net financing need for the year (above)	19.38	36.86	27.20	24.26	9.11	10.78
Less MRP/VRP and other financing movements	5.09	5.60	6.20	6.92	7.32	8.00
Movement in CFR	24.47	42.46	33.40	31.18	16.43	18.78

Liability Benchmark

- 1.71 This prudential indicator was introduced in 2023/24. The Liability Benchmark (LB) is effectively the Net Borrowing Requirement of a local authority plus a liquidity allowance. In its simplest form, it is calculated by deducting the amount of investable resources available on the balance sheet (reserves, cash flow balances) from the amount of outstanding external debt and then adding the minimum level of investments required to manage day-to-day cash flow. The chart below shows the difference between the councils borrowing requirement (CFR), the council existing debt portfolio, the gap between two is the amount of future borrowing that the council will need to meet its commitments.
- 1.72 There are four components to the LB: -
- **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
 - **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
 - **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
 - **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.
- 1.73 The chart below shows the difference between the councils borrowing requirement (CFR), the council existing debt portfolio, the gap between two is the amount of future borrowing that the council will need to meet its commitments.

Liability Benchmark



1.74 Core Funds and Expected Investment Balances

1.75 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources £m	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Fund balances (inc. reserves)	68.31	75.62	60.00	38.00	38.00
Capital receipts	15.54	20.00	12.00	4.00	4.00
Provisions	3.50	3.50	3.00	3.00	3.00
Other	2.22	2.00	0.00	0.00	0.00
Total core funds	89.57	101.12	75.00	45.00	45.00
Working capital	(7.29)	(7.00)	0.00	0.00	0.00
Under borrowing	74.75	98.12	60.00	30.00	30.00
Expected investments	22.11	10.00	15.00	15.00	15.00

Minimum Revenue Provision Policy Statement

- 1.76 MRP is an annual charge that Councils are required to pay for their debt liability in respect of capital expenditure funded by borrowing, for both the general fund and the Housing Revenue Account debt. This capital expenditure is set out as part of the CFR calculation and updated regularly to reflect borrowing need changes and the resultant costs; it is important to ensure that the debt is repaid over a period commensurate with that over which the capital expenditure provides benefit.
- 1.77 The debt repayment is a revenue charge, the minimum revenue provision (MRP), although additional voluntary payments are allowed if required voluntary revenue provision (VRP).
- 1.78 Welsh Government regulations have been issued which require the Council to approve the **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision set out.
- 1.79 Recommendation - The Council is recommended to approve the following MRP Statement for the 2024/25 financial year:**
- For capital expenditure incurred before 1 April 2020 or which in the future will be Supported Capital Expenditure, the MRP policy will be:
 - To calculate the MRP over a 50 year life on an on annuity basis using the Authority's average rate of borrowing.
 - From 1 April 2020 for all unsupported borrowing (including PFI and finance leases), the MRP policy is:
 - To charge MRP over the weighted average asset life on an annuity basis using the Authority's average rate of borrowing.
 - For HRA Historic and Settlement Debt, the MRP policy will be:
 - To calculate the MRP over a 60 year life on an on annuity basis using the Authority's average rate of borrowing.
 - For HRA Post Settlement Debt, the MRP policy will be:
 - To calculate the MRP over a weighted average asset life on an on annuity basis using the Authority's average rate of borrowing.
 - Repayments included in annual PFI or finance leases are applied as MRP.
 - In addition, the guidance allows for MRP to be deferred for assets under construction and this part of the guidance is adopted because the asset is not used by the authority until it is operational and therefore the MRP will match the life of the asset.
- 1.80 **MRP Overpayments** - A change introduced by the revised Welsh Government MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. At the 31st of March 2023 the total balance of previous voluntary revenue provision (VRP) stands at £7.11 million, of which £1.41 million relates to the HRA. There is no intention to reclaim any of this at this point. Holding this provision is prudent and increases the resilience in the financing of the Capital Programme, particularly in the current period of uncertainty and volatility.

Risk Management

- 1.81 All large capital projects are managed under the Council’s Project Management Methodology, which incorporates risk identification and risk management. The Council also has a Risk Management Policy which is applied to all its projects and activities.
- 1.82 Capital projects involving contracts with 3rd party suppliers are also subject to established supply chain risk management measures across the Council. These include:
- Commercial Performance and Risk Board – established in Dec 22 and made up of representatives from across the Council, this Board monitors and manages supply chain risks and performance.
 - Supplier Financial Risk Management – supplier financial risks are regularly reviewed, and mitigation plans developed where risks in supplier’s financial standing are identified.
 - Contract Management Training programme – Contract Managers of Council contracts above £1m pa have to undertake mandatory contract management training developed by the Government Commercial College which is part of the Cabinet Office in UK Central Government.
 - Market Intelligence Expert Group (MIEG) – the Council is a member of the national MIEG where suppliers at risk and wider supply chain risks are identified and shared with the group’s members.
- 1.83 For all capital projects, project managers update financial forecasts on a monthly basis identifying any areas subject to risk of overspend, underspend or slippage.
- 1.84 There is also a degree of funding risk in the Capital Programme, reliant as it is on future capital receipts, and the ability to be able to afford borrowing if necessary. These risks need to be managed and monitored on a regular basis, and action taken where necessary.
- 1.85 Risk appetite in this context is the level of risk that the Council is prepared to accept to be exposed to at any point in time in relation to its activities. It involves knowing what risks the Council wishes to avoid, what risks it is willing to accept and what risks it is willing and able to manage (including by transferring them to a third party, e.g., through insurance).
- 1.86 The risks are regularly monitored and managed both financially and operationally in accordance with council processes.
- 1.87 The Council is willing to accept the risks set out in this Strategy for projects that have Council approval provided that the project management ensures the appropriate mitigations are put in place to bring the project within acceptable risks margins.
- 1.88 The key financial risks inherent in the Council’s Capital Programme include:

Description of Risk	Potential Impact
The longer a project takes to come to fruition, the greater the risk that the financial cost of the project will have increased, both due to the additional staff time spent on the project and the inflationary impact on the costs involved in bringing the asset into operation.	May result in financial pressures on the other projects/ programmes and service delivery.
There is a degree of correlation between the length of time a project spends in the feasibility and development stage and an increased risk of project failure or abandonment. Should a project fail for any reason, the regulations require all capital costs to be returned to revenue, which may create significant pressures, depending on the level of spend at that point.	May result in additional revenue pressures on delivery/services.

<p>Project expenditure is higher than forecast estimates – in the current climate due to the rising cost of materials and access to skilled contractors in a limited labour market</p>	<p>May result in increased financial pressures/ limitations on future investment options.</p>
<p>Project delivery could be delayed – supply chain risks such as materials shortages.</p>	<p>May result in impact of grant funding should project be delays or an increase in costs if more expensive alternative supplies may be required to keep delays timescale on track.</p>
<p>Once a project has been delivered successfully the cash expended is then bound in the asset. In the case of the assets that are for service delivery and do not generate a rental income stream, the money invested in the asset is only recovered if and when the asset is sold at a future date. This carries inherent financial risks in that the asset may have decreased in value, depending on market conditions, or may not have increased in value sufficiently to mitigate the effects of inflation.</p>	<p>May result in increased financial pressures/limitations on future investment options.</p>

Treasury Management Strategy

Background

- 1.89 The Council is required to operate a balanced budget which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned with cash being available when it is needed.
- 1.90 The second main function of the treasury management service is the funding of the Council's capital plans. These plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash involves arranging short or long-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.
- 1.91 The contribution the treasury management function makes to the authority is critical as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

“The management of the local authority’s borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 1.92 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities as they usually arise from capital expenditure and are separate from the day-to-day treasury management activities.

Current portfolio position

- 1.93 The overall treasury management portfolio as at 31st March 2023 and the estimated position as at 31st March 2024 are shown below for both borrowing and investments.

Treasury Portfolio		
	Actual	Estimate
	31st March 2023	31st March 2024
	£'m	£'m
Borrowing		
PWLB	267.09	305.56
LOBO Loans	8.00	8.00
Market/Other Local Authorities	50.00	85.00
Welsh Government	17.40	0.00
Other	6.08	3.48
Total External Borrowing	348.57	402.04
Investments		
Banks (deposit accounts)	22.11	10.00
Total Investments	22.11	10.00
Net Position	326.46	392.04

Borrowing Strategy

1.94 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

1.95 Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Head of Financial Services will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp **fall** in borrowing rates, then borrowing will be postponed.
- if it was felt that there was a significant risk of a much sharper **rise** in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

1.96 Any decisions will be reported to the appropriate decision making body at the next available opportunity.

1.97 Policy on Borrowing in Advance of Need

1.98 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

1.99 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

1.100 Debt rescheduling

1.101 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a large difference between premature redemption rates and new borrowing rates. If rescheduling is to be undertaken, it will be reported at the earliest meeting following its action.

1.102 New Financial Institutions as a source of Borrowing and / or types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years)
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

1.103 Approved Sources of Long and Short term Borrowing

On Balance Sheet	Fixed	Variable
PWLB	●	●
Municipal bond agency	●	●
Government/Local authorities	●	●
Banks	●	●
Pension funds	●	●
Insurance companies	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock issues	●	●
Local temporary	●	●
Local Bonds	●	
Local authority bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance leases	●	●

Capital Prudential and Treasury Indicators

1.104 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Ratio of financing costs to net revenue stream

1.105 This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue budget or HRA rental income (net revenue stream). The estimates of financing costs include current commitments and the proposals in this budget report. The future net revenue streams are estimated based on worst case scenarios.

£'m	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Financing Costs	12.13	12.90	13.39	12.33	13.00	13.48

Net Revenue Stream	326.54	340.73	341.68	343.03	344.78	346.95
Council Fund	3.7%	3.8%	3.9%	3.6%	3.8%	3.9%
Financing Costs	4.77	5.06	5.97	6.77	7.17	7.45
Net Revenue Stream	27.92	30.00	30.60	31.21	31.84	32.47
HRA	17.1%	16.9%	19.5%	21.7%	22.5%	23.0%

HRA Ratios

1.106 This indicator shows the total outstanding debt attributable to the Housing Revenue Account (HRA) and the average debt per dwelling. The total debt is made up of

- The self-financing buyout
- Borrowing required for capital works to the existing housing stock (historic and planned)
- Borrowing required for the construction of new Council Housing (historic and planned)

	2024/25	2025/26	2026/27	2027/28	2028/29
	Estimate	Estimate	Estimate	Estimate	Estimate
HRA debt	£135.48m	£162.87m	£171.05m	£176.65m	£188.65m
Number of HRA dwellings	5,520	5,524	5,612	5,684	5,734
Debt per dwelling	£24,543	£29,484	£30,479	£31,078	£32,900

Maturity structure of borrowing

1.107 These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing and are required for upper and lower limits.

1.108 The Council is asked to approve the following treasury indicators and limits:

Maturity structure of borrowing		
	Lower	Upper
Under 12 months	0%	40%
12 months to 2 years	0%	40%
2 years to 5 years	0%	40%
5 years to 10 years	0%	40%
10 years to 20 years	0%	40%
20 years to 30 years	0%	40%
30 years to 40 years	0%	40%
40 years to 50 years	0%	40%
50 years to 60 years	0%	40%

1.109 Affordability prudential indicators

1.110 Prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following borrowing indicators:

Borrowing Indicators

1.111 The capital expenditure plans set out in the capital strategy provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

1.112 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Change in External Debt

£'m	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Council Fund						
Debt at 1st April	242.37	236.81	293.72	329.81	352.94	363.91
Expected change in Debt	(5.56)	56.91	36.09	23.13	10.97	6.94
Estimated Gross Debt at 31st March	236.81	293.72	329.81	352.94	363.91	370.85
CFR	334.93	353.72	359.81	382.94	393.91	400.85
Under / (Over) Borrowing	98.12	60.00	30.00	30.00	30.00	30.00
HRA						
Debt at 1st April	104.30	111.76	135.47	162.82	170.93	176.46
Expected change in Debt	7.46	23.71	27.35	8.11	5.53	11.92
Estimated Gross Debt at 31st March	111.76	135.47	162.82	170.93	176.46	188.38
CFR	111.76	135.47	162.82	170.93	176.46	188.38

1.113 Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

1.114 The Head of Financial Services (Section 151 Officer) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the next few years. This view considers current commitments, existing plans, and the proposals in this budget report. The projected increase in the CFR over the medium and longer term must be reviewed annually to ensure that the capital investment plans remain affordable, prudent and sustainable.

1.115 Treasury Indicators: limits to borrowing activity

Operational Boundary

1.116 The Operational Boundary is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

£'m	2024/25	2025/26	2026/27	2027/28	2028/29
Operational Boundary	499.00	533.00	565.00	582.00	601.00

Authorised Limit

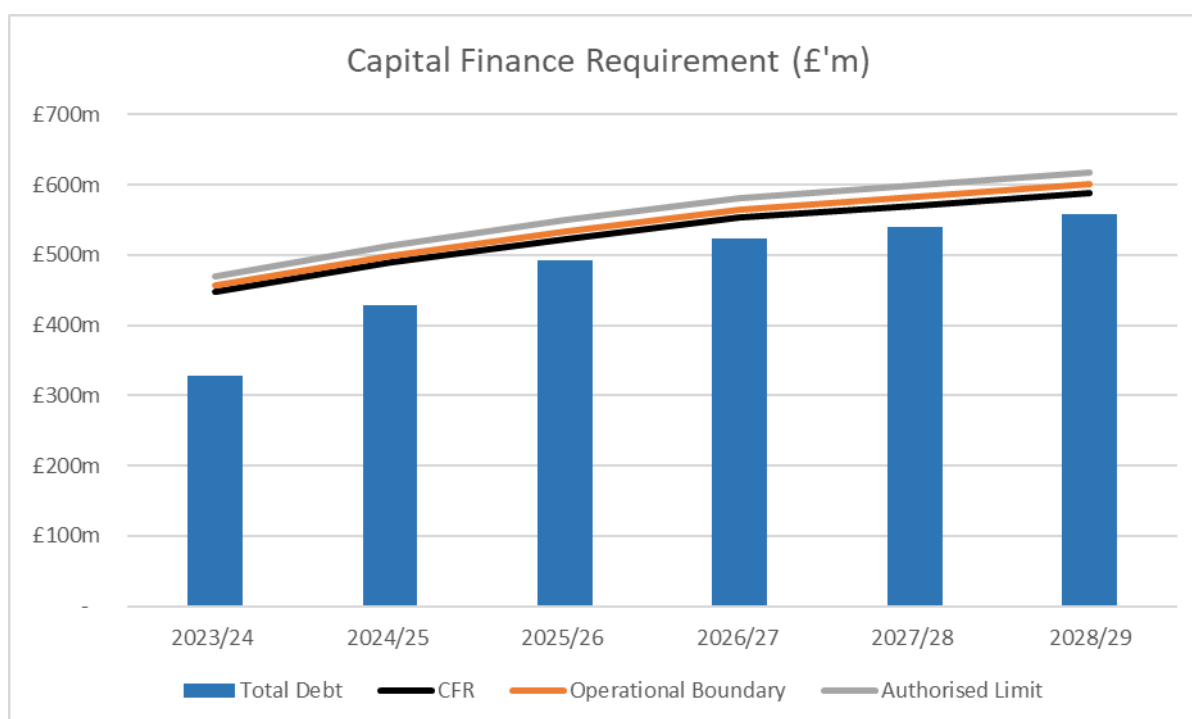
1.117 This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1.118 This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

1.119 The Council is asked to approve the following authorised limit.

£' m	2024/25	2025/26	2026/27	2027/28	2028/29
Authorised Limit	514.00	549.00	581.00	599.00	618.00

1.120 The chart below shows the relationship between the Total Debt, the Capital Financing Requirement (CFR), the Operational Boundary and Authorised Limit.



Annual Investment Strategy

- 1.121 **Management of risk** - The Welsh Government and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This strategy deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.

The Council's investment policy has regard to the following.

- Welsh Government's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

- 1.122 The above guidance from the Welsh Government and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- Other information sources used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- This authority has defined the list of types of investment instruments that the treasury management team are authorised to use. There are categories of 'specified' and 'non-specified' investments.
 - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year except deposits with local authorities which can be for any period.
 - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e., an 18 month deposit would still be non-specified even if it has only 11 months left until maturity.
- Lending limits (amounts and maturity), for each counterparty will be set in conjunction with Link's

matrices.

- Transaction limits are set for each type of investment.
- This authority will set a limit for the amount of its investments which are invested for longer than 365 days.
- Investments will only be placed with counterparties from countries with a specified minimum sovereign rating.
- All investments will be denominated in sterling.
- As a result of the change in accounting standards for 2023/24 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. The Welsh Government has passed a statutory override to allow Welsh local authorities time to adjust their portfolio of all pooled investments by delaying implementation of IFRS 9 for five years until 31st March 2023. More recently, a further extension to the over-ride to 31st March 2025 has been agreed by Welsh Government.

1.123 The council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance.

1.124 Creditworthiness policy

1.125 This Council applies the creditworthiness service provided by Link Group. This service employs a sophisticated modelling approach, utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- "watches" and "outlooks" from credit rating agencies.
- CDS spreads that may give early warning of likely changes in credit ratings.
- sovereign ratings to select counterparties from only the most creditworthy countries.

1.126 This modelling approach combines credit ratings, and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will, therefore, use counterparties within the following durational bands:

Yellow	5 years *
Dark pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
Light pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	100 days
No colour	not to be used

Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt.

Please note: "fund" ratings are different to individual counterparty ratings, coming under either specific "MMF" or "Bond Fund" rating criteria.

1.127 The Link Asset Services' creditworthiness service uses a wider array of information other than just

primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

1.128 Typically, the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

1.129 Credit ratings will be monitored daily through use of the Link Group's creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

1.130 Sole reliance will not be placed on the use of this external service. In addition, this Council will also use market data and market information, as well as information on any external support for banks to help support its decision making process.

