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CYNGOR SIR
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ISLE OF ANGLESEY
COUNTY COUNCIL

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RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR SGRIWTINI CORFFORAETHOL	CORPORATE SCRUTINY COMMITTEE
DYDD LLUN, 13 MAWRTH, 2017 am 10:00 y bore	MONDAY, 13 MARCH 2017 at 10.00 am.
YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFNI	COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFNI
Swyddog Pwyllgor	Ann Holmes 01248 752518 Committee Officer

AELODAU/MEMBERS

Cynghorydd/Councillor:

ANNIBYNNOL / INDEPENDENT

Jim Evans, Victor Hughes, G O Jones (Is-Gadeirydd/Vice-Chair), Raymond Jones

PLAID CYMRU/THE PARTY OF WALES

R. Meirion Jones (Cadeirydd/Chair), Lewis Davies, Ann Griffith and Llinos Medi Huws

GRWP CHWYLDROAD/REVOLUTIONIST GROUP

Peter S. Rogers

HEB YMUNO/UNAFFILIATED

R LI Jones

AELODAU CYFETHOLEDIG (GYDA PHLEIDLAIS) PAN YN TRAFOD MATERION YN YMWNEUD AG ADDYSG / CO-OPTED MEMBERS (WITH A RIGHT TO VOTE) WHEN DEALING WITH EDUCATIONAL MATTERS

Mr Keith Roberts (Yr Eglwys Babyddol Rufeining / The Roman Catholic Church);
Mrs Anest G. Frazer (Yr Eglwys yng Nghymru / The Church in Wales).

A G E N D A

1 APOLOGIES

2 DECLARATION OF INTEREST

To receive any declaration of interest by any Member or Officer in respect of any item of business.

3 CHAIR AND VICE-CHAIR'S UPDATE

4 MINUTES OF THE MEETINGS HELD ON 6 FEBRUARY, 2017 (Pages 1 - 12)

To present the minutes of the previous meetings of the Corporate Scrutiny Committee held on –

- 6 February, 2017 (morning)
- 6 February, 2017 (afternoon)

5 PERFORMANCE MONITORING - CORPORATE SCORECARD QUARTER 3 2016/17 (Pages 13 - 28)

To present the Corporate Scorecard for Quarter 3 2016/17.

6 BUDGET MONITORING - REVENUE BUDGET QUARTER 3 2016/17 (Pages 29 - 42)

To present the Revenue Budget monitoring report for Quarter 3 2016/17.

7 BUDGET MONITORING - CAPITAL BUDGET QUARTER 3 2016/17 (Pages 43 - 56)

To present the Capital Budget monitoring report for Quarter 3 2016/17.

8 FORWARD WORK PROGRAMME (Pages 57 - 60)

To present the Committee's Forward Work Programme.

CORPORATE SCRUTINY COMMITTEE

Minutes of the meeting held on 6 February, 2017 (A.M.)

- PRESENT:** Councillor R. Meirion Jones (Chair)
Councillor Gwilym O. Jones (Vice-Chair)
- Councillors Jim Evans, Victor Hughes, Llinos Medi Huws,
R. Llewelyn Jones
- Co-opted Member: Mr Keith Roberts (The Roman Catholic Church)
- Partnership and Regeneration Scrutiny Committee**
- Councillor Dylan Rees
- Portfolio Members**
- Councillor H. Eifion Jones (Portfolio Member for Finance)
Councillor Aled Morris Jones (Portfolio Member for Housing & Social Services),
Councillor Kenneth Hughes (Portfolio Member for Education)
- IN ATTENDANCE:** Chief Executive
Assistant Chief Executive (Partnerships, Community and Service Improvement)
Head of Function (Resources) and Section 151 Officer
Programme, Business Planning & Performance Manager (GM)
Head of Adults' Services
Head of Learning
Head of Housing Services
Head of Highways, Waste & Property Services
Head of Democratic Services
Interim Head of Children's Services
Interim Scrutiny Manager (AGD)
Committee Officer (ATH)
- APOLOGIES:** Councillors Lewis Davies, Ann Griffith, Mrs Anest Frazer (The Church in Wales)
Councillor Dafydd Rhys Thomas (Partnership and Regeneration Scrutiny
Committee)
- ALSO PRESENT:** Councillor John Griffith, Members of Llais Ni Anglesey Youth Forum
-

The Chair welcomed all Members and Officers to the meeting and he extended a particular welcome to members of Llais Ni who had participated in the public consultation on the 2017/18 Budget.

1 APOLOGIES

As noted above.

2 DECLARATION OF INTEREST

No declaration of interest was received.

3 CHAIR AND VICE-CHAIR'S UPDATE

The Chair and Vice-Chair informed the Committee that they had no matters to report of at this time.

4 MINUTES OF THE 21 NOVEMBER, 2016 MEETING

The minutes of the previous meeting of the Corporate Scrutiny Committee held on 21st November 2016 were presented and confirmed as correct.

