

MINUTES OF A MEETING OF THE CABINET HELD BY TEAMS ON FRIDAY, 12 MARCH 2021

PRESENT

County Councillor M R Harris (Chair)

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

In attendance: John Brautigam, Chair of the Finance Panel

1. APOLOGIES

There were no apologies for absence from Cabinet members.

2. DECLARATIONS OF INTEREST

There were no declarations of interest reported.

3. VALUING RESIDENTIAL CARE

Cabinet considered fees paid by the Council to care homes. An independent specialist had been engaged to examine the costs of providing residential care in Powys to introduce sustainable care home fees for providing elderly residential and nursing care in the four relevant categories (general nursing, dementia nursing, general residential and dementia residential).

The new fees recommended were comparable to fee rates of other Councils across and reflected the reality of the costs to the providers currently in Powys. There were significant financial implications to the decision, however, all the costs would be contained within the increased Adult Social Care budget for 2021/22. Costs would be mitigated by enabling more people to remain in their own homes for longer.

The fee rates recommended, following the review were:

Powys Care Home Weekly Fee Rates	Residential Care	Residential Care Dementia	Nursing Care (Not including health component of Funded Nursing Care)	Nursing Care Dementia (Not including health component of Funded Nursing Care)
Pandemic Rate & Continuing Gold	£694	£704	£695	£733

Standard Rate				
Standard Powys Rate	£659	£669	£660	£698

The fee rates would increase or decrease by annually according to consideration of:

- The change in Consumer Price Index across homes' expenditure
- The change in the National Living Wage for eligible staff
- Consideration of the Bank of England Interest Rate and its impact on Return on Capital Employed

The fee rates would remain for 3 or 4 years (accepting the changes made by 3.6 of the report), at which point a full review would be undertaken (with recommendations being implemented in April 2024 or April 2025).

Responding to questions, the Portfolio Holder for Adult Social Care and officers confirmed that the service was working closely with schools and colleges providing training courses for people wanting to pursue a career in caring. They also advised that five apprenticeships in Care had been agreed for 2021/22, with places being made available for care leavers.

RESOLVED to approve the new fee rates for care homes in Powys as set out above and in paragraphs 3.8 to 3.10 of the report.

4.	PERFORMANCE OF LIBRARY SERVICE UNDER WELSH PUBLIC LIBRARY STANDARDS FRAMEWORK, 2019/20
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Cabinet considered the Annual Report from Welsh Government on the performance of the Library Service during 2019/20. The report found that for the year 2019/20, the library service met 10 of the 12 core entitlements in full, 1 in part, and did not achieve one. The entitlement not met required a current published strategy document for the service, to replace the 2015 document. This was being updated, and this entitlement would be met again going forward.

Of the 9 Quality Indicators with targets, the library service achieved 6 in full, 1 in part, and did not achieve two. Of the 2 not achieved, one was due to the impact of coronavirus on the supply of requested books in the last quarter of 2019/20 (Q112), whilst the other related to investment by the authority in library materials/resources for residents (Q19). The library service had never met the spending targets per capita in the latter, in common with many authorities across Wales.

The report concluded that performance was broadly maintained in 2019/20, and the library service continued to provide a quality service, with usage generally above the median across Wales. It was particularly pleasing that loans to children increased in 2019/20, reflecting the priority which the service places on supporting the development of literacy and reading for pleasure amongst children and young people.

The Principal Librarian and her team were thanked for their work.

RESOLVED that the outcomes in the Welsh Public Library Standards Annual Report from Welsh Government on Powys Library Service 2018/19 are duly noted and considered in forward planning.

5.	MID WALES GROWTH DEAL INTER AUTHORITY AGREEMENT
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This item was withdrawn.

6.	EXEMPT ITEMS
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The Leader advised that the following item was not confidential and therefore there was no need to exclude the press and public.

7.	REVIEW OF MRP POLICY
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Cabinet considered a revision to the Council's Minimum Revenue Provision (MRP) Policy to ensure that the MRP and interest on borrowing were charged to the revenue budget equally over the life of the asset on which the borrowing was required. The revised policy proposed was as follows:

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.

The proposed change in policy would result in a reduction of MRP and interest charges to revenue budget of £3.65m in 2020/21, £3.40m in 2021/22 and

£3.33m in 2022/23. It would also result in a reduction in the HRA charges of £1.50m in 2020/21, £1.55m in 2021/22 and £1.57m in 2022/23. It was proposed that the released revenue budget would be ringfenced to support the ongoing capital requirement

The Chair of the Finance Panel advised that the Panel had considered the proposal and supported it having had assurance that the savings would be ringfenced to support the Capital Programme.

The Section 151 Officer confirmed that the proposal had been shared with Audit Wales.

RECOMMENDED TO COUNCIL

1. That the revised Minimum Revenue Provision Policy set out above and outlined in 3.8 is adopted for 2020/21 and future financial years.
2. That the savings identified are ringfenced to support the funding arrangements for the Council's Capital Programme.

8.	GLOBAL CENTRE OF RAIL EXCELLENCE BRIEFING
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This item was deferred.

County Councillor M R Harris (Chair)