1.131 Creditworthiness

1.132 Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

1.133 CDS Prices

1.134 Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

1.135 Limits

1.136 Due care will be taken to consider the exposure of the Authority's total investment portfolio to non-specified investments, countries, groups and sectors.

- Non-specified treasury management investment limit. The Authority has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being 10% of the total treasury management investment portfolio.
- Country limit. The Authority has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in paragraph 3.65. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

1.137 Other limits. In addition:

- no more than 5% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies/institutions;
- sector limits will be monitored regularly for appropriateness.

Investment strategy

1.138 **In-house funds** - Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate having peaked in the second half of 2023 and possibly reducing as early as the second part of 2024 so an agile investment strategy would be appropriate to optimise returns.

1.139 Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

1.140 Investment returns expectations

1.141 The current forecast shown below, includes a forecast for Bank Rate to reach 5.25% in Q4 2023. The suggested budgeted investment earnings rates provided by Link Group for returns on investments placed or periods up to about three months during each financial year are as follows:

2023/24 remainder	5.30%
2024/25	4.70%
2025/26	3.20%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

1.142 Investment treasury indicator and limit

1.143 The Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each yearend.

1.144 The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days			
£m	2024/25	2025/26	2026/27
Principal sums invested for longer than 365 days	£10m	£10m	£10m
Current investments as at 31.12.23 in excess of 1 year maturing in each year	Nil	Nil	Nil

1.145 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access accounts, money market funds and short-dated deposits.

1.146 Investment performance / risk benchmarking

1.147 This Council will use an investment benchmark to assess the investment performance of its investment portfolio of overnight, 7 day, 1, 3, 6 or 12 month compounded / SONIA.

1.148 End of Year Investment Report

1.149 At the end of the financial year, the Authority will report on its investment activity as part of its Annual Treasury Report

Treasury Management Practice – Credit and Counterparty Risk Management

1.150 **Specified Investments** - All such investments will be sterling denominated with maturities up to maximum of 1 year (except for deposits with local authorities which can be for any period), meeting the minimum 'high' quality criteria where applicable. (If a deposit is made for say 2 years, it starts as being a non-specified investment and remains as a non-specified investment even when it's time to maturity falls under 12 months). The criteria, time limits and monetary limits applying to institutions or investment vehicles are.

Institution	Maximum Investment per Group/Institution	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	£30m	Up to 364 days	As per Link's matrices
Foreign Banks	£5m	Up to 364 days	As per Link's matrices
Other Local Authorities	£25m	Up to 5 years	N/A

1.151 **Non specified Investments** - These are any investments which do not meet the specified investment criteria. A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Institution	Maximum Investment per Group/Institution	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	£10m (£5m limit with any one institution)	Up to 2 years	As per Link's matrices
Foreign Banks	£2m	Up to 2 years	As per Link's matrices
Money Market Funds (max. of 5)	£10m	N/A	All are AAA rated
Other Local Authorities	£10m	Up to 5 years	N/A

Note: Limits for Specified and Non-Specified are combined limits. The maximum limit will also apply to a banking group as a whole.

1.152 In addition to treasury management investment activity, local authorities can utilise their powers to borrow in order to invest in other financial assets. Such activity includes loans supporting service outcomes, investment in or loans to subsidiaries, and investment property portfolios primarily for a financial return. Whilst these impact on treasury management activity, they are managed outside of this Treasury Management Strategy and approved separately as part of the Council's Capital expenditure plans arising from its Capital Strategy. Regulator concerns in relation to the extent of this activity have resulted in recent updates to CIPFA professional Codes of Practice including the

Treasury Management Code. Whilst no national monetary, financial, or other controls or limits are in place currently, regulations have been updated to ensure the risks and implications of such activities are clearly governed and understood over a long term period.

1.153 Approved Countries for Investments

1.154 This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's, and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link Asset Services credit worthiness service.

1.155 Based on lowest available rating

- **AAA**

Australia	Denmark
Germany	Netherlands
Norway	Singapore
Sweden	Switzerland

- **AA+**

Canada	U.S.A.
Finland	

- **AA**

Abu Dhabi (UAE)	
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- **AA-**

Belgium	Qatar
U.K.	France

1.156 **Prospect for Interest rates** - The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates, their latest update is provided at Appendix C and D.

Treasury Management Scheme of Delegation

1.157 The governance of the key decisions is set out below:

➤ Full Council

- approval of annual strategy

➤ Governance and Audit Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

➤ Cabinet

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of amendments to the Authority's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers.

The Treasury Management Role of the Section 151 Officer

1.158 The role of the section 151 officer is set out below:

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.

1.159 The above list of specific responsibilities of the S151 officer in the 2021 Treasury Management Code has not changed. However, implicit in the changes in both codes, is a major extension of the functions of this role:

- preparation of a capital strategy to include capital expenditure, capital financing, and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money.
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority.
- ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities

- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (TM Code p54): -
 - Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
 - Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;
 - Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
 - Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

Appendix A - Capital Programme 2024/29

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Education							
Ysgol Bro Hyddgen	0.500	0.500	20.338	22.214	3.100		46.652
Welshpool C in W School	0.115						0.115
Ysgol Gymraeg y Trallwng	0.638						0.638
Ysgol Brynllwarch	3.497	4.989					8.486
Ysgol Cedewain	12.503	0.370					12.873
Sennybridge School	0.100	2.000	8.663	0.200			10.963
Calon Y Dderwen	0.038	0.300	7.000	11.196	0.600		19.133
Brecon Primary	0.060	0.500	10.000	7.389	0.500		18.449
Other 21st Century School Schemes	0.383				10.000	10.000	20.383
Schools Major Improvements	6.227	3.953	2.500	2.500	2.500	1.000	18.679
Schools Other	0.539						0.539
Free School Meals Grant	2.016						2.016
Childcare Grant	0.614						0.614
	27.229	12.612	48.501	43.498	16.700	11.000	159.540
Highways, Transport and Recycling							
Integrated Transport	1.840	0.025					1.865
Highways Lighting	1.096	1.000	1.000	1.000	1.000	1.000	6.096
Structures Strengthening	0.650	0.500	0.100	0.200	3.000	2.950	7.400
Structural Maintenance - Roads	6.500	5.000	5.000	5.000	5.000	5.000	31.500
Salt Barns		0.808					0.808
Safe Route In Communities	0.287						0.287
Newtown De-Trunking Works	0.117						0.117
Countryside & Outdoor Recreation	1.089	1.230	0.015	0.015	0.015	0.015	2.378
Recycling	0.789	1.139					1.928
Local Transport Fund	0.200						0.200
Vehicle Replacement	1.503	5.457	3.710	2.651	4.949	2.254	20.524
Major Strategic Schemes	1.605	1.500	1.500	1.500	1.500	1.500	9.105
Flood Alleviation Schemes	2.055	0.250					2.305
Active Travel Fund	2.141						2.141
	19.871	16.909	11.325	10.366	15.464	12.719	86.654
Property, Planning and Public Protection							
Regulatory Services	0.233						0.233
County Farms	0.492	0.180					0.671
Business Parks	0.132						0.132
Office Accommodation	0.179	0.175					0.354
Depots	0.068						0.068
	1.104	0.355	0.000	0.000	0.000	0.000	1.459

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Community Development							
Libraries	0.280	0.144					0.424
Sports and Leisure Centres	1.250	0.890					2.140
	1.530	1.033	0.000	0.000	0.000	0.000	2.563
Housing							
General Fund Housing	1.017						1.017
Safe, Warm & Secure	0.200	0.200	0.200	0.200	0.200	0.200	1.200
Co2I	0.048	0.048	0.048	0.048	0.048	0.048	0.288
Disabled Adaptation	1.200	1.200	1.300	1.300	1.300	1.300	7.600
Empty Homes Grant	0.100	0.100					0.200
Enable	0.262						0.262
Landlord Loans	0.200	0.200	0.200	0.200	0.200	0.200	1.200
	3.027	1.748	1.748	1.748	1.748	1.748	11.767
Economy and Digital Services							
Economic Development	2.426	5.435					7.862
Levelling Up	3.014	16.138					19.152
Improving Care Services	0.013						0.013
IT Refresh Strategy	0.166	0.155	0.376	0.317	0.574	0.272	1.860
IT Infrastructure	0.025						0.025
Other IT		0.080					0.080
System Rationalisation	0.005	0.095					0.100
Cloud Services	0.050	0.278					0.328
Unified Communications		0.046					0.046
Careline Alarms	0.005	0.012					0.017
	5.704	22.239	0.376	0.317	0.574	0.272	29.482
Childrens' Services							
Priory C In W Primary School	0.379						0.379
	0.379	0.000	0.000	0.000	0.000	0.000	0.379
Adult Services, Commissioning							
Care Homes	0.334						0.334
Community Equipment Store Roof	0.020	0.245					0.265
Innovative Use of Robotics	0.392						0.392
Community Equipment	0.130						0.130
	0.877	0.245	0.000	0.000	0.000	0.000	1.122
Finance							
Small Capital Bids		0.524	0.500	0.500	0.500	0.500	2.524
Pipeline Projects		7.194	4.037	3.161			14.393
Mid Wales Growth Deal		2.000	2.000	2.000	2.000	2.000	10.000
	0.000	9.718	6.537	5.661	2.500	2.500	26.917
Total	59.721	64.859	68.487	61.590	36.986	28.239	319.882

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Financed by							
Supported Borrowing	4.562	4.607	4.582	4.582	4.582	4.582	27.497
Prudential Borrowing	16.265	18.285	5.947	23.174	11.428	7.678	82.778
Welsh Government Grant*	24.959	11.657	42.973	21.913	6.500	6.500	114.502
General Capital Grant	4.711	4.705	4.705	4.705	4.705	4.705	28.236
Other Grants	4.269	15.816					20.085
Capital Receipts	3.715	3.186	6.194	4.248	4.248	2.248	23.839
Revenue/Reserves	1.240	6.602	4.086	2.968	5.523	2.526	22.945
	59.721	64.859	68.487	61.590	36.986	28.239	319.882
Housing Revenue Account							
Welsh Housing Quality Standard	9.740	5.645	5.693	6.646	6.059	10.517	44.302
Community Alarms		0.120					0.120
Compliance 100	0.280	0.250	0.250	0.250	0.250	0.250	1.530
Fit For Life	1.143	1.450	0.250	0.250	0.250	0.250	3.593
Green Powys	0.330	0.575	0.575	0.500	0.500	0.500	2.980
Love Where You Live	0.400	0.500	0.500	0.150	0.150	0.150	1.850
Housing R&M System	0.110						0.110
Housing Vehicles	0.790						0.790
New Builds / Repurchase	7.332	29.026	33.360	14.111	12.342	14.483	110.654
	20.125	37.566	40.628	21.907	19.551	26.151	165.929
Financed by							
Prudential Borrowing	8.514	24.934	28.996	10.275	7.919	14.519	95.159
Welsh Government Grant*	6.710	5.832	5.832	5.832	5.832	5.832	35.870
Capital Receipts	1.000	1.000					2.000
Revenue/Reserves	3.900	5.800	5.800	5.800	5.800	5.800	32.900
	20.125	37.566	40.628	21.907	19.551	26.151	165.929

*Subject to approval by Welsh Government

Appendix B - Capital Receipt Policy

Introduction

This policy is introduced to provide guidance to Senior Managers on the rules governing the application of Capital Receipts in Powys County Council. This guidance has been drafted in line with the two codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). These publications are:

- The Prudential Code for Capital Finance in Local Authorities
- The Code of Practice on Local Authority Accounting

The two publications referred to above contain guidance on capital receipts and local authority accounting that complements guidance issued by the Welsh Government.

In England and Wales, capital receipts are defined by Section 9(1) of the Local Government Act 2003 to include all instances where property, plant or equipment is disposed of for cash (subject to a £10,000 de minimis). All references to Capital Receipts in this policy therefore refers to this definition.

Application

This guidance should be read alongside any relevant direction issued by Welsh Ministers.

Use of Capital Receipts

The current policy for the use of Capital Receipts is contained in the Corporate Asset Policy.

- Capital Receipts will normally be credited to the Central Fund and will be used to progress the Council's principal objectives defined in the Corporate Improvement Plan. However, up to 4% of the capital receipt may be used by Property, as permitted to cover directly attributable costs of sale.
- Capital receipts from the sale of Farm or Agricultural land under the County Farm Estate and property vested in the HRA will be subject to the following apportionment:

This policy proposes the use of Capital Receipts to continue to be based on the following:

Type	Service Area	Corporate
Agricultural	0%	100%
HRA Dwellings and Land	100%	0%
Home finder receipts	100%	0%
Vehicles	100%	0%
All other properties / assets	0%	100%

Appendix C – Economic Background - December 2023

The Council has appointed Link Group as its treasury advisor who have provided the following Economic Background.

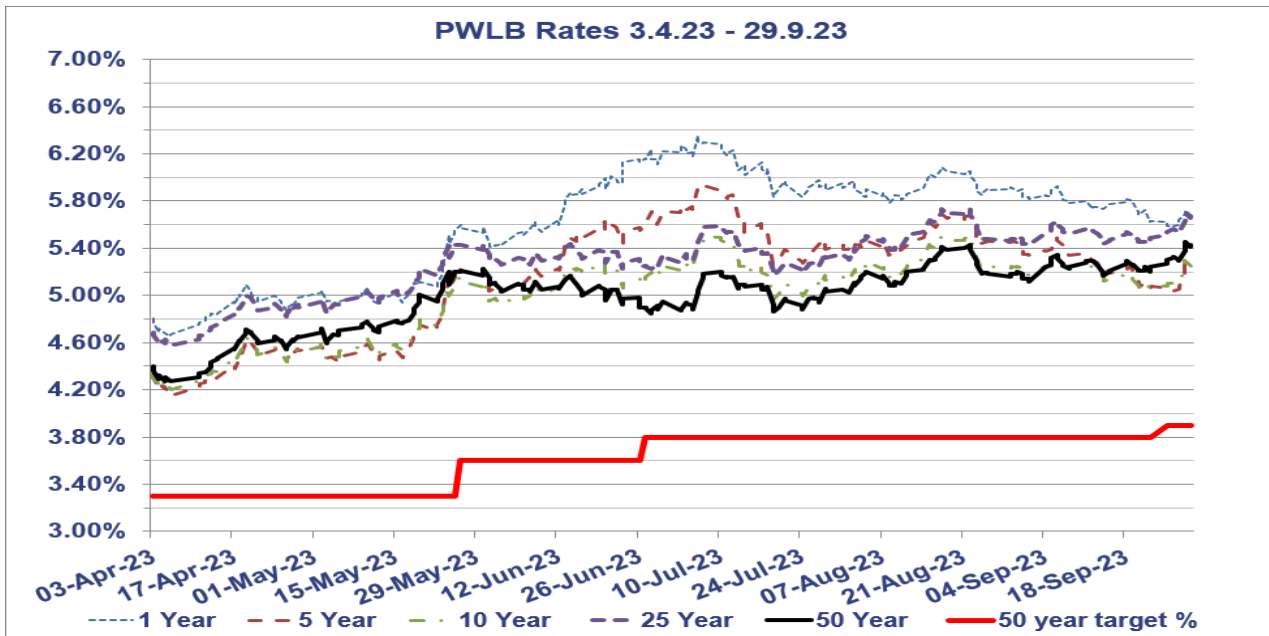
- The first half of 2023/24 saw:
 - Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
 - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
 - CPI inflation falling from 8.7% in April to 6.7% in September, its lowest rate since February 2022, but still the highest in the G7.
 - Core CPI inflation declining to 6.1% in September from 7.1% in April and May, a then 31 years high.
 - A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3myy growth of average earnings rose by 7.8% for the period June to August, excluding bonuses).
- The registering of 0% GDP for Q3 suggests that underlying growth has lost momentum since earlier in the year. Some of the weakness in July was due to there being almost twice as many working days lost to strikes in July (281,000) than in June (160,000). But with output falling in 10 out of the 17 sectors, there is an air of underlying weakness.
- The fall in the composite Purchasing Managers Index from 48.6 in August to 46.7 in September left it at its lowest level since COVID-19 lockdowns reduced activity in January 2021. At face value, it is consistent with the 0% q/q rise in real GDP in the period July to September, being followed by a contraction in the next couple of quarters.
- The 0.4% m/m rebound in retail sales volumes in August is not as good as it looks as it partly reflected a pickup in sales after the unusually wet weather in July. Sales volumes in August were 0.2% below their level in May, suggesting much of the resilience in retail activity in the first half of the year has faded.
- As the growing drag from higher interest rates intensifies over the next six months, we think the economy will continue to lose momentum and soon fall into a mild recession. Strong labour demand, fast wage growth and government handouts have all supported household incomes over the past year. And with CPI inflation past its peak and expected to decline further, the economy has got through the cost-of-living crisis without recession. But even though the worst of the falls in real household disposable incomes are behind us, the phasing out of financial support packages provided by the government during the energy crisis means real incomes are unlikely to grow strongly. Higher interest rates will soon bite harder too. We expect the Bank of England to keep interest rates at the probable peak of 5.25% until the second half of 2024. Mortgage rates are likely to stay above 5.0% for around a year.
- The tightness of the labour market continued to ease, with employment in the three months to July falling by 207,000. The further decline in the number of job vacancies from 1.017m in July to 0.989m in August suggests that the labour market has loosened a bit further since July. That is the first time it has fallen below 1m since July 2021. At 3.0% in July, and likely to have fallen to 2.9% in August, the job vacancy rate is getting closer to 2.5%, which would be consistent with slower wage growth. Meanwhile, the 48,000 decline in the supply of workers in the three months to July offset some of the loosening in the tightness of the labour market. That was due to a 63,000 increase in inactivity in the three months to July as more people left the labour market due to long term sickness or to enter education. The supply of labour is still 0.3% below its pre-pandemic February 2020 level.
- But the cooling in labour market conditions still has not fed through to an easing in wage growth. The headline 3myy rate rose 7.8% for the period June to August, which meant UK wage growth remains much faster than in the US and in the Euro-zone. Moreover, while the Bank of England's closely watched measure of regular annual average total pay growth for the private sector was 7.1% in June to August 2023, for the public sector this was 12.5% and is the highest total pay annual growth rate

since comparable records began in 2001. However, this is affected by the NHS and civil service one-off non-consolidated payments made in June, July and August 2023. The Bank of England's prediction was for private sector wage growth to fall to 6.9% in September.