Arising thereon –

- The Interim Scrutiny Manager said that any areas the Committee deems in need of explanation and/or clarification with regard to the Scrutiny role relative to the Transformation programme and project boards will be addressed as part of the scrutiny review which has recently commenced.
- The Chief Executive said that the awaited External Audit report on sickness was not as yet available; its likely date of issue would be raised in a meeting with Welsh Audit Office officials later in the week. He confirmed that the report would be presented to the Corporate Scrutiny Committee.
- With regard to the inclusion of the Learning Disability Service as a subject for a Members' briefing session, the Programme, Business Planning & Performance Manager advised that a number of items are to be included in the briefing sessions to be held before the end of the current Council and that additional subject areas are being put forward between now and March.

5 REPRESENTATION ON THE CORPORATE SAFEGUARDING BOARD

The report of the Interim Scrutiny Manager seeking a nomination from among the Committee's members to serve as the Corporate Scrutiny Committee's link on the Corporate Safeguarding Board was presented for the Committee's consideration. The report summarised the background and context to the request which arose from the findings and recommendations of the Safeguarding Scrutiny Outcome Panel which were endorsed by the Executive in October, 2016. The report included information about the Corporate Safeguarding Board's terms of reference in order to help inform selection.

It was resolved to nominate the Chair of the Corporate Scrutiny Committee to serve as the Committee's representative on the Isle of Anglesey's Corporate Safeguarding Board.

6 2017/18 BUDGET SETTING (REVENUE AND CAPITAL)

The report of the Interim Scrutiny Manager was presented for the Committee's consideration. The report set out the context to the 2017/18 Budget setting process along with the key issues and questions for Scrutiny in evaluating the Budget proposals, and it incorporated the following documentation –

6.1 The report of the Head of Function (Resources) and Section 151 Officer on the Medium Term Financial Plan and the proposed Revenue Budget for 2017/18 (Appendix 1)

The Chair summarised the budget setting process hitherto including the Corporate Scrutiny Committee's examination of the initial budget proposals at its meeting held on 19th October, 2016 prior to their approval by the Executive for public consultation. Subsequent to the consultation exercise, a set of final proposals has been formulated taking into account the public feedback and these are presented for scrutiny to today's meeting ahead of their presentation to the Executive on 14th February, 2017 for formal recommendation to the full Council at the end of this month.

The Head of Function (Resources) and Section 151 Officer reported that the initial budget proposals identified £2.9m of savings based on the provisional Welsh government settlement and a 3% increase in the Council Tax. The final settlement figures were published by the Welsh Government on 21 December, 2016 and these resulted in an improved overall Aggregate External Funding for Wales and led in turn to an increase for Anglesey of £0.364m from the provisional figure. The Executive has taken this into account as well as the need to re-assess the pressure on services; those are being felt most keenly in Children's Services and Adults' Services and also in the Out of County Education

Budget as outlined in section 5 of the report. The Finance Service has reviewed the savings put forward and has identified that savings worth £314k are not deliverable in 2017/18 (Tables 3 and 4 of the report).

Table 6 of the report compares Anglesey's Council Tax Band charges with those of the other North Wales authorities and Table 7 sets out the impact of varying increases in the level of Council Tax for 2017/18. The report also addresses the financial risks inherent in the proposed budget which incorporates a number of assumptions about likely levels of income and expenditure in future years. These are documented in section 7.

Having considered the funding available and the increase in the AEF since the initial budget proposals were drawn up as well as the outcome of the public consultation exercise, the Executive has revised its final budget proposals and the main changes are set out in section 10 of the report. Table 8 of the report summarises the proposed budget requirement and funding to deliver a balanced budget for 2017/18.

The Officer referred to section 13 of the report which provides a strategic overview of the possible situation in the medium term and sets out a best case and also a worst case scenario (Tables 9 and 10 respectively). An updated Medium Term Financial Strategy will be presented to the Executive as information on future settlements becomes clearer.

The Portfolio Member for Finance thanked the Finance Service for leading on the budget setting process from the outset in April of last year and also, councillors across the board for contributing to it which made it an inclusive and comprehensive process. Thanks are also due to Llais Ni for the constructive feedback provided by its members. The greater part of the Council's budget is made up of Welsh Government funding which has been increased by 0.5% for 2017/18 which neither keeps pace with the rate of inflation nor meets the pressures on services, hence the need to identify savings. In applying the savings requirement to the Council's services, efforts have been made to do so in as fair and equitable a way as possible. However, the need to identify savings is likely to continue in the coming years and in this climate of continuing austerity no stone can be left unturned in the drive to make services as efficient as possible within the resources available and with the least impact to the Island's residents. The Executive has shown its preparedness to listen to the main messages from the public consultation exercise as evidenced by the budget revisions in paragraph 10 of the report; the overall health of the Council's finances has allowed it the latitude to respond positively to the main concerns expressed by the Island's public.

