

**MINUTES OF A MEETING OF THE CABINET HELD AT BY TEAMS ON TUESDAY,
18 JANUARY 2022**

PRESENT

County Councillor M R Harris (Chair)

County Councillors MC Alexander, B Baynham, A W Davies, H Hulme and R Powell

1.	APOLOGIES
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Apologies for absence were received from County Councillor Phyl Davies who had technical difficulties joining the meeting and from the Executive Director, People and Organisational Development.

2.	MINUTES
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The Leader was authorised to sign the minutes of the meetings held on 14th and 21st December 2021 as correct records.

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

4.	DRAFT MEDIUM-TERM FINANCIAL STRATEGY 2022-2027 AND DRAFT 2022-23 BUDGET AND CAPITAL PROGRAMME FOR 2022-2027
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Cabinet considered the draft Medium Term Financial Strategy (MTFS) for 2022-27, which included a Financial Resource Model (FRM) for 2022-27, a draft revenue budget for 2022-23 and a draft capital programme for 2022-23 to 2026-27. Each had been reviewed and developed by the Cabinet and Executive Management Team as part of the overall strategic planning process alongside Vision 2025, the Council's Corporate Improvement Plan.

The updated draft Strategy captured the financial, regulatory and policy drivers affecting the council and identified the Council's service and resource priorities for the next five financial years. It delivered a balanced budget for 2022/23, and indicative budgets for the following 4 years to March 2027.

The draft MTFS included the principles that would govern the strategy and a five-year Financial Resource Model (FRM), comprising detailed proposals for 2022-23 and outline proposals for 2023-24 to 2026-27, the Capital Financing Strategy and the Treasury Management Strategy and Capital Programme for 2022-23 to 2026-27.

The Portfolio Holder noted that over the last ten years the Council's finances had been significantly impacted from funding settlements that did not cover the cost of inflation and service pressures which resulted in savings being required to

balance the budget. This year the cost of responding to COVID-19 had caused additional and unprecedented pressures. Additional financial support had been provided by Welsh Government during the last 2 years to support the Council's costs and loss of income which had been instrumental in sustaining the financial position over this period. Funding to support the Council's ongoing costs in response to the pandemic had now been included in the annual revenue settlement and would be managed within the Revenue Budget from 2022/23.

The 2022-23 provisional settlement gave Powys County Council a cash increase of £18.374 million (9.6%) on 2021-22. The settlement ensured that the Council could meet the increased demand for services, increasing inflationary costs, and support investment in improvement and transformation and in services that underpin the priorities set out as part of Vision 2025.

The Council also funded its expenditure by generating income from grants, fees and charges and council tax. The balancing of the Council's 2022-23 budget was dependent upon a 3.9% increase in the council tax in 2022-23, generating £3.45 million, and £0.71 million delivered through changes to the council tax base, by £7.7 million of cost reduction proposals and by increases in fees and charges as set out in the report. The recommended 3.9% council tax increase was lower than the 5% assumed in the MTFs approved by Council in 2021.

The proposed Capital Programme totalling £371 million (including the Housing Revenue Account) reflected the existing commitments made in previous years as well as new schemes already approved. Maintaining the capital programme had a significant regeneration impact for the economy of Powys alongside the direct effect of better infrastructure to deliver services. Capital investment also had a significant input into the delivery of revenue cost reductions, and it was essential that both budget strategies are developed in tandem.

The Section 151 Officer gave her opinion that the estimates used in the budget proposal for 2022-23 were adequately robust but a level of risk remained. Based on the assessment of reserves, the overall level was adequate but remained at the lower end of acceptability given the scale of savings required, the ongoing impact of the pandemic and the financial uncertainty facing the Council over the medium term.

In moving the recommendations the Portfolio Holder for Finance and Transportation thanked the Head of Finance and her team and his Cabinet colleagues for their work on the budget.