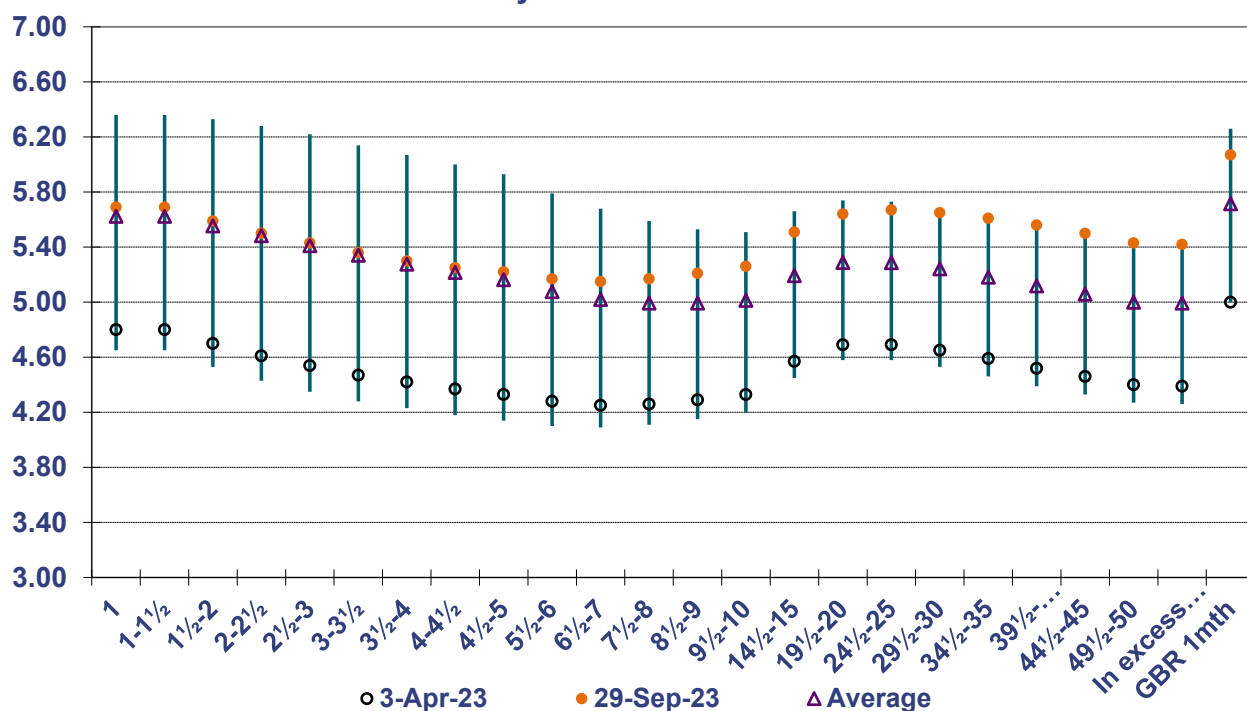
- CPI inflation declined from 6.8% in July to 6.7% in August and September, the lowest rate since February 2022. The biggest positive surprise was the drop in core CPI inflation, which declined from 6.9% to 6.1%. That reverses all the rise since March.
- In its latest monetary policy meeting on 06 November, the Bank of England left interest rates unchanged at 5.25%. The vote to keep rates on hold was a split vote, 6-3. It is clear that some members of the MPC are still concerned about the stickiness of inflation.
- Like the US Fed, the Bank of England wants the markets to believe in the higher for longer narrative. In terms of messaging, the Bank once again said that “further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures”, citing the rise in global bond yields and the upside risks to inflation from “energy prices given events in the Middle East”. So, like the Fed, the Bank is keeping the door open to the possibility of further rate hikes. However, it also repeated the phrase that policy will be “sufficiently restrictive for sufficiently long” and that the “MPC’s projections indicate that monetary policy is likely to need to be restrictive for an extended period of time”. Indeed, Governor Bailey was at pains in his press conference to drum home to markets that the Bank means business in squeezing inflation out of the economy.
- This narrative makes sense as the Bank of England does not want the markets to decide that a peak in rates will be soon followed by rate cuts, which would loosen financial conditions and undermine its attempts to quash inflation. The language also gives the Bank of England the flexibility to respond to new developments. A rebound in services inflation, another surge in wage growth and/or a further leap in oil prices could conceivably force it to raise rates in the future.

In the table below, the rise in gilt yields across the curve as a whole in 2023/24, and therein PWLB rates, is clear to see.

PWLB RATES 01.04.23 - 29.09.23



PWLB Certainty Rate Variations 3.4.23 to 29.9.23



HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.23 – 29.09.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.14%	4.20%	4.58%	4.27%
Date	06/04/2023	06/04/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.51%	5.73%	5.45%
Date	06/07/2023	07/07/2023	22/08/2023	17/08/2023	28/09/2023
Average	5.62%	5.16%	5.01%	5.29%	5.00%
Spread	1.71%	1.79%	1.31%	1.15%	1.18%

The peak in medium to longer dated rates has generally arisen in August and September and has been primarily driven by continuing high UK inflation, concerns that gilt issuance may be too much for the market to absorb comfortably, and unfavourable movements in US Treasuries.

The S&P 500 and FTSE 100 have struggled to make much ground through 2023.

CENTRAL BANK CONCERNS

Currently, the Fed has pushed up US rates to a range of 5.25% to 5.5%, whilst the MPC followed by raising Bank Rate to 5.25%. EZ rates have also increased to 4% with further tightening a possibility.

Ultimately, however, from a UK perspective it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also). Appendix D – Interest Rate Forecasts – 7th November 2023

Appendix D – Interest Rate Forecasts – December 2023

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. These are forecasts for certainty rates, gilt yields plus 80bps:

Link Group Interest Rate View	07.11.23												
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.40	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.50	3.30	3.30	3.30	3.30	3.30
5 yr PWLB	5.00	4.90	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.60	3.50	3.50	3.50
10 yr PWLB	5.10	5.00	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.70	3.60	3.60	3.50
25 yr PWLB	5.50	5.30	5.10	4.90	4.70	4.50	4.30	4.20	4.10	4.10	4.00	4.00	4.00
50 yr PWLB	5.30	5.10	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.80	3.80	3.80

Arolwg Cyllideb Cyngor Sir Powys

Powys County Council Budget Survey



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What are we doing?

Powys County Council provides a wide range of services to our communities, spending over £545m every year, mainly on statutory services, which we must provide by law.

The Council will face severe financial pressures in the coming financial year and for the foreseeable future, pressures that will dominate the way council services are delivered for many years to come.

To balance the budget next year, we will have to take out more than £20m of costs and we would like your input into how best we can do this. It will have an impact on the services we offer but by doing things differently we can reduce our costs.

Why are we doing it?

We will use the data and feedback from this engagement to help us shape what the council could look like. It will be a smaller council, but it is essential that we prioritise the services to those that need our support most. Doing things differently can help us use the money we have more effectively.

When did it happen?

The Budget survey was published on Monday 11th December 2023 and closed at midnight on Sunday 7th January 2024.

How was it promoted?

A variety of communication channels were used including:

- A media releases to local and national press and published on the council's website: [11 December 2023 - Budget Survey Launched](#)
- Hosted on the Powys online engagement platform: www.haveyoursaypowys.wales and advertised on the homepage and Powys County Council hub
- Animated videos (which had 65 views in total)
- Regular social media posts via the corporate council social media pages on Facebook and Twitter (now known as X) and partner/service specific social media pages

How many people responded?

In total, 988 responses were received during the engagement period.

There were 1,649 visits to the online project pages, with 60% of visitors completing the survey.

In line with our Public Participation Strategy and to ensure survey results are representative of the Powys population, we aim to receive 384 responses to have a confidence level of 95% (with a margin of error of +/-5%).

The final response number of 988 gives us a confidence level of 95% and a margin of error of +/- 3.1%.

What did people say? Survey results

Please note: Not all questions have been answered by all respondents and all the responses received in Welsh are included with the below for ease of analysis. All percentages are rounded to the nearest whole number and the highest and lowest response numbers are highlighted in each table.

Q1. Help us decide what the council will look like. Please indicate the extent to which you agree or disagree with each one.

Reduce overall service to reduce costs

Option	Number	Percentage
Strongly agree	71	7%
Agree	158	16%
Neutral	154	16%
Disagree	384	39%
Strongly disagree	221	22%

Reduce the number of buildings from which we operate to reduce cost. Using the sales proceeds to improve the buildings we need

Option	Number	Percentage
Strongly agree	458	46%
Agree	391	40%
Neutral	86	9%
Disagree	33	3%
Strongly disagree	20	2%

Protect some services by reducing the locations from which we deliver them, which could mean that you would need to travel further to access the services you need

Option	Number	Percentage
Strongly agree	84	8%
Agree	292	30%
Neutral	207	21%
Disagree	292	30%
Strongly disagree	113	11%

Look to deliver more of our services through online interaction rather than face to face

Option	Number	Percentage
Strongly agree	183	18%
Agree	371	38%
Neutral	170	17%
Disagree	195	20%
Strongly disagree	69	7%

Increase Council Tax by less than 5% (if lower it would mean there would be more service reductions)

Option	Number	Percentage
Strongly agree	215	22%
Agree	275	28%
Neutral	198	20%
Disagree	191	19%
Strongly disagree	109	11%

Increase Council Tax by more than 5%. (A higher increase would limit the need for some service reductions)

Option	Number	Percentage
Strongly agree	69	7%
Agree	174	18%
Neutral	115	12%
Disagree	269	27%
Strongly disagree	361	36%

Reduce the council's energy usage by implementing further energy efficiency measures

Option	Number	Percentage
Strongly agree	538	54%
Agree	360	36%
Neutral	58	6%
Disagree	17	2%
Strongly disagree	16	2%

Increase charges for some services so those who use the facilities pay more, e.g. Green waste, car parking, transport

Option	Number	Percentage
Strongly agree	101	10%
Agree	273	28%
Neutral	174	18%
Disagree	299	30%
Strongly disagree	141	14%

Q2. Any further comments:

This was an open question with 493 responses. Full verbatim responses can be found in Appendix A and have had any personal information removed to enable them to be included in this report. Themes that were identified within the responses (in no particular order) included:

Council Tax:

- Don't increase Council Tax
- Due to the cost of living crises – can't afford increases
- Difficult to see/know what Council Tax is spent on
- Look internally before asking the public for more money

Services:

- Be efficient/reduce unnecessary spend and waste
- Keep face-to face services
- Prioritise statutory services and reduce/stop spend on non-statutory
- Means test services – those that 'can' afford to pay more, should
- Rural communities don't benefit from Council Services
- Instead of reducing services run them more efficiently
- Protect the most vulnerable
- If locations are reduced public transport needs improving
- Protect the environment/combat climate change
- Leisure centres/libraries are vital for well-being/reducing social isolation
- Cut car parking charges – they are hurting town centres
- Spend money on infrastructure
- Work together/share resources with other councils
- Use Town and Community councils more
- Ask Welsh/UK Government for more money

People:

- Reduce the number of Councillors/Councillor expenses
- Cut Senior Manager roles/salaries
- Reduce number of staff/staff salaries
- PCC staff should work from home
- Improve staff sickness/reduce sick pay expenditure

Survey:

- Survey questions are too vague
- Difficult to answer without specific information on each service
- Answers would differ depending on which service you are asking about

What happens next?

We will use the data and feedback from this engagement to help us shape what the council could look like. The results of the survey will be shared with Cabinet as part of the Budget setting process.

Budget and Council Tax Impact Assessment 2024-25



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Jane Thomas
Head of Service	Jane Thomas
Portfolio Holder	Cllr David Thomas
Proposal title	Budget Setting including Savings Proposals and Council Tax Setting
Description of proposal	<p>This Impact Assessment (IA) focuses on the budget that will be presented to Council on 22nd February 2024 for the 2024-25 budget. It assesses the impact of the overall budget proposals, council tax requirements and those budget savings needed to deliver a balanced budget and their impact across a range of headings including the Well-being Goals, guiding principles and the workforce, with mitigating actions to reduce negative impacts.</p> <p>This IA addresses the consequences of a number of specific budget saving proposals as summarised at Appendix A, there are 73 individual savings proposals considered within this IA which do not have any impact on the main IA criteria headings and stakeholders, some of these savings are at a very early stage so it is not possible to assess impact at this early stage in the development of the proposal and an IA will be completed if needed at a later date. The remaining 19 savings proposals have separate IAs published within the budget pack and need to be reviewed to full appreciate the consequence of accepting the saving proposal. There is a separate impact assessment for the schools delegated budget proposal.</p> <p>The savings proposals within this IA and part of the cumulative assessment fall within the following categories:</p> <ul style="list-style-type: none">• Budget that can be Reduced• Manage Contracts Better• Workforce Changes• Income increases• Other/transformation

2. Savings and Consultation

Profile of savings delivery

The overall budget proposal is £340,701,224 for which there are £24,733,904 inescapable cost pressures, including pay and price/contract inflation as well as service specific pressures like the real living wage, contract inflation increases and demographic growth, to support this demand the council proposes to make savings of £10,653,060 in 2024-25. There are 91 budget saving proposals for approval by Council, 19 have been assessed as needing a separate impact assessment (IA) plus an impact assessment for the delegated schools budget. 73 of the saving proposals are considered in this IA because they have little or no impact on communities/stakeholders etc, or where it is not possible to assess impact at this early stage in the development of the proposal and one will be completed at a later date, when more detail is known. These savings can be summarised together without any detrimental effect on understanding their impact, see Appendix A for the overall summary by category, the total value of these savings is:

2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
8,663,631	1,143,302	183,000	25,000	25,000	10,039,933

Further information

BACKGROUND

By law the Council must annually agree a balanced budget. This impact assessment concentrates on the net revenue budget for 2024-25. The 2024-25 Budget has been developed, refined and challenged by a robust process involving Heads of Service, Corporate Leadership Team, Cabinet and Scrutiny Committees. The full timetable was published in July 2023 setting out the governance approach and meetings planned to develop and finalise the budget. This has been updated regularly and shared with those considering the overall budget. The Draft Budget will be approved by Cabinet on 16th January 2024 and then be considered by the three Subject Scrutiny Committees and the Finance Panel through January / early February 2024. The Final Budget will be presented to Council for agreement on 22nd February 2024.

19 Individual impact assessments have been completed for the savings proposals where they are specifically required and one for the schools delegated budget. Most savings aim to provide efficiencies, increase income and reduce cost whilst continuing to ensure the Council meets its statutory responsibilities and retaining core budgets to support service delivery.

This assessment assesses the cumulative impact of the budget on Powys residents, in respect of the funding allocated to support service pressures, the proposed council tax increase and those savings proposals that do not need a separate assessment.

The Final Budget includes a 7.5% increase in the Council Tax in 2024-25 (£2.20 a week increase for a band D property), and then 5% for the following 4 years. The Council Tax Resolution will be presented to Council on 7th March 2024.

REVENUE BUDGET

The receipt of the provisional local government funding settlement for 2024-25 was consistent with the indicative 3.1% allocation indicated by Welsh Government back in March 2023. However, data changes confirmed in the formula sees Powys receive a 2.8% increase in funding for 2024-25, although an increase of £6,275,340 this falls well short of the increase in costs the Council is experiencing as inflation and demand for services increases, this has created an enormous challenge for the Council to deliver a balanced budget. Over the last ten years we have delivered over £135 million savings for the Council to support balanced budgets in previous budget rounds, and it becomes harder to identify and deliver savings to address the burdening service pressure demands, as set out in the Councils budget pack Appendix F Cost Pressures.

Although inflation now has a downward trend, falling just below 4%, the higher levels seen through 2023 create a recurrent pressure on the cost of supplies and services we receive, many of the large contract uplifts are linked to autumn RPI and CPI which was at a level of 8.9% and 6.7% respectively.

As part of the overall budget considerations the ability for the public to afford council tax increases are taken into account.

The Council has developed its 2024-29 Medium Term Financial Strategy (MTFS) and revenue budget by seeking to focus resources on delivery of a Sustainable Powys and the Council's statutory obligations alongside Corporate Plan aspirations.

Inescapable Cost Pressures

The 2024-25 budget includes £24,796,404 inescapable cost pressures, including pay and price/contract inflation as well as service specific pressures like the real living wage, contract inflation increase and demographic growth. These must all be recognised in the budget as the Council is required by law to set a viable and balanced budget.

Powys residents will benefit from investment in these pressures as they will ensure that services can be improved or maintained at current levels and the Council's statutory obligations are delivered. However, the value of the pressures included in the budget exceed the funding settlement the Council has received from the Welsh Government creating a budget gap of £18,458,565 which will be funded in part by £10,653,060 of savings proposals and 7.5% council tax and base changes totalling £7,805,505.

Cost Reductions

To bridge the budget gap in 2024-25 all services were asked to identify possible savings proposals that could be made to reduce the Council's spending requirement. £10,652,060 of saving proposals have been identified which are deemed to be achievable within an acceptable level of risk. This leaves a residual budget gap of £7,805,505 million which it is proposed is found by increasing Council Tax by 7.5%. If Council Tax was to be increased by less than 7.5% the Council would need to make further savings. In looking for additional savings the Council would need to consider whether the impact on residents from any saving would be greater than the impact on households of an additional 7.5% per annum in Council Tax. Work to develop the Draft Budget suggests that every element of the budget has been explored so the scope for additional cost reductions in the short term is very limited.