The Committee considered the information presented in the written report and orally, and it raised the following issues –

- **The Committee noted that a net overspend on service budgets of £756k is currently being forecast for 2016/17 and it sought assurance that where there is planned investment for 2017/18 resources are being moved to areas of overspending as priority areas.** The Head of Function (Resources) and Section 151 Officer confirmed that additional funding is being allocated to Adults' Services, Children's Services and the Out of County Education Service as demand led budgets where the pressures, and therefore the risk of overspending are greatest e.g. an Edge of Care Team is being established in Children's Services as a preventative and early intervention measure to help children remain at home. The situation is constantly changing in these services as the level of demand fluctuates. However, while some services are overspending, the situation is largely offset by underspending on corporate budgets
- **The Committee sought clarification of the difference in approach whereby the reduction of £35k in the Mudiad Ysgolion Meithrin grant is to be deferred in 2017/8 while the saving of £490k in respect of teaching assistant costs is funded from the Council's reserves.** The Head of Function (Resources) and Section 151 Officer said that when the Council comes to setting its budget for 2018/19, the saving on the Mudiad Ysgolion Meithrin will be re-included in the mix of service savings proposals to be considered at that time; using reserves to fund the saving on teaching assistant costs allows schools the time and scope to draw up a plan to deliver this saving in 2018/19 when the budget reduction is applied.
- **The Committee sought clarification of how the Authority can be sure that the £490k saving on teaching assistant costs is deliverable in 2018/19 especially when a number**

of schools are having to fall back on their depleting reserves to fund budget shortfalls and when they have asked (via the public consultation process) for guidance on the anticipated savings over the next 3 years to enable them to plan more robustly. How can it also be right for the Council to hold reserves and schools not. The Head of Function (Resources) and Section 151 Officer said that in March 2015, school balances stood at £2.4m (£1.7m primary and £600k secondary). As part of the budget setting process schools are asked to provide information about the level of reserves they are likely to want to use to balance their budgets. In 2015/16, schools indicated that they would use in the region of £1m of their balances meaning that the secondary schools would use up their balances in their entirety. At the end of the 2015/16 financial year therefore the expectation was that school balances would have reduced to about £1.3m with the secondary sector having nil in reserves. In reality, school balances increased to £2.46m during 2015/16 with secondary schools holding a total of £300k in reserves and primary schools a total of £1.9m. The end result therefore, differed widely from that estimated by schools at the beginning of the financial year meaning that the primary sector especially is still holding substantial balances. The Council has helped schools to reduce their costs e.g. in procurement so as their budgets reduce so are their outgoings. Teaching assistant costs is an area that needs reviewing and it is hoped that the one year stay of implementation which the use of reserves provides will be sufficient for schools to come up with a plan to rationalise these costs.

- **The Committee sought assurance that the levels of the Council's different reserves are appropriate in the context of the risks it faces and its spending plans.** The Head of Function (Resources) and Section 151 Officer said that the Council's current reserves stand at £7.886m. The level of general reserves held is a matter for the Council to decide based on a recommendation by the Section 151 Officer but, as a general rule of thumb, 5% of the net revenue budget is considered to be an acceptable level. Based on the 2016/17 revenue budget, this would require a level of general reserves of approximately £6m for Anglesey which is the minimum level of reserves which the Section 151 Officer advises the Council should hold. It is also the Officer's professional opinion that the Council should adopt a cautious approach to the use of reserves pending the resolution of the Equal Pay claims and how these are to be funded.
- **The Committee noted that it does not as a matter of course receive, for monitoring and scrutiny purposes, information about the Council's reserves apart from as a one-off event at the time of setting the annual budget. The Committee requested that it be provided with periodic information about the level of reserves as part of its wider responsibility to scrutinise how well the Council's budget and finances are being managed.**
- **The Committee noted that the Council has resolved to set a premium of 25% on homes designated as empty homes and homes designated as the Council taxpayers' second home. In setting the Council's Tax base, an assessment was made as to the number of second homes and empty properties to include in the tax base calculation. The Committee noted that the tax base was set at 70% of the identified properties and that there is a risk that the number of properties subject to the premium has been overestimated meaning that the income generated will be lower than the budget.** The Head of Function (Resources) and Section 151 Officer said that the Finance Service has had to work on information current in the summer of 2016; however the service is fairly confident that the database is accurate and complete. Things may change during the year and as the main purpose of the premium is to bring empty homes back into use, the number of properties subject to the premium is expected to reduce. The 70% threshold is a conservative estimate. The Committee also noted that it was difficult for it to make a meaningful contribution to the discussion about the Council Tax premium without being in possession of further information on the matter i.e. the report that will be presented to the Executive on 14th February.
- **The Committee sought clarification of the impact on schools of reducing the costs of school cleaning and it sought assurance that the cleaning budget can be reduced without having a negative effect on general school cleanliness.** The Head of Learning said that the requirements with regard to cleanliness and safety will continue to be met and that reducing the budget does not mean that schools will not be cleaned. While under the

reduced budget not all classrooms will be cleaned on a daily basis the rationale being that that is not necessary anyway, specific areas e.g. toilets and areas of frequent use as well as foundation class areas in primary schools will still be cleaned every day. The budget also means that a sum of money is available for spot cleaning.