RECOMMENDED to Council to approve the	Reason for Recommendation:
1. MTFs for 2022-2027 as set out in Appendix A to the report be agreed in principle.	To aid business planning and development of the budget over a five-year period
2. Draft Revenue Budget for 2022-23 with the inclusion of a 3.9% increase in Council Tax in 2022-23 shown in the Financial Resource Model in Appendix B and Table 3	Statutory Requirement

of the report.	
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 2022-23 shown in Appendix F.	Statutory Requirement
5. Minimum Revenue Provision Statement as set out on Appendix F.	Statutory Requirement
6. Treasury Management Strategy and the Annual Investment Strategy in Appendix F.	Statutory Requirement
7. Authorised borrowing limit for 2022-23 as required under section 3(1) of the Local Government Act 2003 at £492 million as set out in section 3.70 of the report.	Statutory Requirement
8. Prudential Indicators for 2022-23 as set out in section 3.66 to 3.70 of the report and Appendix F.	Statutory Requirement

5.	2022 ANNUAL REVIEW OF VISION 2025 OUR CORPORATE IMPROVEMENT PAN, INCLUDING OUR STRATEGIC EQUALITY OBJECTIVES 2020-2024
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Cabinet considered the annual update of Vision 2025: Our Corporate Improvement Plan (CIP). A number of amendments to the plan for the 2022-2023 financial year had been proposed following a light review of the current CIP objectives and performance measures. Mindful of the Council elections in May 2022, the amendments proposed were minor as an incoming administration might choose different priorities. It was noted that the Cabinet had delivered on its priorities, building new social housing, investing in services for vulnerable people, improving the Education service and building investment into the county.

RESOLVED that the proposed amendments to Vision 2025: Our CIP (as outlined in Appendix A to the report) are approved for publication in the CIP Update 2022, with implementation from April 2022.

6.	POST-ERW WORKING IN THE MID WALES EDUCATION PARTNERSHIP
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Cabinet considered a proposal to enter into a partnership with Ceredigion County Council for professional learning through the Mid Wales Education Partnership.

The working arrangements were set out in a draft Memorandum of Understanding attached to the report.

RESOLVED that

- 1. Powys and Ceredigion continue to work together as the Mid Wales Education Partnership**
- 2. Officers from across the partnership will collaborate on a number of agreed local and national priorities**
- 3. The Mid Wales Education Partnership is represented on the full range of cross-regional working parties to ensure equity of provision for schools in Powys and Ceredigion.**
- 4. That the draft Memorandum of Understanding as set out in Appendix 1 to the report is approved, with delegated authority to the Director of Education and the Monitoring Officer to make any further minor amendments that may be required.**

7.	ANNUAL REPORT 2020/21 SOCIAL SERVICES COMPLAINTS, COMPLIMENTS AND REPRESENTATIONS REPORT
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Cabinet received the annual complaints and compliments report for Social Services for 2020/21. 2020/21 had seen a small increase in the number of complaints, which was not unexpected given the Coronavirus pandemic and the impact this has had on the service and the overnight change in the way services had been delivered. The Portfolio Holders thanked everyone who had taken time to respond and to the staff who dealt with them.

RESOLVED that the report be noted.

8.	DIGITAL POWYS PROGRAMME UPDATE
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Cabinet received details of the achievements of the Digital Powys Transformation Programme. Phase One of the programme, which was drawing to a close, had delivered considerable benefits to the Council's customers and staff and significant financial efficiency. It had supported the Council's transformation programme, updating the website and increasing the number of services residents could book on-line. The service was also supporting 21 community broadband initiatives.

In addition, Digital Services had played an important role throughout the pandemic, supporting the Track and Trace programme and schools through the Ed-Tech programme supplying laptops to pupils and teachers.

The Leader thanked the Head of Economy and Digital Services and her team for their work. It was suggested that the information in the report should be shared with all Members and put on the agenda for the Town and Community Councils liaison meeting.

RESOLVED to note the Digital Transformation programme phase 1 achievements.

9.	DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING
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Cabinet noted the delegated decisions taken by Portfolio Holders since the last meeting.

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

County Councillor M R Harris (Chair)