Council Tax

The Council's net revenue budget is funded from Welsh Government grant known as Aggregate External Finance (AEF) and Council Tax. AEF is the total level of support that the Government provides to local authorities, comprising Revenue Support Grant (RSG) and the amount distributed from business rates (NNDR) and is distributed using a needs-based formula.

The settlement formula is based on Standard Spending Assessment (RSG & NNDR plus notional Council tax). What has been seen in previous years is that the notional Council Tax element of the settlement has increased at a greater rate than the AEF element, this results in councils with smaller tax bases having a greater share of the grant element and areas with higher tax bases like Powys received less grant because they had a greater relative share of the council tax pot. We receive roughly 31% of the Council's net revenue budget requirement from Council Tax and the rest from Welsh Government.

Council Tax income comes from residents but not all residents pay full Council Tax. Many residents benefit from the Council Tax Reduction Scheme (CTRS) and/or are in receipt of a statutory council tax discount or exemption. Our annual expenditure to provide CTRS support for Powys residents exceeds the level of funding included in the settlement by £1,457,193. The level of support provided by this scheme has increased since the pandemic and economic downturn as more people became eligible. Any increase in Council Tax will increase the CTRS demand and an allocation of £740,250 is included in the budget to cover a 7.5% increase in Council Tax.

In setting the Council Tax level each year the Council must strike an appropriate balance, the need to ensure the Council has sufficient funds to provide crucial often statutory services to local residents within a balanced budget (a legal requirement) with the ability of Powys taxpayers to afford to pay the level set. Each year the number of properties subject to Council Tax increases, this increase to the tax base is based on estimated new builds and properties brought back into use.

Understanding the affordability of any Council Tax increase requires consideration of the cost of the increase in relation to household income. Council Tax can be measured in 'Band D' or in 'per dwelling' terms. Band D has historically been used as the standard for comparing Council Tax levels between and across local authorities. This measure is not affected by the varying distribution of properties in bands that can be found across authorities. The 'per dwelling' calculation uses chargeable dwelling figures which gives an indication of the average amount of Council tax that is actually paid per household. In 2023-24 the Average Band D council tax set for Powys was £1,913.39 which was above the Welsh average of £1,879.46. These figures include Community Council and Police authority precepts. Council Tax can also be measured as average Council Tax per dwelling. In Powys the average Council Tax per dwelling for 2023-24 is £1,920, £238 a year (£4.58 a week) above the £1,682 average for Wales.

Taking account of the above information the groups of people most likely to be impacted by an increase in Council Tax are families with children especially those headed by a working lone parent and people who rent their home (social or a private landlord). Those people less likely to be impacted by an increase in Council Tax are people on higher incomes and people wholly reliant on means tested benefits.

A 7.5% increase in Council Tax in 2024-25 for a Band D dwelling would be an increase of £114.33 for the year, equivalent to £2.20 per week (before Community Council and Police precept). Based on previous year's figures it would be reasonable to assume that only around 47% of Powys' households would pay the full increase, while just over 53% would receive partial or total exemption from payment.

ECONOMIC CONTEXT

The current economic context remains challenging. On 22nd November 2023 the Office for Budget Responsibility (OBR) published its report "Economic and fiscal outlook". The report provided an analysis and forecast of the UK's public finances based on the budget statement released by the Chancellor of the Exchequer on the same day.

There was a sharp fall in UK wage growth in October, with the headline rate easing from the upwardly revised 8.0% (7.9% previously) in September to 7.2% in October. Excluding bonuses, the rate eased from 7.8% to 7.3%. And one of the Bank of England's key barometers of inflation persistence, regular private sector pay growth, dropped from 7.9% to 7.3%, which leaves it on track to fall to 7.2% by December, as predicted by the Bank in November. Labour demand, however, was stronger than expected. The three-month change in employment eased only a touch from +52,000 in September to +50,000 in October. That was enough to offset a further 63,000 rise in the supply of workers in the three months to October, which meant that the unemployment rate remained at 4.2%. Nonetheless, other indicators point to a (gentle) cooling in labour demand ahead, as the number of job vacancies fell for the 17th month in a row, from 0.959m in October to 0.949m.

National statistics from the Office of National Statistics (ONS) show the average gross weekly earnings (full-time equivalent employees on adult rates) in Powys in 2022 to be £573.20 compared to an average for Wales of £598.10, placing Powys 7th lowest of 22 council areas in Wales. (awaiting 2023 information to be uploaded). (still waiting for updated information for 2023)

CPI inflation fell to its lowest level in almost two years, in November 2022 it stood at 10.7% and this has seen a significant change at October 2023 being 4.63%. In its recent budget announcement the government have confirmed a further energy price guarantee limiting a typical household's annualised energy bill to £1,834 this winter and £1,928 next year, although utility prices are falling, they remain significantly higher than two years previously.

The housing market remains 15% lower than in 2019, lending to First-Time Buyers (FTBs) has been the most resilient aspect of lending despite the challenge of very stretched mortgage affordability. With mortgage costs high, the ability to buy is increasingly dependent on whether an individual is buying alone or as part of a couple. The latest estimates are that a typical new mortgage will cost around 4.8% in December, somewhat lower than in the past few months. Moreover, declining mortgage rates have already generated a significant improvement in demand, with the new buyer enquiries and sales expectations balances recording their strongest readings for over a year and a half.

In a final round of Central Bank announcements for 2024 the Bank of England, as forecast, kept interest rates on hold at 5.25%. The Governor Andrew Bailey reiterated recent comments; “there is still some way to go” in the fight to reduce inflation, and reminded markets that rates could rise again “if there was evidence of more persistent inflationary pressures”. The Government has set an inflation target of 2% likely to be the second quarter of 2025 when it drops to this level.

Consultation requirements

Consultation required?	Yes
Union consultation date	Click or tap to enter a date.
Staff consultation date	n/a
Public consultation date	Budget engagement with the public, including business rate payers concluded on the 7 th January 2024 and the findings are published as part of the budget pack

Consultation plan (or justification where no consultation is required)

19 of the budget savings require individual impact assessments and are published separately.

The Council conducted a resident’s survey which closed on the 7th January 2024. A full report on the budget consultation will be provided with the budget papers in the Cabinet agenda 16th January and Council agenda 22nd February 2024.

3. Impact on other service areas, geographical areas, and data protection

3a. Impact on other service areas

Each saving has been reviewed by CLT, Cabinet and Scrutiny Committees and any impact on other services addressed so there are no implications that will arise when the saving is made

3b. Impact on geographical locations

The council tax increase is relevant to all households across Powys. The detail behind the overall budget proposal is set out in the published budget pack, cost pressures Appendix F and Savings in Appendix D, there are a number of specific pressures that relate to a specific location in Powys, most are service level demand and inflationary pressures.

There are some savings proposals that relate to a specific budget in a specific area, the disposal of the Gwalia in Llandrindod Wells saves £30k in year as we reduce the need for office accommodation and has minimal stakeholder impact. Other savings include a review of the Pupil Referral Unit (PRU) model, Day Centre provision and the closure of a HWRC, these are proposals that may have a major impact on its stakeholders and so separate IAs will be completed and considered as part of the budget at Council.

As the Council completes its Placed Based Model within Sustainable Powys, there may be some changes to where current offices and services are delivered, but, as part of the review a wider IA will take place once the project has a full picture of potential changes.

3c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	Choose an item.
Further information	
Click or tap here to enter text.	

4. Impact on well-being goals including Welsh language and equalities

4a A prosperous Wales

Impact	<p>The budget proposal provides £4.6 million in pay award for council staff, most of whom live in county and their increased salary will support the local economy.</p> <p>Schools will be funded to a level of 4.2%, £3.6 million. This 4.2% increase is above the level of increase received by the Council in AEF (2.8%), and reflects the priority Education has from the Council, but based on the funding settlement received we are unable to fully protect schools from some of the burden facing the Council. This means the cost of the pay award and inflation will in part require schools to utilise reserves or deliver savings to stay within their budget envelope.</p> <p>Education have mitigated their £202k service pressures from contract inflation and early retirement pension strain, offering saving proposals of £129k that result from increasing income, reducing agency spend and offering up underspending budgets like travel, this approach ensures there is a minimal effect on pupils and schools. There are specific IAs for a PRU reorganisation, 3rd sector spend and staff restructure, these will provide more detailed analysis to support the proposals.</p> <p>The schools catering budget aim to reduce their costs by £150k and remain within budget in part delivered through the roll out of universal Free School Meals across years 5 & 6, alongside a 10p per meal increase for secondary school pupils to generate an additional £90k, a lower than inflationary uplift.</p> <p>A £79k reduction in the events and functions budget within Regeneration will result in careful use of this budget prioritised for activities of benefit for the Council. The ability to draw down grant for some of this will alleviate the impact.</p>
Impact Rating	Poor

Mitigation

Through the WG Settlement a number of protections are in place for school funding under the Education and Welsh Language portfolio, and a consolidation of grant funding streams to enable local authorities to have more flexibilities to react and deliver in these changing circumstances. The new School Standards funding in our Local Authority Education Grant will protect funding in relation to the Recruit, Recover and Raise Standards programme which was established to help learners overcome the negative effects of the pandemic. Also protected is the Pupil Development Grant funding that funds schools to support learners from low-income households.

Funding that goes directly to schools has been prioritised. For 2024-25 the amalgamation of pre-16 education grants provides the same level of funding against similar grants provided to local authorities in 2023-24; this is also a 3.2% rise against the 2024-25 indicative budget for those same grants.

Schools transformation will continue to reduce building numbers and improve value for money through economies of scale with additional pupils in the remaining schools, reducing the need to spend on those schools requiring high maintenance and removing schools with high energy costs. Inflation and demand pressures in school transport will be funded at £950k. The capital programme continues to prioritise schools in terms of new build, improvement and maintenance this also benefits the curriculum. £104.6 million over the next 3 years. The WG Settlement increases the FSM provision to all primary children and will see capital investment in school kitchens and full funding for the provision removing the need for parents to fund this.

Planning budgets support economic activity and these will remain static next year with pay and price inflation funded.

Significant pressures arise from care provider real living wage increases, the proposal will see an additional £6.3 million to ensure the sector remains stable and continue to provide local jobs and offer local care facilities to service users.

Overall the capital programme is £295 million over the next 3 years, and aims to employ local contractors and local sub-contractors, this then supports the local employment market. We have major capital funding too from Levelling Up - £23m, SPF - £33m and Growth Deal - £2 million, which will support both revenue and capital infrastructure improvements in the public, charity and private sector over the next few years, again supporting the local employment market and wider economy.

Social Care are offering savings of £800k from bringing service users, where feasible, closer to home thus saving staff (and family) time and travel £20k, and supporting local providers who will deliver this care and the wider economy that support them.

	Businesses and other ratepayers in Wales are supported with a package of non-domestic rates support from WG. The increase to the non-domestic rates multiplier for 2024-25 will be capped at 5%, at a recurring annual cost of £18 million. This is lower than the 6.7% increase that would otherwise apply. Ratepayers will continue to be supported with increased liabilities following the 2023 non-domestic rates revaluation. The transitional relief scheme continues to phase in changes for eligible ratepayers.
Mitigated Rating	Neutral

4b. A resilient Wales

Impact	<p>We continue to offer savings on travel, £75k, as we work more from home and attend meetings through the Teams/ Zoom app remotely. There are savings offered for reduction in the cost of utilities £146k, linked to the continued fall in nationwide utility costs. In addition, a £1.1m budget set up for utilities at the leisure centres in 2023-24 is not needed as this contract has been able to address the utility rise internally, utility market costs are still higher than pre covid levels, but costs keep falling, in addition usage continues to reduce, especially in leisure facilities, with climate benefits.</p> <p>Within HTR savings are offered for street lighting partial dimming that reduces energy consumption £43k and £332k of inflationary street lighting budget. Fee increases in line with inflation for waste services – green waste and trade waste will deliver £175k but may reduce the recycling of green waste, albeit the fee only rises by £10.</p> <p>Separate IAs will consider the implications of charging for DIY waste disposal as well as the removal of cardboard bring sites. In part these may help improve recycling household collection rates.</p> <p>Highways are proposing to return £100k budget for ditch clearing and the impact of this will be explained in a separate IA.</p> <p>A car parking review is underway to establish a fair and consistent parking strategy, the budget proposes maintaining similar levels of fees and income, this will then allow a budget realignment of £393k. A separate IA will review the proposal and implication to charge for disabled blue badge holder using car parking in our car parks.</p>
Impact Rating	Neutral

<p>Mitigation</p>	<p>Leisure have reduced their energy usage and been undertaken energy efficiency works at leisure facilities with the help of grants that reduce usage to help manage these budgets within existing levels.</p> <p>Within the cost pressures are a proposal for two new officers, £98k, to support moving to net zero and addressing our asset management and disposal plan. Asset disposal will allow the removal of utility, maintenance and cleaning budgets, £150k, as well as realising a capital receipt that will support the capital programme.</p> <p>Waste pressures of £317k will be funded, mainly relating to the gate fee increase and HWRC tender.</p> <p>We are uplifting some budgets to the level of income being recovered, which is an accounting adjustment, rather than undertake service change that affects the public, for environmental budgets £200k can be achieved from recycle income and street works. Also maximising the use of grant income allows a £112k saving in waste management. We are considering changing how we bulk our residual waste from the new facility, and the detail and impact is explained in a separate IA.</p> <p>The capital strategy continues to fund an additional £1 million for street lighting, where lighting replacement and improvement is needed, and £5 million for the HAMP annually until 2030. In addition, the success of £17m from Levelling Up UK government funding will allow essential bridge and road projects to take place over a 3 year period.</p> <p>Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm & Secure), Landlord Loans and the ZILF Co2i loan schemes.</p>
<p>Mitigated Rating</p>	<p>Good</p>

4c. A healthier Wales

<p>Impact</p>	<p>The Social Care budget plan, contains pressures of £10 million. £6.3 million relates to paying care workers the real living wage (Welsh Government priority) whilst other pressures have come from increases in providers' costs and placement demand. A big challenge is social work recruitment and the need to cover most vacancies with agency staff, we have set out savings that can be delivered through grow our own social worker scheme and reducing agency staff £274k.</p> <p>In addition, the service has identified £2 million of potential demand pressures that will be funded via the risk budget next year if needed.</p> <p>Savings have been put forward from Social Care, improved contract management and utilisation of voids will save £400k, these are deemed efficiency savings and improvements to how we manage our contracts. Ensuring partner organisations, like Health Boards and other Local Authorities, pay their fair share of care cost is a priority as is maximising income and the use of grants, which does not have a detrimental effect on care, we hope to recoup £1 million. Social workers utilise a wider range of care options and savings will be delivered through managing assessed hours and use alternative provision such as extra care, shared lives and guardianship where appropriate, this is more cost effective than high cost placements £426k. Placements closer to home will be a priority where feasible achieving £600k.</p> <p>Savings in Community Development (CD) include leisure savings from reduced use of facilities in schools £210k a separate impact assessment will be completed. The leisure contract has an annual reduction built in each year, this year £50k can be removed from the budget, also savings from reducing the backlog leisure maintenance budget are also being offered £70k. Utilities costs are reducing across CD sites, like libraries, and so a £70k budget will be saved, also CD will manage with a standstill budget for supplies and service returning the £18k inflation and using grant to supplement the Arts budget £20k. The service will also complete a separate IA for library provision changes £34k that may have an impact on its stakeholders and service availability.</p>
<p>Impact Rating</p>	<p>Neutral</p>

<p>Mitigation</p>	<p>The majority of savings proposed in Social Care relate to efficiency through contract management, maximising income from partners and reviewing care packages to ensure they remain appropriate, these will not affect service users nor have a detrimental effect. We are able to achieve a £200k savings from changing the accounting arrangements on deferred charges. There are four savings proposals for next year from Social Care, £540k, that will require individual IAs as they relate to remodelling the service provision and the workforce and will require stakeholder engagement, there could be some impact although statutory levels of service will continue to be main.</p> <p>There continues to be extra funding for all registered carers through the real living wage will help retain and attract care workers to the profession to support more vulnerable and frail service users. In addition, all care providers will receive inflation uplifts to their contract overall this equates to an uplift estimated at £9 million cost to the council.</p> <p>The Council will provide growth funding of £803k to support the growing placement need from Unaccompanied Asylum Seeker Children.</p> <p>The savings listed in this section for CD will not have a detrimental effect on service delivery.</p>
<p>Mitigated Rating</p>	<p>Neutral</p>

4d. A Wales of cohesive communities

Impact	<p>General Fund Housing do not have any savings to deliver and have submitted growth requests for £41k funding to support the bringing empty properties back into use and improve the standard of privately rented accommodation. This is in addition to the pay award and non pay inflation totalling £57k that will be funded</p> <p>The library provision savings proposal £35k for the next two years has a separate IA, next year it will replace base budget with grant funding and the second year will be delivered as part of the Sustainable Powys programme and further consultation would take place if needed.</p> <p>Bus fare increases savings proposal of £85k may affect communities and transport links for those without their own transport. The proposals has a separate IA, and is needed to fund contractors' cost increases.</p> <p>Removal of cardboard bring banks will change amenity facilities in some communities and the rationale for this is set out in a separate IA.</p>
Impact Rating	Poor