- **The Committee noted that the Education Service had benefited from the public consultation process in that the Executive's revised budget proposals has taken the edge off some of the more difficult education savings proposals.** The Head of Learning said that the Education Service has been making cutbacks for a number of years; while the Council hitherto has been protective of education services a point has been reached where consideration has to be given to cuts that will directly affect schools. What the service has endeavoured to do is to try to shield education provision by focussing on reducing peripheral costs. This approach is not sustainable in the long term as Council budgets continue to contract; Head teachers are now requesting the freedom to be able to implement cuts according to the circumstances within their own schools. While increasing fees and charges does have an impact on families, the Authority in Anglesey remains competitive as regards the charges it levies e.g. the price of school meals. This is also true of school transport; the actual cost of each seat on school buses is £465 and a number of seats are empty. Asking for a contribution does go some way to meeting the cost of the provision. The Education Service too has overspent in some areas including on school transport and on demand led areas and areas linked to Children's Services because of the increased demand for out of county placements to meet the sometimes complex needs of children that are looked after.
- **The Committee suggested with regard to its charging policy for school transport that the Authority has in effect boxed itself in and has little room for manoeuvre because it is starting from a low baseline compared with that of other authorities in North Wales and is playing catch-up. It can only increase charges by a certain percentage.** The Head of Learning said that nevertheless what is being provided can be looked at e.g. the Authority currently offers empty seats to pupils living at a distance of less than 3 miles from school in the secondary sector and 2 miles in the primary sector; contracts could be renegotiated so that buses only offer seats to pupils living at a distance of more than the present 2 or 3 miles.
- **The Committee sought clarification of whether increasing demand should be designated a specific risk in relation to service budgets in the same way as the recognised budget risks set out in section 8.3 of the report.** The Head of Function (Resources) and Section 151 Officer said that although there is overspending on certain services because of increased demand, overall revenue expenditure remains within budget so notwithstanding the risk posed by demand led overspending in some services, the wider budget management process supported by reserves is working to mitigate the risk.
- **The Committee questioned whether the Council should be seeking to take advantage of the more positive outlook for 2017/18 based on the improved Welsh Government settlement, to keep to a Council Tax increase of 3% or even more (as per tables 9 and 10 of the report) in order to provide a buffer for 2018/19 and to allow the Council some elbowroom with regard to the cuts it will have to make and the spending plans it may wish to implement at that time.** The Portfolio Member for Finance said that the message from the public consultation process is that the majority of respondents disagreed with any increase in the Council Tax. The best case scenario in Table 10 of the report puts forward a savings requirement of £1.9m; the Authority has already identified savings of £2.5m for 2017/18 at the same time as being able to put forward a Council Tax increase that is reasonable. The financial situation of the Council is robust enough to enable the Executive to propose a reduced Council Tax increase for 2017/18.
- **The Committee sought clarification whether the 2017/18 budget proposals will enable the Executive to deliver on the Corporate Plan and Transformation Programme.** The Programme, Business Planning & Performance Manager said that the current Corporate Plan will be coming to an end this year and while the budget proposals will not affect the contents of the Plan in its current form, there is an element of risk when it comes to formulating the new Plan over the coming six months.

6.2 The report of the Head of Function (Resources) and Section 151 Officer on the proposed Capital Budget for 2017/18 (Appendix 2)

The Head of Function (Resources) and Section 151 Officer reported that the paper presented updates the draft capital budget for 2017/18 as presented to the Executive on 7 November, 2016. Included in the draft capital programme had been 2 potential unsupported borrowing schemes in relation to the building of a 3G football pitch at Plas Arthur Leisure Centre and the purchase of fitness equipment at Holyhead Leisure Centre. As both schemes are still being developed and are not in a position to move ahead in 2017/18 they have been removed from the final capital programme. The main objections to the capital spending plans from the public consultation process centre on the allocation of £1m for gypsies and travellers. As this is a legislative requirement, the Council has no discretion in the matter although respondents in the public consultation process suggest that if the Welsh Government is leading on this project then it should provide the funding for it.

The Committee considered the information presented in the written report and orally, and it commented on the affordability of the capital programme given the pressures on the revenue budget. The Head of Function (Resources) and Section 151 Officer said that the current capital plan and strategy (with the exception of the 21st Century Schools Programme) has been set up to use a combination of supported borrowing, capital receipts and Welsh Government grants. This approach has aimed to avoid additional borrowing which would place an extra burden on capital costs which feed through to, and are funded by the revenue budget. Once a commitment to borrowing has been made the costs then fall on the Council over a number of years and they can be substantial.