<p>Mitigation</p>	<p>The Councils ambitious five year plan and priorities are set out in its Corporate Plan and focus on Stronger, Fairer, Greener. The outcomes of this are community focused and improve services in Powys, the budget supports this plan and will be delivered through a Sustainable Powys programme.</p> <p>Housing in the main is ring fenced through the Housing Revenue Account (HRA). Annual rent increases are set independently of the general fund budget process. The HRA business plan includes the cost of borrowing to deliver the construction and letting of 61 new homes in 2022/23 with a further 56 under construction and 142 additional homes under active consideration for future development (dependent upon site acquisitions, viability assessments and resolution of the phosphates issues affecting development of all types).</p> <p>Business cases have been approved for new accommodation for homeless need with additional support that should see a reduction in social care demand and repeat homelessness cases from 2025.</p> <p>The Council will fund a 9% increase £478k to bus operators for school transport provision and inflation on public transport routes £338k.</p> <p>Cardboard recycling is available through kerbside collections, as well as HWRCs, households have other ways to recycle their cardboard. We continue to retain HWRCs in localities where the public can access.</p> <p>Funding Unaccompanied Asylum Seeker children – growth demand of circa £803k</p>
<p>Mitigated Rating</p>	<p>Neutral</p>

4e. A globally responsible Wales

Impact	<p>Mileage reduction supports the budget and emissions as we continue to work from home and utilising online meeting portals. There are savings offered for reduction in cost of utilities £146k plus £1.1m for utilities at the leisure centres as this contract has been able to address this utility rise internally, the market levels are still higher than pre covid levels, but costs continue to fall, in addition usage continues to reduce without any known impact apart from climate benefits. Within HTR savings are offered for street lighting partial dimming that reduces energy consumption £43k.</p> <p>Where possible savings are offered up that have minimal impact on the economy, society and the environment and do not affect Powys' Global Wellbeing. These savings proposals include removing vacant posts due to transformational change, reducing workload and the way we work, next year we can release £242k, we can also manage staff vacancies removing vacant posts £177k budget. Reviewing grants use, to fund some posts and other costs will release £742k budget.</p> <p>Other budgets that can be released include £5k for mobile phone usage, standstill on supplies and service £18k, £100k released from the insurance excess budget, and the contribution to the councils pension fund will reduce by 0.4% next year as part of a 3 year reduction as part of the actuarial review which saves contributions of £500k into the pensions fund. The capital borrowing budget will be reduced by £500k, which is available due to the capital programme and the funding streams forecast over the next three years.</p> <p>Finally, we have identified some budgets which can be increased to current income levels, assuming that levels will remain at their current status, this provides an additional £70k for rental income and cemetery fees. £95k savings from business rate appeals and council elections will also be achieved without any impact.</p>
Impact Rating	Good

Mitigation	<p>Services have reduced the energy usage and been able to do energy efficiency works at leisure facilities with the help of grants.</p> <p>Within the pressures are two officers £98k to support moving to “net zero” and addressing our asset management and disposal plan, asset disposal with reduce maintenance and cleaning budgets, £100k as well as realising a receipt that will support capital programme.</p> <p>The Council has identified savings that can be achieved without any impact on its global wellbeing agenda and these are largely explained through this document, where the budget requires savings with potential detrimental impacts these are considered through individual impact assessments.</p>
Mitigated Rating	Good

4f. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	<p>There are no savings proposed for Translation or other areas affecting Welsh language.</p> <p>A saving of £35k, reduction to the library provision may have implications on current service delivery and other bodies in Powys, a separate IA is prepared.</p>
Impact Rating	Neutral
Mitigation	<p>Next years budget includes a growth request for an additional translator £45k (mitigated with £10k reduced from the external translation budget). This will provide greater capacity in the team and deliver timely translation.</p> <p>The saving in library provision will form part of the wider placed based planning in Powys, and the reduction may be about how the service is delivered rather than a cut in provision.</p>
Mitigated Rating	Neutral

Promoting Welsh

Impact	As explained above, there is a growth request for an additional Translation officer which means more translation done in house, and should allow for more translation being delivered and promoting its use
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Impact Rating	Good
Mitigation	There are no savings or reductions that affect Welsh
Mitigated Rating	Good

Sports, Art & Recreation

Impact	<p>As explained in previous sections, the budget has some savings proposals that may affect service delivery in Leisure, libraries and the Arts, all of these proposals will be subject to separate IAs that will fully explore the impact and provide detail to help final decision making on the budget.</p> <p>Savings from utility budgets can be achieved without affecting service delivery</p>
Impact Rating	Neutral
Mitigation	N/a
Mitigated Rating	Neutral

4g. A more equal Wales

Age

Impact School meal increase of 10p	<p>To deliver an additional £90k, a 10p per meal rise for secondary school pupils is there to cover the cost of the pay award, utilities and cost of provisions, these meal costs are still subsidised by council budgets. There is still the provision for free school meals (FSM) for families that qualify for this support.</p> <p>Increased bus fares by 10% across public transport , £85k, may impact a number of age groups and those who live rurally but do not have a car to travel. This increase supports increased pay and fuel costs that contractors have to incur and they can recoup this from the council contracts.</p> <p>A separate IA will be completed for older day centre review, as part of considering an alternative delivery model.</p> <p>A separate IA will be completed for the delivery model of the pupil referral unit service</p>
Impact Rating	Poor

Mitigation	<p>Those on a lower income may be more affected by council tax increases, but these will be mitigated by use of the reduction scheme, which is a benefit that those in greatest need can claim to cover all or part council tax payments.</p> <p>FSMs are available for those families that qualify for this support and this is highlighted to those we support through money advice etc</p>
Mitigated Rating	Neutral

Disability

Impact	<p>A separate IA has been prepared for the introduction of blue badge charging in car parks although an extra hour will be offered on top of their paid tariff as a concession. This is likely to impact on those with severe mobility issues.</p> <p>Within ASC some savings proposals relate to all client categories void management £50k and learning disability respite policy review £50k, these do not reduce the offer to service users but require the council to better manage its contracts and only purchase the care it needed.</p>
Impact Rating	Poor
Mitigation	<p>In recognition that it may take longer for blue badge holders to move around their destination, it is proposed that the concession afforded provides them with an additional hour on top of their paid for time. This will mitigate blue badge holders possibly having to purchase a longer stay to take account of any mobility issue they may have when compared to a non-blue badge holder.</p> <p>The budget is increased by £722k to fund demographic increases for learning disability transitions, these are children who will move into Adult Social Care and need ongoing support through adulthood. Childrens also get extra funding, £80k, for Short Breaks, to support those caring for learning disability children who need respite care</p>
Mitigated Rating	Neutral

Gender Reassignment

Impact	none
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Impact Rating	Neutral
Mitigation	none
Mitigated Rating	Neutral

Marriage or Civil Partnership

Impact	This budget will see an increase in registrar fees budget to a level of what is being achieved, extra £60k – will have no effect on those who wish to marry or have a civil ceremony.
Impact Rating	Neutral
Mitigation	n/a
Mitigated Rating	Neutral

Race

Impact	none
Impact Rating	Neutral
Mitigation	none
Mitigated Rating	Neutral

Religion or belief

Impact	none
Impact Rating	Neutral
Mitigation	none
Mitigated Rating	Neutral

Sex

Impact	none
Impact Rating	Neutral

Mitigation	none
Mitigated Rating	Neutral

Sexual Orientation

Impact	none
Impact Rating	Neutral
Mitigation	none
Mitigated Rating	Neutral

Pregnancy and Maternity

Impact	none
Impact Rating	Neutral
Mitigation	none
Mitigated Rating	Neutral

Socio-economic [Click or tap here to enter text.](#)

Impact	The effect of the council tax increase will result in a weekly increase of £2.20 on a band D property. Those most socio-economically disadvantaged would be affected by this increase.
Impact Rating	Neutral
Mitigation	This group of council taxpayers would be able to claim CTRS to receive up to 100% level of council tax support. A central council budget funds this. In addition, the in-house Advice team and financial assessment officers will ensure those on benefits maximise what they are entitled to and signpost to relevant services if other vulnerabilities are highlighted. This use of the CTRS budget is always fully funded through WG / Council to whatever level is required.
Mitigated Rating	Good

4h. Evidence

The Council's ambitious five year plan and priorities are set out in its Corporate Plan and focus on Stronger, Fairer, Greener. The outcomes of this are community focused and improve services in Powys, the budget supports this plan. The priorities align to our 5 ways of working and the 7 well being goals of the Well-being and Future Generations Act 2015. "Sustainable Powys" will review what services we provide and how they are provided to meet current needs whilst ensuring we have innovative solutions to provide the best services adapted for our future generations. It is about working together to design a future for our local authority that delivers stronger, fairer and greener services whilst reducing our costs.

In line with Stronger Fairer Greener, Sustainable Powys key principles are:-

- **Outcomes and transformation**, not just modifying services
- **Engagement**: engaging early with people in agreeing, designing and delivering outcomes
- Addressing the fundamental question: **why do we do what we do?**
- Having a strategic **whole county** view, not just the Council
- **Innovation**: being open minded and seeking innovative solutions, using all the expertise available
- Using **evidence** - if we aren't getting results, we should change
- It's a **continual process** to meet existing and long-term needs sustainably
- Delivering **outcomes at lower or no costs**

Where needed separate IA are provided that set out greater detail of the impact of the savings proposals. Where some proposals are at their very early stage of planning IAs will be provided later when relevant and before savings are changes are actually made. The budget proposals have been developed closely with Service Heads who have put forward growth pressures necessary to maintain a level of service necessary to deliver the Council's statutory functions, in addition council wide pressures such as inflation have to be funded as these are contractual obligations for staff and contractors. The main increase to the overall budget are for these pressures and to fund them savings and a council tax increase are recommended. The savings explained in this document without a separate IA can be undertaken without a major impact on stakeholders.

5. Impact on key guiding principles & workforce

5a. Sustainable development principles

Long-term

Impact	<p>Although the focus of this impact assessment is the 2024-25 budget the Council is also being asked to approve the Medium-Term Financial Strategy which extends the revenue forecasting to 2029 and the capital programme to 2029, both of which help the Council to take a longer-term view.</p> <p>The Integrated Business Planning approach involves developing operational service and resource plans for the next three years which again encourages the organisation to take a medium-term view of planning which should lead to better outcomes for the citizen and future generations</p>
Impact Rating	Neutral
Mitigation	<p>The FRM has been delivered with Heads considering their medium term requirements, alongside the Sustainable Powys and Placed Based Planning projects running alongside to change the Council model and free up budgets in future years.</p> <p>We continue to work within our Reserves Policy, maintaining the general fund reserve above 4% of net revenue spend (excluding schools and the HRA) and have been able to strengthen reserves to support future plans, next years budget has some small calls on reserve and possible level of pay inflation risk, but maintains a healthy level of reserve.</p>
Mitigated Rating	Good

Collaboration

Impact	<p>Some of our budget proposals will require close working with other bodies and stakeholders, including health boards, other local authorities and the third sector to help develop new delivery models and maximise income. It is important the council only fund the personal social care element of service user support and Health contribute to identified health related costs.</p> <p>There is a £20k reduction to the Arts budget, but this is about using grant funding instead to support the sector. A separate IA has been prepared for reductions to third sector spend in Education £50k next year.</p>
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Impact Rating	Neutral
Mitigation	<p>We continue to work closely with Ceredigion Council to distribute Capital and Revenue funding across Mid Wales as well as running the Schools Improvement Partnership and CJC.</p> <p>Working with health colleagues to maintain adequate care packages to service users and both parties fund the legally responsible elements of that care. This allows us to maximise our income and not fund health elements of care packages, Social Care savings are predicated on this remaining in place, as well as reviewing care packages and bringing services closer to home.</p> <p>Reductions in third sector spend will be replaced either with grant support or undertake activities in-house so as not to lose the service.</p>
Mitigated Rating	Good

Involvement (including Communication & Engagement)

Impact	There was stakeholder engagement in the budget development process, including a public survey that closed on the 7th January 2024, and advertising that reached out to business rate payers for their input by the 15th February 2024. The survey findings and any commentary written by the public will be published as part of the budget pack going to Cabinet on the 16 th January.
Impact Rating	Neutral
Mitigation	Following on from the budget survey a place based survey will take place in 2024 to help shape the future delivery model of the council
Mitigated Rating	Good

Prevention

Impact	The Council understand the benefit of funding preventative activities to reduce the increased resource needed further down a care pathway. The savings focus on more independent living than residential type care.
Impact Rating	Neutral

Mitigation	<p>Childrens in-house care home services will be reviewed to help improve the delivery model and extend its use</p> <p>Extending access to ASC Extra Care rather than residential care allows service users to remain independent for longer.</p> <p>Increasing the take up of direct payments will be encouraged, as it allows better choice for service users in the support they want to purchase, a separate IA provides greater detail on this proposal that saves £100k.</p>
Mitigated Rating	Good

Integration

Impact	<p>Services developed their FRM model as part of wider budget setting considerations, and the senior leadership team have been working collaboratively on Sustainable Powys and the workstreams such as Placed Based Planning (PBP), to ensure collectively they streamline service delivery but take into account other services' consequences.</p> <p>Please see the section on collaboration which has some narrative about impact with partner agencies etc.</p>
Impact Rating	Neutral
Mitigation	PBP may see the removal of some council buildings, including leisure facilities which will provide budget savings and reduce the long term cost to maintain them, stakeholders will be consulted if needed
Mitigated Rating	Good

5b. Impact on the workforce

Impact	<p>There are some proposed reductions to the workforce, mainly from vacancies and with a greater push to “grow our own” social workers we hope to increase our professional staff and reduce the need for high cost agency cover.</p> <p>A restructure in the schools service and pupil referral unit teams will be subject to separate IAs to full appreciate all implications in advance of any decisions.</p>
Impact Rating	Poor

Mitigation	<p>Most of the staff reductions will be achieved through vacant posts, and these posts reductions may mean less productivity in a team, but in most cases these vacancies have been managed for some time and the service can operate at those levels. Utilisation of grants budgets for some staff will have a minimal effect on actual staff in post.</p> <p>As a service-driven organisation, workforce costs are a key cost driver across our services, sustained levels of high inflation have resulted in protracted pay negotiations nationally resulting in increased pay costs for Teachers and Council staff</p>
Mitigated Rating	Neutral

5c. Impact on payroll

Impact	<p>There are some proposed reductions to the workforce, mainly from vacancies and with a greater push to “grow our own” social workers we hope to increase our professional staff and reduce the need for high cost agency.</p> <p>A restructure in the communications, schools service and pupil referral unit teams will be subject to separate IAs to full appreciate all implications in advance of any decisions.</p>
Impact Rating	Poor
Mitigation	<p>Most of the staff reductions will be achieved through vacant posts or better utilisation of grants so having minimal effect on actual staff in post</p> <p>The Council continues to pay at a minimum Real Living Wage level including apprentices, which means we offer a fair wage far higher than many businesses in the county. We also ensure our Care providers pay these rates for their care staff who provide care to our service users. These factors are included as part of the growth demand, our forecast pay increase of 4% will cost the council £4.6 million and this will be fully funded through the FRM, as will care providers for inflation and the RLW.</p>
Mitigated Rating	Neutral

5d. Welsh language impact on Staff

Impact	None
Impact Rating	Neutral

Mitigation	None
Mitigated Rating	Neutral

5e. Impact on apprenticeships

Impact	Continuing to “grow our own social workers” as well as inhouse training for other posts means we will continue to support the recruitment of school leavers and developing their skills and qualifications in-house so they are ready for their career development as vacancies arise in the Council.
Impact Rating	Neutral
Mitigation	None
Mitigated Rating	Neutral

5f. Evidence

The Sustainable Powys programme has a number of workstreams with all members of the CLT engaged to ensure all services are considered and engaged in any proposals for change. Changes will be implemented over the medium term to support the delivery of the MTFS rather than just focusing on the short term 1 year budget for 2024-25. Time for consultation with stakeholders will be factored in ensuring those findings will form part of any final decision making.

6. Likelihood and risks

Risk 1 -

Next years budget must be fully balanced, deliverable and affordable, risk of not agreeing the proposed savings and a 7.5% level of council tax increase to ensure the service pressures are funded, this then means Service Heads cannot start the new year with a budget they manage within.

Likelihood score	4	Impact score	5	Risk rating	20
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Mitigation

The budget has been prepared by Cabinet, CLT and Senior Leadership Team with engagement and consultation with the public and the wider council membership. The proposals (pressures and reductions) have been subject to scrutiny and challenge and provide a balanced budget within the funding envelope from Welsh Government, with an affordable increase in Council Tax. Service Heads have taken full ownership of Council budgets and how they can deliver services within the proposed changes next year.

Residual likelihood score	2	Residual impact score	3	Residual risk rating	6
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Risk 2

Council tax collection levels (we budget at 98.5% collection rate) may reduce due to the level of council tax increase which could be high for some households to afford

Likelihood score	3	Impact score	4	Risk rating	12
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Mitigation

CTRS and certain discounts are available, in addition there are flexible ways to pay the bill over 12 months. The council have trained money advice officers and financial assessment officers to support those struggling to make ends meet.

Residual likelihood score	2	Residual impact score	2	Residual risk rating	4
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Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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Overall summary and judgement

Outline assessment

Low risk.

There are individual impact assessments for some cost reduction proposals contained in the budget which shows they are deliverable within an acceptable level of risk and impact on residents. Many of these proposals will not be implemented until consultation is completed with stakeholders. IA are included as part of the budget pack. This overarching impact assessment gives due regard to the equality, environmental, sustainable and economic, etc. impacts associated with the overall budget proposal and level of council tax required, as well as discussing £8,663,631 of budget savings that can be delivered without a major impact on stakeholders. Mitigations have been highlighted to address negative impacts or promote the benefits. The need for individual IAs will continue to be assessed as savings plans take shape and published at a later date alongside wider consultation.