6.3 The report of the Programme, Business Planning and Performance Manager summarising the key messages from the Public Consultation exercise on the Authority's 2017/18 Budget proposals which was conducted by a variety of methods and through a number of channels during the period 7th November to 16th December, 2016 (Appendix 3)

The Programme, Business Planning and Performance Manager reported on the channels by which the public consultation process was conducted over a five week period and the outcome of that process. More than 700 responses (1% of the population) were received with respondents engaging via all modes of communication. The most successful means of collecting responses this year was the online survey (67%) with social media also proving increasingly popular. Via all channels, the main focus of the responses were increasing the cost of school meals; increasing the cost of bus fares for children living within 2 to 3 miles from their current school; developing a permanent site for gypsies and travellers; the proposed 3% increase in the Council Tax; reducing school cleaning budgets and reducing costs through restructuring and freezing vacant posts.

The Committee considered the information presented and made the following points –

- The Committee acknowledged the range of channels used to try to engage the public to take part in the consultation and the improved response. The Committee did however note that the response rate at 1% of the population remains low and that more can still be done to improve the participation rate.
- The Committee noted that one way of improving the public inclination for taking part in consultation is by ensuring the language used is accessible. The Committee noted that it had highlighted this issue as part of its scrutiny of the initial draft budget proposals back in October, 2016. Although there has been an improvement on last year's results which may or may not be attributable in part to more user friendly language, some of the responses still seem to suggest that respondents do not fully understand what is being proposed. The Programme, Business Planning and Performance Manager said that while the process has improved, it does involve dealing with technical financial matters which can sometimes be difficult to explain.
- The Committee requested that the public consultation questionnaire be presented to Scrutiny at an earlier stage in the budget setting process to help frame the questions in a way that can be more easily understood and thereby encourage improved feedback.
- The Committee noted the substance of the responses received and it noted further that as a result of those messages, some of the savings proposals have been modified.

6.4 The report of the Llais Ni Development Officer summarising the main views, concerns and recommendations of the members of Anglesey's Youth Council with regard to the 2017/18 Budget proposals as aired in a workshop held on 3 December, 2016 and attended by the Interim Scrutiny Manager, the Head of Function (Resources) and Section 151 Officer, the Council Leader and the Young People's Champion (Appendix 4)

Councillor Llinos Medi Huws, Young People's Champion reported on the outcome of the workshop in terms of those matters that had occupied the young people who took part in the event. One comment was that services should be prioritised for the people who need them and another stressed the importance of education as shaping children's futures.

The Committee considered the information presented and it noted the following –

- The Committee noted the quality and maturity of the responses made. The Committee suggested that the qualitative dimension of responses is as an important a consideration as the quantity in evaluating the success or otherwise of a public consultation exercise and is a factor that should be borne in mind for the future.
- The Committee noted that where the respondents disagreed with a proposal, they had offered an alternative option thereby providing constructive scrutiny of what is being put forward, which the Committee commended.

Following discussion and deliberation of the information presented both in written form and by way of oral representations at the meeting, and having regard to the views presented by the Island's public and by its Youth Council, and the Executive's response to them by way of the modified Budget proposals, the Corporate Scrutiny Committee RESOLVED –

- **To support and to recommend to the Executive at its meeting on 14th February, 2017 the 2017/18 Budget proposals as set out in section 10 of the written report at Appendix 1.**
- **That the attention of schools should be drawn to the need for them to provide an undertaking to deliver the £490k efficiency savings in respect of teaching assistant costs or other savings to the delegated budgets in 2018/19 and to plan accordingly.**
- **That the Corporate Scrutiny Committee be provided with periodic reports on the Council's balances and reserves as part of its responsibility to scrutinise how well the Council's budget and finances are being managed.**
- **That the Public Consultation document/questionnaire be presented to the Corporate Scrutiny Committee at an earlier stage in the budget setting process in future to enable the Committee to help shape its form and language to improve its accessibility.**

**Councillor R. Meirion Jones
Chair**

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CORPORATE SCRUTINY COMMITTEE

Minutes of the meeting held on 6 February, 2017 (P.M.)

PRESENT: Councillor R. Meirion Jones (Chair)
Councillor Gwilym O. Jones (Vice-Chair)

Councillors Jim Evans, Victor Hughes, Llinos Medi Huws,
Peter Rogers

Members of the Partnership and Regeneration Scrutiny Committee

Councillors Alun Mummery, Dylan Rees

Portfolio Members

Councillor Ieuan Williams (Leader)
Councillor Kenneth Hughes (Portfolio Member for Education)

IN ATTENDANCE: Chief Executive
Head of Learning
Library Services Manager (RR)
Lifelong Learning Co-ordinator (BHJ)
Interim Scrutiny Manager (AGD)
Committee Officer (ATH)

APOLOGIES: Councillors Lewis Davies, Ann Griffith, R. Llewelyn Jones, H. Eifion Jones
(Portfolio Member for Finance) Dafydd Rhys Thomas (Partnership and
Regeneration Scrutiny Committee)

ALSO PRESENT: Councillor John Griffith

1 APOLOGIES

As noted above.

2 DECLARATION OF INTEREST

No declaration of interest was received.

3 THE DRAFT LIBRARY SERVICE STRATEGY 2017/22

The report of the Head of Learning incorporating the Draft Library Service Strategy for 2017 to 2022 was presented for the Committee's consideration. The purpose of the Strategy is to seek to ensure that Anglesey's Library Service is placed on firm and sustainable foundations that will allow the service to meet the needs of the Island's residents and fulfil the statutory requirements over the coming years.

The Library Services Manager reported Anglesey County Council is committed to providing a statutory library service that is comprehensive and efficient as required by Section 7 of the Public Libraries and Museums Act, 1964. The Welsh Public Library Standards are set and assessed by the Welsh Government and are one of the measures of whether a Library Authority is fulfilling its statutory duty. In the context of the Standards the main concern regarding the Service in Anglesey is that staffing levels are below the standards set thus potentially affecting the service provided.

The Isle of Anglesey Corporate Plan for 2013-17 sets forth the aim of reducing the overall costs of Leisure, Culture and Library Services to the Council by 60% over the period of the plan. As a result of this commitment, a Libraries, Youth Service and Museums and Culture Transformation Programme Board was established to oversee the delivery of the priorities detailed in the Corporate Plan to explore options and implement a revised Library provision model.

Anglesey Library Service undertook a Library Service Review in autumn 2015 which looked at a range of topics and which identified several options for the future development of the service. A public and stakeholder consultation was held during October, 2015 to gather views on the options identified and to invite any alternative ideas; details of the consultation are provided in paragraph 3.2 of the report. Although this exercise did not yield a clearly favoured option, there was evidence to suggest that seeking opportunities for community support models, working with social enterprises or alternative providers co-working with the Council to maintain the service was deemed preferable to any potential withdrawal of service.

The draft Library Service Strategy presents a preferred model for consultation and it has been developed to respond to the challenges and needs outlined in the report. Residents' views as summarised in paragraph 4.3 of the report have been noted and embedded within the draft strategy. The strategy outlines a vision for the Library Service and sets out a delivery framework that aims to meet the needs both of the Library Standards and those of the service's customers. Underpinning the vision are the six core aims described in paragraph 5.2 of the report. The draft Strategy advocates moving to a pattern of provision based on Area Libraries; Authority led Community Supported Libraries; Mobile Services and potential Community Access points (dependent on the distribution of the first two modes of provision). Further details on how the proposed 3 tiered provision would work in practice are given in paragraph 5.4 of the report. However, while various papers have been prepared and discussed with regard to the provision of the Library Service on Anglesey, no final decision has been made on its future.

A Library Equality and Needs Assessment (EINA) has been undertaken and this examines the need for the service and the impact of any proposed changes on the population which may want to make use of the service. In developing the proposals for the Draft Library Service Strategy, the considerations listed in paragraph 6.2 of the report as well as other indicators were taken into account as part of the EINA. The Library Service EINA remains a living document and findings from the consultation process on the draft Strategy will be fed into it as appropriate.

In terms of financial considerations, due to the possible variables in relation to the final model of provision within the Strategy the savings as at Section 7 illustrate the two extremes within the strategy i.e. that in which there is maximum community involvement where all Authority led Community Supported Libraries are successful, and that in which there is minimum community involvement where no community involvement has been possible resulting in Tier 3 libraries closing (5 libraries). The table as at paragraph 7.3 shows the potential savings if staffing levels are retained within the service but with a different staffing structure thus mitigating the impact on the Welsh Public Library Standards. The table as at paragraph 7.4 shows the potential savings if staffing levels are not retained within the service. Appendix 4 to the report shows these costings in more detail.

The Library Service is planning to hold a public consultation on the Draft Strategy and to progress discussions with interested parties. Following the public consultation, the Portfolio Member will present the definitive Library Service Strategy to the Executive for a final decision in autumn 2017.

The Committee considered the information presented in the written report and orally by the Officers and it made the following points –

- The Committee sought clarification of the progress made in the consultation with Town and Community councils and the level of interest shown hitherto by the latter in collaborating with the Council to help provide a Library service within communities. The Lifelong Learning Co-ordinator said that all Town and Community Councils had been invited to meet with the Service either individually or in public meetings and that many had taken up the invitation. While discussions are ongoing with several, some have expressed an interest and others are taking steps to place arrangements on a more formal footing. Each town and community council's circumstances are different and the progress of discussions reflects that situation. Also the Committee emphasised

the need to engage with all the community councils and suggested that efforts be made to reconnect with those that have not as yet responded.

- With regard to the table on page 8 of the Equalities Impact Assessment showing data in relation to the use of the static libraries on the Island, the Committee noted that the information provided could be clarified to reflect what exactly the cost per visit does and does not include. This would provide the full picture in a way that can be readily understood.
- The Committee noted that the consultation and engagement held to date as well as the Equalities Impact and Needs Assessment have been thorough, comprehensive and inclusive and reflect a thoughtful and responsive approach to the public views expressed via those processes, which the Committee commended.
- The Committee noted that several Scrutiny members have been involved along the way in reviewing the Library Service provision and developing proposals through the Libraries, Youth Service and Museums and Culture Transformation Programme Board. Scrutiny has therefore in effect been an ongoing process.
- The Committee requested and it was confirmed, that the final Library Service Strategy for 2017/22 will be presented to this Committee prior to its submission to the Executive.