Conclusion

The Council's financial position and outlook continue to be challenging over the medium term. Although the financial settlement provides additional funding which helps support the main core pressures such as pay and price inflation, there have been additional obligations that also have to be funded from the increase such as funding the £1.10 per hour, plus on-cost, increase in Real Living Wage for all care workers, costing £6.3 million on top of pay and price inflation and specific service pressures. The next years settlement has been indicated at best flat cash and likely to be around -2% significantly below forecast inflation levels and will leave the Council facing tougher decisions. As the net budget is only financed by the settlement and Council Tax the only other way the Council can balance its budget is by making cost reductions or increasing fees and charges.

The Council has made more than £135 million cost reductions in the last decade making it harder each year to find more. A further £10.6 million of savings proposals are proposed for 2024-25, leaving a £7.8 million budget gap which it is proposed should be met by an increase in Council Tax. In future years we will need to re-design the Council to deliver services in a more sustainable way.

Although any increase in Council Tax is likely to impact to some extent on many residents, not all pay Council Tax as there are a number of discounts and exemptions in place which means that only 47% pay full Council Tax, with 53% receiving partial or total exemption from payment.

Despite the average Band D Council Tax Bill in Powys being £34 per annum higher than the Wales average and the average Council Tax per dwelling is £238 above the average, these figures need to be considered against the fact that in Powys only 69% of the net budget is funded from AEF which means 31% of the net budget has to come from Council Tax which is higher than all but three other council in Wales.

In terms of affordability a 7.5% increase in Council Tax for a Band D property would be £2.20 per week £9.53 per month which represents a modest increase against the average weekly wage and in view of the means tested reductions, discounts and exemptions that are available to residents this is considered to be in the realms of affordability for residents and is recommended to support the overall budget strategy and affordability. As has been explained earlier, many vulnerable households will be eligible for CTRS and other benefits so remain largely unaffected by this increase.

The Local Government Act 2003 requires the Chief Finance Officer, Section 151 Officer (the Head of Financial Services), to make a report to the Council when it is considering its budget and Council Tax. The report must provide assurance on the robustness of the estimates, highlighting the risks associated with its deliverability and the adequacy of the reserves allowed for in the budget proposals, and fundamentally a balanced budget must be set each year. Council can propose and consider alternative budget suggestions, these would have to be fully costed with identified funding to maintain a balanced budget, this is likely to mean other service reductions and changes to Council Tax.

Council Tax is agreed at Council, and is a political decision based on an assessment, not only between balancing council tax and service reductions, but also making spending choices that meet the immediate needs with those that meet future generation's needs.

Cabinet reference

Click or tap here to enter text.

Additional evidence

Click or tap here to enter text.

Monitoring arrangements

Click or tap here to enter text.

Review date

Click or tap to enter a date.

Appendix A – Summary of savings covered in this Impact Assessment by Category

	2024-25	2025-26	2026/27	2027/28	2028/29
	£	£	£	£	£
<u>Budgets that can be Reduced</u>					
Utilities/ running costs	-349,585	-153,302	-25,000	-25,000	-25,000
Travel	-75,060	-10,000	0	0	0
Phones	-5,000	0	0	0	0
Events	-79,000	0	0	0	0
Inflation	-437,460	0	0	0	0
Insurance Excess	-100,000	-100,000	0	0	0
Catering	-150,000	0	0	0	0
	-1,196,105	-263,302	-25,000	-25,000	-25,000
<u>Managing Contracts Better</u>					
Voids and care beds	-400,000	-74,000	-22,000	0	0
Assessing need and alternative provision	-1,075,980	0	0	0	0
Reducing agency and consultancy	-309,000	-74,000	-86,000	0	0
Contract terms	-1,150,000	0	0	0	0
	-2,934,980	-148,000	-108,000	0	0
<u>Income Increases</u>					
Charging partners	-1,009,000	0	0	0	0
Accounting policy	-200,000	0	0	0	0
Grant and other funding utilisation	-891,490	0	0	0	0
Income Generation	-30,000	-300,000	0	0	0
Inflation uplifts on fees and charges	-702,760	0	0	0	0
Budget upped to Actual delivery level	-260,000	0	0	0	0
	-3,093,250	-300,000	0	0	0
<u>Workforce Changes</u>					
Redesign/restructure	-57,000	-7,000	0	0	0
Vacancies	-177,296	0	0	0	0
Pension actuarial yr2	-500,000	-400,000	0	0	0
	-734,296	-407,000	0	0	0
<u>Other/Transformation/Borrowing</u>					
	-705,000	-25,000	-50,000	0	0
Total	-8,663,631	-1,143,302	-183,000	-25,000	-25,000

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Impact Assessment

Leisure Services Budget Reduction



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Jenny Ashton
Head of Service	Jenny Ashton
Portfolio Holder	Cllr David Selby / Cllr Pete Roberts
Proposal title	Leisure Services budget reduction
Description of proposal	<p>To achieve this will require a revised Service Level Agreement of leisure provision to schools. The use of leisure facilities by (high, primary & special) schools for core curriculum (PE) and swimming to be reviewed and standardised accordingly. Savings will also be realised through energy efficiency measures already introduced and proposed. Proposals to be discussed / negotiated with Freedom Leisure (contracted provider). The leisure review has highlighted that the number of Council-funded leisure centres are unsustainable long-term due to significant repairs, maintenance and investment requirements including carbon reduction measures for the existing number of buildings (14). The current leisure review will better understand need and provide the information and evidence to design the future service that will be shaped under Sustainable Powys and Place-based planning to realise the savings for 2025/26 although the figures are currently indicative and will be subject to the review concluding.</p> <p>This proposal is in addition to the annual 'contract reduction' of £50,000.</p>

2. Savings and Consultation

Profile of savings delivery

2023-24	2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
0	Leisure - £32,230 Schools - £177,144,	Leisure - £48,340 Schools - £265,716	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

Further information

The leisure review has highlighted that the number of Council-funded leisure centres are unsustainable long-term due to significant repairs, maintenance, investment and carbon reduction measures required for the existing number of buildings (14). The current leisure review will better understand need and provide the information and evidence to design the future service that will be shaped under Sustainable Powys and place-based planning to realise the savings for 2025/26. An indicative saving for the second year has been provided subject to the conclusion of the leisure review and the development of the Sustainable Powys programme. This proposal is in addition to the annual 'contract reduction' of £50,000.

Consultation requirements

Consultation required?	Yes
Union consultation date	To be confirmed
Staff consultation date	Staff employed by Freedom Leisure
Public consultation date	To be confirmed

Consultation plan (or justification where no consultation is required)

Schools Service consultation i.e. review of Service Level Agreement with all schools by March 2025. Consultation in future years will be incorporated as part of Sustainable Powys and place-based planning.

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

2024/25 - a potential impact on the schools' service provision i.e. it is currently variable and will require a review with all schools.

2025/26 – the impact on service areas such as adults and children's services; health services; community/sports groups, organisations and other stakeholders/interested parties will be defined under the Sustainable Powys programme.

1b. Impact on geographical locations

Powys wide – through revision of schools' leisure provision.

1c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
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Is Powys County Council the data controller?	No
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Further information

Click or tap here to enter text.

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

Impact	Reduction in publicly funded leisure centre provision available for schools.
Impact Rating	Neutral
Mitigation	Review and revise leisure centre use / provision for schools in Powys to enable a more consistent approach. High Schools may be able to better utilise their own sport / leisure facilities.
Mitigated Rating	Neutral

1e. A resilient Wales

Impact	Schools (pupils) require a more equitable and planned approach to participation. Energy efficiency measures implemented would support a more sustainable service.
Impact Rating	Neutral
Mitigation	Implement short-term energy efficient measures that will give positive returns on investment.
Mitigated Rating	Good

1f. A healthier Wales

Impact	Schools' access to leisure facilities for curriculum and extra-curricular activities, designed to promote physical and mental wellbeing and safety to be planned more consistently to support equality of outcomes for pupils. Health Board querying safeguarding responsibilities for pupils and ability to swim – concerns around open water swimming/drowning. In 2022/23, swimming and swimming lessons comprised 35% of total leisure centre usage, whilst schools' usage comprised another 30%.
Impact Rating	Good
Mitigation	Approach by Schools Service for leisure provision will enable more equitable access for pupils to support this goal.
Mitigated Rating	Good

1g. A Wales of cohesive communities

Impact	Continuation of current inequitable provision will impact pupils who currently don't access leisure facilities.
Impact Rating	Poor
Mitigation	A more planned / consistent approach to the access of leisure facilities for school pupils will support this goal.
Mitigated Rating	Good

1h. A globally responsible Wales

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Promoting Welsh

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Sports, Art & Recreation

Impact	A more consistent and planned approach of opportunities for pupils to be active and take part in publicly-funded activities at a leisure centre, (particularly swimming) may have an impact on those who currently have more access than others.
Impact Rating	Neutral
Mitigation	A planned and consistent approach will enable more equitable access for pupils to sport and leisure activities.
Mitigated Rating	Good

1j. A more equal Wales

Age

Impact	Currently access to leisure facilities for school-age pupils is inequitable throughout the county.
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Impact Rating	Neutral
Mitigation	A more consistent and planned approach of opportunity will enable pupils to have more equitable access to leisure provision and swimming throughout the county
Mitigated Rating	Good

Disability

Impact	No impact identified.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Gender Reassignment

Impact	No impact identified
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Marriage or Civil Partnership

Impact	No impact identified
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Race

Impact	No impact identified
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Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Religion or belief

Impact	No impact identified
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Sex

Impact	No impact identified
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Sexual Orientation

Impact	No impact identified
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Pregnancy and Maternity

Impact	No impact identified.
Impact Rating	Choose an item.

Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Socio-economic Duty

Impact	A number of schools who currently don't access leisure centres and are unable to afford buses/transport, or the time needed to take the children swimming could result in some pupils losing the opportunity to learn to swim.
Impact Rating	Poor
Mitigation	Individual schools to work with schools' service, parents and others to help secure necessary funds for transport.
Mitigated Rating	Unknown

1k. Evidence

Leisure engagement public and schools survey 2023; Sport Wales schools survey 2022; Freedom Leisure usage reports; NERS reports; Powys Wellbeing Bank information

5. Impact on key guiding principles & workforce

1l. Sustainable development principles

Long-term

Impact	This is a short-term saving. Longer-term savings will be achieved under Sustainable Powys and the outcome of the leisure review.
Impact Rating	Neutral
Mitigation	Work up longer-term plans following conclusion of leisure review and in conjunction with Sustainable Powys / place-based plans.
Mitigated Rating	Neutral

Collaboration

Impact	Proposal has potential to damage/weaken relationship with existing contracted leisure provider due to requirement for additional savings. Some schools may challenge decision to reduce provision that they currently receive.
Impact Rating	Neutral
Mitigation	Good communication and negotiation with leisure provider; positive engagement needed. Freedom Leisure are consistently willing to support requests where possible from the Council. Opportunity to work with schools to standardise provision
Mitigated Rating	Good

Involvement (including Communication & Engagement)

Impact	Potential risk/impact of not involving (the right) people at an early enough stage in proposals.
Impact Rating	Neutral
Mitigation	Opportunities to involve schools/stakeholders in designing leisure offer/standardisation.
Mitigated Rating	Good

Prevention

Impact	These proposals will still enable a positive impact on the long-term health and wellbeing of schools and pupils, through a more planned approach.
Impact Rating	Good
Mitigation	Schools Service & Schools to work with Freedom Leisure to agree a revised Service Level Agreement.
Mitigated Rating	Good

Integration

Impact	No impact identified.
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Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1m. Impact on the workforce

Impact	No impact identified.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1n. Impact on payroll

Impact	Not applicable
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1o. Welsh language impact on Staff

Impact	No impact identified.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1p. Impact on apprenticeships

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.

Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1q. Evidence

Leisure engagement public and schools survey 2023; Sport Wales schools survey 2022; Freedom Leisure usage reports; NERS reports; Powys Wellbeing Bank information

6. Likelihood and risks

Risk 1					
Challenge from leisure provider to varying the contract fee					
Likelihood score	2	Impact score	2	Risk rating	4
Mitigation					
Good communication /negotiation with our leisure provider will be essential in agreeing how to approach making the variation effectively to minimise negative outcomes					
Residual likelihood score	1	Residual impact score	2	Residual risk rating	2

Risk 2					
Challenge from schools, governing bodies and parents to any reduction in school swimming.					
Likelihood score	4	Impact score	3	Risk rating	12
Mitigation					
Work closely with schools' service and schools to remove barriers as far as possible. Analysis of funding for schools' service to review transport costs.					
Residual likelihood score	3	Residual impact score	3	Residual risk rating	9

Risk 3

Reduction in Schools SLA usage / payments to Freedom Leisure could result in loss of income for provider if other participation does not cover budget reductions.

Likelihood score	3	Impact score	3	Risk rating	6
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Mitigation

Provider to promote additional time for public use of leisure facilities to generate income lost through schools planning more consistently throughout the county.

Residual likelihood score	2	Residual impact score	2	Residual risk rating	4
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Risk 4

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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Risk 5

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score

Choose an item.

Residual impact score

Choose an item.

Residual risk rating

Choose an item.

7. Overall summary and judgement

Outline assessment

To achieve this saving will require a review of the Service Level Agreement provision for schools i.e. the use of leisure facilities by (high, primary & special) schools for core curriculum (PE) and swimming to be reviewed and planned accordingly. Savings will also be realised through energy efficiency measures already introduced and proposed.

Cabinet reference

Click or tap here to enter text.

8. Additional evidence

Click or tap here to enter text.

9. Monitoring arrangements

Review of school's usage against Service Level Agreement provision to be undertaken.

Review date

End of Summer Term 2024

Impact Assessment

Pupil Referral Unit Consolidation



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Sarah Quibell
Head of Service	Georgie Bevan
Portfolio Holder	Cllr Pete Roberts, Cabinet Member for a Learning Powys
Proposal title	Pupil Referral Unit Consolidation
Description of proposal	<p>‘A Pupil Referral Unit (PRU) is a type of school established by a Local Authority (LA) which has a duty to provide suitable education for children and young people who, by reason of illness, exclusion or otherwise, may not receive such education in a mainstream school.’¹</p> <p>The PRU in Powys is currently based across two sites, one in the north in Newtown and one in the south in Brecon, both sites are located in leased buildings.</p> <p>As part of the ongoing quality assurance processes deployed by the local authority to ensure the maintenance of high standards within education related provision across the county, it has been identified that the provision is variable across the two sites. Furthermore, as part of service planning, including that undertaken for the Joint Inspection of Child Protection Arrangements (JICPA), the service identified the need to improve intervention within mainstream education settings to reduce the need for exclusions (fixed-term and permanent).</p> <p>The proposal is to consolidate the Pupil Referral Unit onto one site, which would facilitate more flexibility with outreach work and intervention to support learners within their settings and provide upskilling opportunities for staff in those settings. In addition, the concentration of skilled staff in a single PRU setting, will enhance the learner experience and outcomes. It will also enable enhanced professional development opportunities for PRU staff which can then be cascaded to into mainstream education, to support teachers as they respond to the nationally recognised challenges linking to behaviour as a result of the COVID pandemic.</p>

¹ Welsh Government, ‘A Handbook for Management Committees of Pupil Referral Units’, <https://www.gov.wales/handbook-management-committees-pupil-referral-units>, accessed 11.12.23, p. 5

2. Savings and Consultation

Profile of savings delivery

2023-24	2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
£0	£352,555	£251,825	£0	£0	£0	£604,380

Further information

Click or tap here to enter text.

Consultation requirements

Consultation required?	Yes
Union consultation date	tbc
Staff consultation date	tbc
Public consultation date	N/A

Consultation plan (or justification where no consultation is required)

HR consultation with staff and unions regarding the consolidation of the PRU site.

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

Highways, Transport and Recycling

1b. Impact on geographical locations

Powys

1c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	
Click or tap here to enter text.	

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

Impact	Retaining the current provision at it stands across two sites does not support: <ul style="list-style-type: none">• the best use of resources and deployment of resources• a sustainable model of service delivery reflective of current need, particularly regarding the increased demand for behavioural support across Powys schools• the most effective approach to training provision for existing staff which is currently leading to variability between sites• a consistent approach to the return of learners to a mainstream education setting increasing the risk of learners becoming NEET (not in employment, education, and training)• all vulnerable learners to develop a full range of life skills to support their transition into employment
Impact Rating	Poor

Mitigation	<p>On implementing the current proposal, there will be a service improvement in the following areas:</p> <ul style="list-style-type: none"> • more effective use of resources through the consolidation of both PRU sites into one, with reduced building and utility related costs and an alignment of staffing roles and responsibilities • ability and agility to provide more bespoke behavioural support in schools to enhance the skills within the wider teaching workforce and reducing the dependency on a specialist service • the development of a more inclusive learning environment across all schools, which will enable the most vulnerable learners to thrive • improved and equitable provision for all learners currently based at the PRU • develop the role of the PRU in supporting behaviour needs across Powys and upskilling teaching and non-teaching staff, potentially reducing exclusions
Mitigated Rating	Good

1e. A resilient Wales

Impact	<p>Retaining the current provision at it stands across two sites will:</p> <ul style="list-style-type: none"> • maintain transport related CO² emissions at current levels • maintain building related CO² emissions at current levels • continue the duplication of teaching resources and equipment i.e. stationary, white boards, and internal furnishings
Impact Rating	Poor
Mitigation	<p>On implementing the current proposal:</p> <ul style="list-style-type: none"> • the CO² footprint of one site will be removed • the CO² footprint from transport could be increased in the short term • the CO² footprint from staff travel to support other schools could increase but over time the number of learners travelling to the PRU could be reduced negating the impact of staff travel • there will be a reduction in the purchasing needs of the PRU
Mitigated Rating	Neutral

1f. A healthier Wales

Impact	Retaining the current provision at it stands across two sites will: <ul style="list-style-type: none">• fail to realise potential improvements to physical and mental health and wellbeing of staff across the entire education workforce• reduce the potential to mitigate the current trends in learner exclusions and the demand for support for social and emotional wellbeing learner needs• continue the current inequitable model with its existing differential demands on staff across the two sites
Impact Rating	Very poor
Mitigation	On implementing the current proposal: <ul style="list-style-type: none">• there will be an improvement to the physical and mental health and wellbeing of existing staff across the entire education workforce• it is expected that there will be a significant improvement in skills across the education workforce in respect of behaviour challenges and mitigation strategies• there will be consistent support for learners requiring PRU intervention leading to an increased likelihood of them being able to return to mainstream education with the consequent benefits for their lifelong opportunities
Mitigated Rating	Good

1g. A Wales of cohesive communities

Impact	Retaining the current provision at it stands across two sites will: <ul style="list-style-type: none">• retain the status quo in respect of community impact from learners with behavioural challenges
Impact Rating	Poor

Mitigation	<p>On implementing the current proposal:</p> <ul style="list-style-type: none"> • there will be improved support for learner’s behavioural needs across the county with a consequent positive impact on learner interactions with members of the community • the increased re-integration of learners back into mainstream education will lead to learners becoming more ethically informed citizens who play an active role in their communities
Mitigated Rating	Good

1h. A globally responsible Wales

Impact	<p>Retaining the current provision at it stands across two sites will:</p> <ul style="list-style-type: none"> • continue low levels of re-integration to mainstream education, thereby reducing the educational opportunities for learners with identified behavioural needs <p>Additionally in respect of emissions, retaining the status quo would:</p> <ul style="list-style-type: none"> • maintain transport related CO² emissions at current levels • maintain building related CO² emissions at current levels • continue the duplication of teaching resources and equipment i.e. stationary, white boards, and internal furnishings
Impact Rating	Poor

Mitigation	<p>Implementing the current proposal would actively support:</p> <ul style="list-style-type: none"> • Article 28 on the United Nations Conventions of the Rights of a Child, which states that ‘every child has the right to an education.’ • the achievement of the Powys Learner Entitlement statement, which states that ‘in Powys we believe that all learners, regardless of their location, background, language, or ability should flourish and grow without any barriers into capable, healthy, confident, and ethically informed citizens. Every learner will be effectively prepared to contribute fully as ambitious, enterprising, and independent individuals for the ever-changing local, national, and global social and economic demands of the 21st century.’ <p>Additionally, in respect of emissions, on implementing the current proposal:</p> <ul style="list-style-type: none"> • the CO² footprint of one site will be removed • the CO² footprint from transport could be increased in the short term • the CO² footprint from staff travel to support other schools could increase but over time the number of learners travelling to the PRU could be reduced negating the impact of staff travel • there will be a reduction in the purchasing needs of the PRU
Mitigated Rating	Good

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	<p>Retaining the current provision at it stands across two sites will:</p> <ul style="list-style-type: none"> • retain the status quo in respect of Welsh language provision at the PRU
Impact Rating	Neutral
Mitigation	<p>On implementing the current proposal:</p> <ul style="list-style-type: none"> • it will enable an equitable delivery model, ensuring that there is uniformity in the provision of Welsh language within the PRU
Mitigated Rating	Good

Promoting Welsh

Impact	Retaining the current provision at it stands across two sites will: <ul style="list-style-type: none">retain the status quo, which will have not enhanced the access to Welsh language education and cultural experience
Impact Rating	Neutral
Mitigation	On implementing the current proposal: <ul style="list-style-type: none">the increased re-integration to mainstream education will provide equitable access to the relevant Welsh language education and cultural experience
Mitigated Rating	Good

Sports, Art & Recreation

Impact	Retaining the current provision at it stands across two sites will continue to provide: <ul style="list-style-type: none">limited opportunities for sports, arts and recreationan inequitable offer regarding outdoor learning
Impact Rating	Poor
Mitigation	On implementing the current proposal, it will directly enable: <ul style="list-style-type: none">increased access to sports, arts and recreational learning experiences in the PRUincreased and consolidated outdoor learning opportunities in the PRU Additionally: <ul style="list-style-type: none">the increased re-integration to mainstream education will provide equitable access to sports, arts and recreational learning opportunities
Mitigated Rating	Good

1j. A more equal Wales

Age

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Disability

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Gender Reassignment

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Marriage or Civil Partnership

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Race

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Religion or belief

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sex

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sexual Orientation

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Pregnancy and Maternity

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Socio-economic Duty

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1k. Evidence

- Educational attainment results 2022-23
- Fixed-term exclusion data 2022-23 and 2023-24 (to date)
- Current placement length at the PRU
- SV1 and SV2 school monitoring reports
- PRU performance management information

5. Impact on key guiding principles & workforce

11. Sustainable development principles

Long-term

Impact	<p>Retaining the current provision at it stands across two sites will:</p> <ul style="list-style-type: none"> • not result in the transformation in service delivery that is required to meet the support requirements of learners with behavioural needs in such a way as to maximise their re-integration into mainstream education with the consequents life-long impacts • limit the service’s ability to adapt to the increased behavioural needs within the mainstream sector that are emerging as a result of the COVID pandemic
Impact Rating	Very poor
Mitigation	<p>Implementing the current proposal will:</p> <ul style="list-style-type: none"> • develop a sustainable model that will support learners with challenging behavioural needs and potentially reduce the number of fixed-term exclusions • increase the flexibility and agility of the service to meet behavioural demand both within the PRU and in mainstream education • increase the potential to develop staff knowledge and skills to improve the management of behavioural needs within a mainstream setting • support Article 28 on the United Nations Conventions of the Rights of a Child, which states that ‘every child has the right to an education.’ • support the achievement of the Powys Learner Entitlement statement, which states that ‘in Powys we believe that all learners, regardless of their location, background, language, or ability should flourish and grow without any barriers into capable, healthy, confident, and ethically informed citizens. Every learner will be effectively prepared to contribute fully as ambitious, enterprising, and independent individuals for the ever-changing local, national, and global social and economic demands of the 21st century.’
Mitigated Rating	Good

Collaboration

Impact	Retaining the current provision at it stands across two sites will maintain the status quo
Impact Rating	Poor
Mitigation	Implementing the current proposal will: <ul style="list-style-type: none">• enhance and support between mainstream schools and the PRU, which will in turn increase the re-integration of learners into mainstream education• embed a joint ownership of supporting learners with behavioural needs and developing fully inclusive schools
Mitigated Rating	Good

Involvement (including Communication & Engagement)

Impact	Retaining the current provision at it stands across two sites will maintain the status quo
Impact Rating	Poor
Mitigation	Implementing the current proposal will: <ul style="list-style-type: none">• respond to evidence identified as part of ongoing quality assurance visits through SV1 and SV2 by School Improvement Advisors, which includes staff and learner voice
Mitigated Rating	Good

Prevention

Impact	<p>Retaining the current provision at it stands across two sites will not facilitate service transformation resulting in:</p> <ul style="list-style-type: none"> • a failure to address the significant emerging behavioural needs within mainstream education resulting in increased levels of exclusion and PRU referrals • an increase in administrative demands on headteachers, school staff, and officers as behavioural needs result in increased referrals • the risk of a deterioration in the learning environment, with its consequent impact on staff and learner wellbeing
Impact Rating	Very poor
Mitigation	<p>Implementing the current proposal will:</p> <ul style="list-style-type: none"> • facilitate a different approach to the management of challenges regarding provision for behavioural need, tackling it within mainstream education at an early stage through bespoke intervention • reduce duplication of resources required to deliver a two-site PRU model • support workforce development, particularly around managing behavioural challenges in mainstream education • reduce the number of mainstream education days lost by learners with specific behavioural needs, and ultimately a reduction in fixed-term exclusions and part-time timetables • improve outcomes for all learners by developing fully inclusive schools • facilitate the long-term societal integration of learners with behavioural needs by maximising their attendance within mainstream education and meeting the learner entitlement • reduce the number of learners who are NEET
Mitigated Rating	Good

Integration

Impact	Retaining the current provision at it stands across two sites will maintain the status quo
Impact Rating	Poor

Mitigation	Implementing the current proposal will: <ul style="list-style-type: none"> • facilitate the long-term societal integration of learners with behavioural needs by maximising their attendance within mainstream education and meeting the learner entitlement
Mitigated Rating	Good

1m. Impact on the workforce

Impact	Retaining the current provision at it stands across two sites will maintain the status quo including duplication of staffing roles, responsibilities and resources.
Impact Rating	Very poor
Mitigation	Implementing the current proposal will: <ul style="list-style-type: none"> • there will be an improvement to the physical and mental health and wellbeing of existing staff across the entire education workforce • it is expected that there will be a significant improvement in skills across the education workforce in respect of behaviour challenges and mitigation strategies • improved and equitable provision for all learners currently based at the PRU will in turn positively impact the working environment • remove the variability between sites in the current approach to training provision for staff • create a sustainable working environment with improved career development and progression opportunities • consolidate the staffing structure
Mitigated Rating	Good

1n. Impact on payroll

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1o. Welsh language impact on Staff

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1p. Impact on apprenticeships

Impact	N/A
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1q. Evidence

- Educational attainment results 2022-23
- Fixed-term exclusion data 2022-23 and 2023-24 (to date)
- Current placement length at the PRU
- SV1 and SV2 school monitoring reports
- PRU performance management information

6. Likelihood and risks

Risk 1					
Perception of reduced service delivery					
Likelihood score	3	Impact score	2	Risk rating	6
Mitigation					

Transparent communication with key stakeholders to outline the benefits and potential risks of the proposal.

The wide dissemination of this impact assessment and the detail included within it will be key to raising awareness of the impact to learners of retaining the status quo.

Residual likelihood score	3	Residual impact score	1	Residual risk rating	3
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Risk 2

Increased demand on the PRU service due to increased exclusions will prevent the implementation of the support model into mainstream education in Powys

Likelihood score	3	Impact score	3	Risk rating	9
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Mitigation

Increased awareness of appropriate thresholds for exclusions across the school community.

Analysis of current rates of exclusion with timely support being provided to appropriate schools to facilitate prevention and intervention

Residual likelihood score	2	Residual impact score	2	Residual risk rating	4
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Risk 3

Perception of unacceptable travel to access PRU educational provision

Likelihood score	4	Impact score	2	Risk rating	8
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Mitigation

Transparent communication with key stakeholders to outline the benefits and potential risks of the proposal.

Increased promotion of the expectation that attendance at a PRU is a short-term intervention to facilitate re-integration back into mainstream education.

Increased promotion of the expectation that the number of learners being referred to the PRU will decline as behavioural needs are increasingly met in mainstream education.

The wide dissemination of this impact assessment and the detail included within it will be key to raising awareness of the impact to learners of retaining the status quo.

Residual likelihood score	1	Residual impact score	2	Residual risk rating	2
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Risk 4

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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Risk 5

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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7. Overall summary and judgement

Outline assessment

The consolidation of PRU provision will enable an equitable offer, which will improve learner experience, entitlement and outcomes.

The proposal will support the local authority's vision for improving behaviour management across the Powys educational sector, including fulfilling the national agenda and the Powys learner entitlement, by enabling all schools to become fully inclusive.

The consolidation of PRU provision into a single site will enable the development of a best practice model of service delivery within a centre of excellence. This is in keeping with Powys County Council's emerging 'place-based' planning strategy and fulfilling the Sustainable Powys agenda.

The proposed model will facilitate improved workforce development opportunities, both within the PRU environment and the wider mainstream education sector.

Cabinet reference

Click or tap here to enter text.

8. Additional evidence

N/A

9. Monitoring arrangements

Should the proposal be approved, monitoring arrangements will be part of our ongoing self-evaluation processes.

Review date

28/02/2025

Impact Assessment

Removal of Vacant Hours / Posts and Limited Staffing Restructure



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Sarah Quibell
Head of Service	Georgie Bevan
Portfolio Holder	Cllr Pete Roberts, Cabinet Member for a Learning Powys
Proposal title	Staffing Restructure
Description of proposal	<p>Undertake a staffing structure review which will include:</p> <ul style="list-style-type: none">• the removal or restructure of vacant hours / positions• identify areas of duplication and streamline positions accordingly <p>This will be informed by ongoing quality assurance and workforce planning processes.</p> <p>The proposal will ensure that the staffing structure is in line with service priorities, ensures value for money and avoids duplication.</p>

2. Savings and Consultation

Profile of savings delivery

2023-24	2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
£0	£105,000	£75,000	£0	£0	£0	£180,000

Further information

Click or tap here to enter text.

Consultation requirements

Consultation required?	Yes
Union consultation date	tbc
Staff consultation date	tbc
Public consultation date	N/A

Consultation plan (or justification where no consultation is required)

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

N/A

1b. Impact on geographical locations

Powys

1c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
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Is Powys County Council the data controller?	No
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Further information

Click or tap here to enter text.

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1e. A resilient Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1f. A healthier Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1g. A Wales of cohesive communities

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1h. A globally responsible Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Promoting Welsh

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sports, Art & Recreation

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1j. A more equal Wales

Age

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Disability

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Gender Reassignment

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Marriage or Civil Partnership

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Race

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Religion or belief

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sex

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sexual Orientation

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Pregnancy and Maternity

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Socio-economic Duty

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1k. Evidence

- Workforce Development Planning documentation
- Service self-evaluation documentation

5. Impact on key guiding principles & workforce

1l. Sustainable development principles

Long-term

Impact	The proposal will ensure that there is a sustainable structure in place that can adapt as service demands evolve
Impact Rating	Neutral
Mitigation	The removal of workload duplication and vacant hours / posts will enhance the sustainability of the structure
Mitigated Rating	Good

Collaboration

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Involvement (including Communication & Engagement)

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Prevention

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Integration

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1m. Impact on the workforce

Impact	Deletion or restructure of vacant posts / hours allows the associated budget to be released and redeployed in line with service priorities
Impact Rating	Neutral
Mitigation	Ensure that the proposal is subject to a full appraisal of workforce requirements and is aligned with the Workforce Development Plan for the Service, so that the restructure or removal of vacant posts / hours will not result in a gap in service provision
Mitigated Rating	Good

1n. Impact on payroll

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1o. Welsh language impact on Staff

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1p. Impact on apprenticeships

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1q. Evidence

- Workforce Development Planning documentation
- Service self-evaluation documentation

6. Likelihood and risks

Risk 1

Risk that the restructure or removal of vacant posts / hours will result in a gap in service provision.

Likelihood score

2

Impact score

1

Risk rating

2

Mitigation

Ensure that the proposal is subject to a full appraisal of workforce requirements and is aligned with the Workforce Development Plan for the Service.

Residual likelihood score

1

Residual impact score

1

Residual risk rating

1

Risk 2

Click or tap here to enter text.

Likelihood score

Choose an item.

Impact score

Choose an item.

Risk rating

Choose an item.

Mitigation

Click or tap here to enter text.

Residual likelihood score

Choose an item.

Residual impact score

Choose an item.

Residual risk rating

Choose an item.

Risk 3

Click or tap here to enter text.

Likelihood score

Choose an item.

Impact score

Choose an item.

Risk rating

Choose an item.

Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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Risk 4

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
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Risk 5

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
----------------------------------	-----------------	------------------------------	-----------------	-----------------------------	-----------------

7. Overall summary and judgement

Outline assessment

As a result of the ongoing development of the Service, the deletion or limited restructure of posts / hours does not impact on service delivery and will allow the associated budget to be released. The proposal will ensure that the staffing structure is line with service priorities, ensures value for money and avoids duplication

Cabinet reference

Click or tap here to enter text.

8. Additional evidence

Click or tap here to enter text.

9. Monitoring arrangements

Should the proposal be approved, monitoring arrangements will be part of our ongoing self-evaluation processes.

Review date

31/03/2025

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Impact Assessment

Rationalisation of Third Party Spend



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Sarah Quibell
Head of Service	Georgie Bevan
Portfolio Holder	Cllr Pete, Cabinet Member for a Learning Powys
Proposal title	Rationalise Third Party Spend
Description of proposal	Rationalise third party spend, ensuring that all expenditure supports essential activity. This review continues initial work that was undertaken for the 2023-24 financial year.

2. Savings and Consultation

Profile of savings delivery

2023-24	2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
Click or tap here to enter text.	£50,000	£25,000	£0	£	£0	£75,000

Further information

This is in line with the overall plan to ensure resilience within the service through in-house delivery and not relying on external contracts

Consultation requirements

Consultation required?	No
Union consultation date	N/A
Staff consultation date	N/A
Public consultation date	N/A

Consultation plan (or justification where no consultation is required)

N/A

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

Schools (Primary, Secondary, All-Age and Special)

1b. Impact on geographical locations

Powys

1c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
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Is Powys County Council the data controller?	No
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Further information

Click or tap here to enter text.

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1e. A resilient Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1f. A healthier Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1g. A Wales of cohesive communities

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1h. A globally responsible Wales

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Promoting Welsh

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sports, Art & Recreation

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1j. A more equal Wales

Age

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Disability

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Gender Reassignment

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Marriage or Civil Partnership

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Race

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Religion or belief

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sex

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Sexual Orientation

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Pregnancy and Maternity

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

Socio-economic Duty

Impact	None
Impact Rating	Choose an item.
Mitigation	N/A
Mitigated Rating	Choose an item.

1k. Evidence

- Ongoing budgetary monitoring
- Ongoing expenditure review
- There is no proposed reduction in service delivery

5. Impact on key guiding principles & workforce

1l. Sustainable development principles

Long-term

Impact	The rationalisation of third party spend will focus on retaining essential service provision and the reduction / removal of non-essential elements
Impact Rating	Neutral
Mitigation	The reduction in reliance on third party delivery will improve resilience within the service through in-house delivery
Mitigated Rating	Good

Collaboration

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Involvement (including Communication & Engagement)

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Prevention

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

Integration

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1m. Impact on the workforce

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1n. Impact on payroll

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1o. Welsh language impact on Staff

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1p. Impact on apprenticeships

Impact	Click or tap here to enter text.
Impact Rating	Choose an item.
Mitigation	Click or tap here to enter text.
Mitigated Rating	Choose an item.