It was RESOLVED –

- **That the Corporate Scrutiny Committee is satisfied that the Lifelong Learning Service has undertaken the process of developing the Library Service Strategy as comprehensively and inclusively as possible.**
- **That subject to the clarification of the information provided in the table on page 8 of the Equalities Impact and Needs Assessment (EINA), the Committee is satisfied that the EINA covers all groups and that it has no other concerns on this matter.**
- **That the Committee recommends to the Executive that the Lifelong Learning Service proceeds with the public consultation on the Draft Library Service Strategy 2017/22 with a view to reporting its findings by November, 2017.**

NO FURTHER ACTION ARISING

**Councillor R. Meirion Jones
Chair**

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ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	CORPORATE SCRUTINY & EXECUTIVE COMMITTEE
DATE:	13th & 20th MARCH 2017
SUBJECT:	SCORECARD MONITORING REPORT - QUARTER 3 (2016/17)
PORTFOLIO HOLDER(S):	COUNCILLOR ALWYN ROWLANDS
HEAD OF SERVICE:	SCOTT ROWLEY
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LOCAL MEMBERS:	n/a

A - Recommendation/s and reason/s	
1.1	This is the third scorecard of the financial year 2016/17.
1.2	It portrays the position of the Council against its operational objectives for Quarter 3.
1.3	The Committee is requested to scrutinise the scorecard and note the areas which the Senior Leadership Team are managing to secure improvements into the future. These can be summarised as follows – <ul style="list-style-type: none"> 1.3.1 Underperformance (red or amber indicators on the scorecard) is recognised and appropriate measures put in place for improvement to be presented on a monthly basis to the relevant portfolio holder and management board. 1.3.2 Continue with the regular service sickness challenge panels work which has been instrumental in the improvement of our sickness management figures up to Q3. 1.3.3 <i>The Wales Audit Office work related to sickness is reported through to the Executive and Corporate Scrutiny Committees once received. Best practise and proposed further improvements based on national best practice should then be adopted.</i>

<p>1.3.4 The Childrens Service Improvement Plan drafted and aligned with the CSSIW report is overseen by the Children’s Panel and the Senior Leadership Team</p> <p>1.3.5 Further support in evaluating the processes of collating Learning indicators is undertaken during Q4 and into the new financial year.</p> <p>1.4 The Committee is asked to accept the mitigation measures outlined above.</p>		
B - What other options did you consider and why did you reject them and/or opt for this option?		
n/a		
C - Why is this a decision for the Executive?		
This matter is delegated to the Executive		
CH - Is this decision consistent with policy approved by the full Council?		
Yes		
D - Is this decision within the budget approved by the Council?		
Yes		
DD - Who did you consult? What did they say?		
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	This was considered by the SLT at their meeting on the 27 th February and their comments are reflected in the report
2	Finance / Section 151 (mandatory)	No comment
3	Legal / Monitoring Officer (mandatory)	No comment
4	Human Resources (HR)	Comments included within the body of the report
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		

Appendix A - Scorecard Monitoring Report – Quarter 3, 2016/17 & Scorecard

FF - Background papers (please contact the author of the Report for any further information):

- 2016/17 Scorecard monitoring report - Quarter 2 (as presented to, and accepted by, the Executive Committee in November 2016).

SCORECARD MONITORING REPORT – QUARTER 3 (2016/17)

1. INTRODUCTION

- 1.1 One of the Council's aims under the Wales Programme for Improvement is to secure the means by which continuous improvement can be evidenced and presented across the board. To that end, on an annual basis, a performance report is drafted to be published by end of October, which demonstrates progress or not (as the case may be).
- 1.2 This scorecard was developed in parallel to identify and inform Council leaders of progress against indicators which explicitly demonstrates the successful implementation of the Council's day to day work and assists in providing the evidential base from which the performance report is drafted.
- 1.3 The scorecard (Appendix 1) portrays the current end of Q3 position and will be considered further by the Corporate Scrutiny Committee and the Executive during March.

2.1 PERFORMANCE MANAGEMENT

- 2.1.1 The scorecard for Performance Management shows performance against indicators outlined and requested by the Senior Leadership Team, Executive and Shadow Executive.
- 2.1.2 At the end of Q3 it is encouraging to note that the majority of indicators are performing well against their targets but we note that 5 indicators are underperforming as Amber or Red against their annual target for the year.
- 2.1.3 Three indicators within Adult Services show an underperformance after targets –

- (i) LI/18b – AMBER - The percentage of carers of adults who requested an assessment or review that had an assessment or review in their own right during the year. Q3 – 87.5% Target – 93%. This performance is better than that of Q3, 86.3% in 2015/16, however it is still some way off the target.

In the Q2 report the service identified mitigation was to improve this PI by using increased capacity of Social Workers to do assessments and review assessments as and when required. The Service have successfully improved the performance of this PI during Q3 and therefore the Service is confident that the target will be met and have identified the need to review 30 more clients before the end of Q4.