1q. Evidence

Click or tap here to enter text.

6. Likelihood and risks

Risk 1
Risk that the rationalisation of third party spend will result in a gap in service provision.

Likelihood score	2	Impact score	2	Risk rating	4
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Mitigation

Ensure that there are appropriate plans in place to provide in-house support for any areas of third party support that are identified for cessation

Residual likelihood score	1	Residual impact score	1	Residual risk rating	1
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Risk 2

Perception of reduced service delivery

Likelihood score	3	Impact score	2	Risk rating	6
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Mitigation

Transparent communication with key stakeholders to outline changes, benefits and potential risks where alternative service delivery will be undertaken.

Residual likelihood score	3	Residual impact score	1	Residual risk rating	3
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Risk 3

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.
----------------------------------	-----------------	------------------------------	-----------------	-----------------------------	-----------------

Risk 4					
Click or tap here to enter text.					
Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
Mitigation					
Click or tap here to enter text.					
Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.

Risk 5					
Click or tap here to enter text.					
Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
Mitigation					
Click or tap here to enter text.					
Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	Choose an item.

7. Overall summary and judgement

Outline assessment

Building on the work that was undertaken for 2023-24, ongoing budget and expenditure monitoring identified further third party spend that can be rationalised. However, this is in line with the overall plan to ensure resilience within the service through in-house delivery and not relying on external contracts. It does not impact on service delivery and will allow the associated budget to be released

Cabinet reference	Click or tap here to enter text.
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8. Additional evidence

Click or tap here to enter text.

9. Monitoring arrangements

Should the proposal be approved, monitoring arrangements will be part of our ongoing self-evaluation processes

Review date

31/03/2025

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Impact Assessment

Schools Delegated Budget – Inflationary Pressures



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

Author Name	Sarah Quibell
Head of Service	Georgie Bevan
Portfolio Holder	Cllr Pete, Cabinet Member for a Learning Powys
Proposal title	Schools Delegated Budget – Inflationary Pressures
Description of proposal	The Schools Delegated Budget will receive a 4.2% increase but this may not meet the pressures that are anticipated, which are largely as a result of pay awards and higher utility costs.

2. Savings and Consultation

Profile of savings delivery

2023-24	2024-25	2025-26	2026-27	2027-28	2028+	Total Savings
0	0	0	0	0	0	0

Further information

Despite a 4.2% increase in the schools delegated budget, there is an anticipated gap of **£2.5 million** as a result of pay and non-pay pressures, including utilities.

Consultation requirements

Consultation required?	No
Union consultation date	N/A
Staff consultation date	N/A
Public consultation date	N/A
Consultation plan (or justification where no consultation is required)	
N/A	

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

N/A

1b. Impact on geographical locations

Schools in Powys

1c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?

No

Is Powys County Council the data controller?

Choose an item.

Further information

N/A

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

Impact

The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing in order to meet the costs and / or an increase in the number of schools with deficit budgets.

Impact Rating

Poor

Mitigation

In order to support schools to deliver education with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a more equitable provision for all learners across Powys
- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
- Strategic Aim 2: We will improve learners and experience for post-16 learners
- Strategic Aim 3: We will improve access to Welsh-medium provision across all key stages
- Strategic Aim 4: We will improve the provision for learners with SEN / ALN

Energy Improvements

The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

The programme commenced in 2022-23 and continues during 2023-24, undertaking works including:

- Upgraded and new electrical, gas, water, and foul/waste infrastructure.
- Energy improvements, light emitting diode (LED) & emergency lighting, building management system (BMS) boiler controls, photovoltaic (PV) panels and battery storage.
- Roof and insulation upgrade improvements.

Further grant funding will be sought in future financial years to continue this work.

In addition, the Welsh Government have commissioned low carbon zero fabric and plant surveys for all school buildings in Wales in order to develop a strategic plan for decarbonising buildings. The surveys are taking place between January and June 2024.

Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

Support to Schools

Schools will continue to be supported with:

- Finance surgeries
- Finance and curriculum deep dives to identify potential efficiencies and savings
- Encourage cluster / joint working including procurement to realise best value
- Encourage increased use of corporate contracts to realise best value
- The Schools Finance Benchmarking Tool and Finance Toolkit to enable schools to realise best value and share best practice in similar schools
- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

1e. A resilient Wales

Impact

N/A

Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

1f. A healthier Wales

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

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- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

1g. A Wales of cohesive communities

Impact

N/A

Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

1h. A globally responsible Wales

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a more equitable provision for all learners across Powys
- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
- Strategic Aim 2: We will improve learners and experience for post-16 learners
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- Strategic Aim 4: We will improve the provision for learners with SEN / ALN

Energy Improvements

The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

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- Upgraded and new electrical, gas, water, and foul/waste infrastructure.
- Energy improvements, light emitting diode (LED) & emergency lighting, building management system (BMS) boiler controls, photovoltaic (PV) panels and battery storage.
- Roof and insulation upgrade improvements.

Further grant funding will be sought in future financial years to continue this work.

In addition, the Welsh Government have commissioned low carbon zero fabric and plant surveys for all school buildings in Wales in order to develop a strategic plan for decarbonising buildings. The surveys are taking place between January and June 2024.

Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

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Schools will continue to be supported with:

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- Finance and curriculum deep dives to identify potential efficiencies and savings
- Encourage cluster / joint working including procurement to realise best value
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- The Schools Finance Benchmarking Tool and Finance Toolkit to enable schools to realise best value and share best practice in similar schools
- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing, including in Welsh medium and dual stream schools.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a more equitable provision for all learners across Powys
- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
- Strategic Aim 2: We will improve learners and experience for post-16 learners
- Strategic Aim 3: We will improve access to Welsh-medium provision across all key stages
- Strategic Aim 4: We will improve the provision for learners with SEN / ALN

Energy Improvements

The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

The programme commenced in 2022-23 and continues during 2023-24, undertaking works including:

- Upgraded and new electrical, gas, water, and foul/waste infrastructure.
- Energy improvements, light emitting diode (LED) & emergency lighting, building management system (BMS) boiler controls, photovoltaic (PV) panels and battery storage.
- Roof and insulation upgrade improvements.

Further grant funding will be sought in future financial years to continue this work.

In addition, the Welsh Government have commissioned low carbon zero fabric and plant surveys for all school buildings in Wales in order to develop a strategic plan for decarbonising buildings. The surveys are taking place between January and June 2024.

Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

Support to Schools

Schools will continue to be supported with:

- Finance surgeries
- Finance and curriculum deep dives to identify potential efficiencies and savings
- Encourage cluster / joint working including procurement to realise best value
- Encourage increased use of corporate contracts to realise best value
- The Schools Finance Benchmarking Tool and Finance Toolkit to enable schools to realise best value and share best practice in similar schools
- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

Promoting Welsh

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing, including in Welsh medium and dual stream schools.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a more equitable provision for all learners across Powys
- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
- Strategic Aim 2: We will improve learners and experience for post-16 learners
- Strategic Aim 3: We will improve access to Welsh-medium provision across all key stages
- Strategic Aim 4: We will improve the provision for learners with SEN / ALN

Energy Improvements

The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

The programme commenced in 2022-23 and continues during 2023-24, undertaking works including:

- Upgraded and new electrical, gas, water, and foul/waste infrastructure.
- Energy improvements, light emitting diode (LED) & emergency lighting, building management system (BMS) boiler controls, photovoltaic (PV) panels and battery storage.
- Roof and insulation upgrade improvements.

Further grant funding will be sought in future financial years to continue this work.

In addition, the Welsh Government have commissioned low carbon zero fabric and plant surveys for all school buildings in Wales in order to develop a strategic plan for decarbonising buildings. The surveys are taking place between January and June 2024.

Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

Support to Schools

Schools will continue to be supported with:

- Finance surgeries
- Finance and curriculum deep dives to identify potential efficiencies and savings
- Encourage cluster / joint working including procurement to realise best value
- Encourage increased use of corporate contracts to realise best value
- The Schools Finance Benchmarking Tool and Finance Toolkit to enable schools to realise best value and share best practice in similar schools
- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

Sports, Art & Recreation

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing, impacting activities such as sporting fixtures and enrichment opportunities.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

As part of the ongoing review of the school funding formula, proposals have been consulted on which, if approved, include a redistribution of £3.7 million notional Additional Learning Needs (ALN) delegated funding to schools, a factor for deprivation and amendments to the premises element of the formula so that a utility specific rate per square metre is introduced.

The ALN proposals will result in the removal of time consuming referral processes for schools, releasing staff time and enabling schools to more effectively plan support for learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a more equitable provision for all learners across Powys
- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
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The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

The programme commenced in 2022-23 and continues during 2023-24, undertaking works including:

- Upgraded and new electrical, gas, water, and foul/waste infrastructure.
- Energy improvements, light emitting diode (LED) & emergency lighting, building management system (BMS) boiler controls, photovoltaic (PV) panels and battery storage.
- Roof and insulation upgrade improvements.

Further grant funding will be sought in future financial years to continue this work.

In addition, the Welsh Government have commissioned low carbon zero fabric and plant surveys for all school buildings in Wales in order to develop a strategic plan for decarbonising buildings. The surveys are taking place between January and June 2024.

Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

Support to Schools

Schools will continue to be supported with:

- Finance surgeries
- Finance and curriculum deep dives to identify potential efficiencies and savings
- Encourage cluster / joint working including procurement to realise best value
- Encourage increased use of corporate contracts to realise best value
- The Schools Finance Benchmarking Tool and Finance Toolkit to enable schools to realise best value and share best practice in similar schools
- Schools finance training for headteachers, business managers and governors
- Service Level Agreements (SLAs) for corporate services
- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

1j. A more equal Wales

Age

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Disability

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing.
Impact Rating	Poor

Mitigation

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

Delegated Funding Formula Review

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- Support the aspirations of the transformation programme
- Support all learners including helping offset the effects of disadvantage
- Support a collaborative schools' community which offers effective professional learning to facilitate the self-improving system.
- Support inclusion and bilingualism and promote access to excellence for all learners.

Transforming Education Programme

Continued delivery of the Transforming Education Programme, which has four strategic aims:

- Strategic Aim 1: We will improve learner entitlement and experience
- Strategic Aim 2: We will improve learners and experience for post-16 learners
- Strategic Aim 3: We will improve access to Welsh-medium provision across all key stages
- Strategic Aim 4: We will improve the provision for learners with SEN / ALN

Energy Improvements

The delivery of the Energy Improvements programme for schools will positively improve building efficiency and, therefore, benefit school expenditure.

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Utilities awareness continues to be promoted with schools, and was, for example, included in the 2023-24 finance resource model (FRM) and budget process.

Support to Schools

Schools will continue to be supported with:

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- Support to enable them to maximise grant funding

Mitigated Rating

Neutral

Gender Reassignment

Impact

N/A

Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Marriage or Civil Partnership

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Race

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Religion or belief

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Sex

Impact	N/A
Impact Rating	Neutral

Mitigation	N/A
Mitigated Rating	Neutral

Sexual Orientation

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Pregnancy and Maternity

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

Socio-economic Duty

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing, including support for disadvantaged learners.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

1k. Evidence

The School Delegated Budget Funding Formula Review Consultation and Cabinet Report.

School Budget Forum meeting minutes.

Formula Review Group meeting minutes.

The proposal and consultation documents for School Budget Forum.

The [Transforming Education](#) Programme.

The Energy Improvements programme for schools 2022-24.

Ongoing financial management support to schools.

5. Impact on key guiding principles & workforce

1l. Sustainable development principles

Long-term

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing, and impact on schools' ability to ensure sustainable and effective succession planning.
Impact Rating	Poor

Mitigation

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The Delegated Funding Formula undergoes continued review

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Mitigated Rating

Neutral

Collaboration

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for staffing, and, therefore, impact on schools' ability to work collaboratively to find shared and sustainable solutions.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

Involvement (including Communication & Engagement)

Impact	<p>Meaningful stakeholder engagement will continue to be undertaken as part of ongoing communication and collaboration with schools and key stakeholders.</p> <p>For example, the School Funding Formula proposals were in response to feedback from schools, who identified the need for ALN and deprivation funding to follow the learner. There will be schools, and therefore learners, who will significantly benefit from the changes. A reduction in administration for ALN processes should also positively impact schools.</p> <p>Schools who have cooking kitchens that export meals to other schools also raised that they were not reimbursed for their utilities expenditure.</p> <p>The proposed amendments seek to address the issues.</p> <p>The proposals underwent full consultation, ensuring that all schools and governing bodies had the opportunity to review and feedback on the proposals.</p> <p>It is proposed that the changes are phased in over 2 years, allowing schools greater time to plan for and implement the required changes..</p>
Impact Rating	Good
Mitigation	
Mitigated Rating	Choose an item.

Prevention

Impact	<p>The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery, learner provision and staffing. This could impact on individual school's ability to ensure effective and sustainable provision.</p>
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

Integration

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for staffing, impacting on schools' ability to work collaboratively with key partners.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

1m. Impact on the workforce

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for staffing, and potentially result in a reduction of workforce.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

1n. Impact on payroll

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for staffing, and potentially lead to impact on payroll in relation to changes in the workforce.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

1o. Welsh language impact on Staff

Impact	The anticipated funding gap, including the ongoing increased cost of utilities, could result in schools redirecting funding for curriculum delivery and staffing, including in Welsh medium and dual stream schools.
Impact Rating	Poor

Mitigation

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Mitigated Rating

Neutral

1p. Impact on apprenticeships

Impact	N/A
Impact Rating	Neutral
Mitigation	N/A
Mitigated Rating	Neutral

1q. Evidence

The School Delegated Budget Funding Formula Review Consultation and Cabinet Report.
School Budget Forum meeting minutes.
Formula Review Group meeting minutes.
The proposal and consultation documents for School Budget Forum.
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6. Likelihood and risks

Risk 1					
Schools are not able to deliver a comprehensive curriculum within the existing funding envelope, which could impact on learner provision and experience.					
Likelihood score	3	Impact score	4	Risk rating	12
Mitigation					

In order to support schools to deliver education and learner provision with the existing funding envelope, the following mitigation is in place:

- Current Delegated Funding Formula Review Proposals
- Ongoing review of the Delegated Funding Formula
- Transforming Education Programme
- Energy Improvements Programme for Schools 2022-24
- Ongoing financial support to schools

Residual likelihood score	3	Residual impact score	2	Residual risk rating	6
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Risk 2

There is an increase in the number of schools with deficit budgets, which in turn could impact on the local authority's (LA's) overall fiscal position.

Likelihood score	4	Impact score	4	Risk rating	16
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Mitigation

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- Transforming Education Programme
- Energy Improvements Programme for Schools 2022-24
- Ongoing financial support to schools
- Appropriate budget governance processes for schools, the service and the LA

Residual likelihood score	3	Residual impact score	3	Residual risk rating	9
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Risk 3

The anticipated funding gap could result in schools redirecting funding for staffing, and potentially result in a significant reduction in the workforce and could lead to an associated skills deficit.

Likelihood score	3	Impact score	4	Risk rating	12
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Mitigation

In order to support schools, the following mitigation is in place:

- Current Delegated Funding Formula Review Proposals
- Ongoing review of the Delegated Funding Formula
- Transforming Education Programme
- Energy Improvements Programme for Schools 2022-24
- Ongoing financial support to schools
- Appropriate budget governance processes for schools, the service and the LA
- HR support and advice

Residual likelihood score	3	Residual impact score	3	Residual risk rating	9
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Risk 4

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	Choose an item.
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Mitigation

Click or tap here to enter text.

Residual likelihood score

Choose an item.

Residual impact score

Choose an item.

Residual risk rating

Choose an item.

Risk 5

Click or tap here to enter text.

Likelihood score

Choose an item.

Impact score

Choose an item.

Risk rating

Choose an item.

Mitigation

Click or tap here to enter text.

Residual likelihood score

Choose an item.

Residual impact score

Choose an item.

Residual risk rating

Choose an item.

7. Overall summary and judgement

Outline assessment

Whilst the Schools Delegated Budget will receive a 4.2% increase, this may not meet the pressures that are anticipated, and despite the increase, there is an anticipated gap of £2.44 million. The possible impact of the potential funding gap on schools is variable due to their differing financial positions and their ability to operate within their annual allocated funding.

As mitigation, there is a comprehensive and ongoing package of support that is available to schools, which has already resulted in schools already being able to submit appropriate budget recovery plans to the Local Authority.

The recent proposed formula and scheme changes will lead to a stable, transparent and fair funding arrangement for Powys learners and schools. These will create more equitable funding provision for all primary and secondary mainstream schools across Powys, supporting inclusion and all learners regardless of their additional learning needs or disadvantage. Risks to schools with a reduced level of funding will be mitigated by phasing in of the proposals, providing support for schools to reduce their costs and access to the wider “Team around the School” to support them with the transition.

Furthermore, the realisation of the Transforming Education agenda at pace, will positively impact on school budgets, effective per learner spend and the fulfilment of the Powys learner entitlement. It will also help mitigate the financial pressures linked to surplus school places that currently impact on school budgets.

Cabinet reference

Click or tap here to enter text.

8. Additional evidence

The School Delegated Budget Funding Formula Review Consultation and Cabinet Report.

School Budget Forum meeting minutes.

Formula Review Group meeting minutes.

The proposal and consultation documents for School Budget Forum.

The [Transforming Education](#) Programme.

The Energy Improvements programme for schools 2022-24.

Ongoing financial management support to schools.

9. Monitoring arrangements

Schools' finances will be monitored and reviewed with schools throughout the financial year, including twice-yearly finance surgeries, offer of deep dives and the ongoing analysis of the funding formula, allowing early intervention, support and guidance to be provided if required.

Review date

31/03/2025