Mitigation - to improve these standards for Q4 the Social Workers will catch-up on assessments that were due and complete new assessments and reviews in the next 3 months, currently identified as at least 30 clients in order to hit the target for the year.

- (ii) PM18 – AMBER - The percentage of adult protection enquiries completed within statutory timescales. Q3 – 81.25%, Target – 90%. This PI is new for 2016/17 and therefore the target could be seen as ambitious, however the current position continues to be some way below what the service would like to achieve.

In the Q2 report the Service identified that partner agencies investigation timings were having an impact on the timescales and performance of this indicator. The matters have again been raised in strategic group meetings and a slight improvement was seen in Q3 as a result.

Mitigation - This matter is and will continue to be raised in the strategic group meetings taken place between Gwynedd and Môn in order to resolve and lessen timeframe issues. The target for the year is unlikely to be achieved, however every effort will be made to get as close as possible by the end of Q4.

- (iii) PM19 – AMBER - The rate of delayed transfers of care for social care reasons per 1,000 population aged 75 or over. Q3 – 5.8 Target - 1.5. Like the above PI this is a new indicator and the target is an ambitious one. A lack of domiciliary care capacity is having a negative impact on this PI.

Mitigation – The mitigation identified in the Q2 report continues to be current with a transformational plan underway to secure more comprehensive domiciliary care capacity during 2017. In addition a lack of EMI nursing care capacity leads to some delays. In order to address this issue the service is developing additional specialist capacity in partnership with the Health Board. The target of 1.5 will not be achieved by the end of Q4..

2.1.4 One indicator exist within Childrens Services continues to show an underperformance from Q2 as follows –

- (i) SCC/025 – the % of statutory visits to looked after children due in the year that took place in accordance with regulations Q3 – 80% Target – 100, RED. This compares with a performance of 86.54% for the same time period of 2015/16. This indicator was also discussed in the Q2 Scorecard report and the belief that the deterioration of this indicator in the Q2 report has unfortunately declined once again in Q3 due to the further increase in looked after children. The service have now seen an increase of 20% in the number of looked after children in the first 9 months of the year.

Mitigation - to improve these standards for Q4 the following will be acted upon–

- An enhanced tracker system will be developed, based on best practise elsewhere, together with a new management system devised to ensure visits are completed when staff are on leave or there are sickness absences.
 - The service will not meet the target set for the year but the service improvement plan will address the issues that have led to a deterioration in performance which has occurred since the number of children who are looked after has increased
- (ii) The service was the subject of a CSSIW audit in Q3 and the recommendations that fall out of the review and an improvement plan to meet the recommendations will be discussed during the Corporate Scrutiny meeting on the 13th March and the Executive on the 20th March.

2.1.5 One new indicator which is now **AMBER** on the Scorecard is from Regulation & Economic Development –

- (i) LCS/002b: The number of visits to local authority sport and leisure centres during the year where the visitor will be participating in physical activity Q3 - 312k, Target - 334k. This is down 12k from Q3 15/16 (324k).

One of the main reasons for not hitting the target for Q3 was due to the closure of Holyhead Leisure Centre for 3 months in the summer, resulting in the estimated loss of 12.5k visits. However, even with the inclusion of these figures the service would still be 10k short of its target for the year. There are concerns about the use of the leisure facilities without swiping in, resulting in a loss of participation numbers. Some of these customers are Direct Debit customers who do not want to queue to swipe in at the front desk. The ideal solution would be the installation of a barrier system which would ensure users swipe in resulting in an increase in participants.

Mitigation – A short term mitigation being adopted is to provide Direct Debit customers with a sign-in sheet enabling them to pass the queue and still be included in participation numbers. The solution is to install barriers at reception areas to control access, accurately record participation numbers, improve health and safety and strengthen safeguarding practices..

2.1.6 The remaining indicators reported for Q3 are all currently ragged **GREEN** or **YELLOW** within the performance management section.

2.1.7 Appendix 2 shows the whole programme of work which the two Corporate Transformation Programme Boards are overseeing. Whilst some of the programmes / projects are ragged as RED it is important to state that the issues highlighted are being managed and tracked accordingly via the Boards which meet on a two monthly basis.

2.2 PEOPLE MANAGEMENT

2.2.1 With regard to People Management, it is noted that the performance of the Council's sickness rates (*indicator 3 on scorecard under people management*) at the end of Q3 shows a significant improvement (7.21 Days Sick per FTE) when compared with last year (8.4 Days Sick per FTE), a total of 3110 days better off than 2015/16.

2.2.2 This indicates that the projected end of year sickness level (if the trend was to continue in a similar manner to the past two years of, i.e. higher sickness results in Q3 & Q4 than in Q1 & Q2) would equate to 10.5 days per FTE (Table 1). However, if the strong performance shown in Q3 continues into Q4 then it's likely that the target of 10 days per FTE will be hit.

Sickness absence - average working days/shifts lost

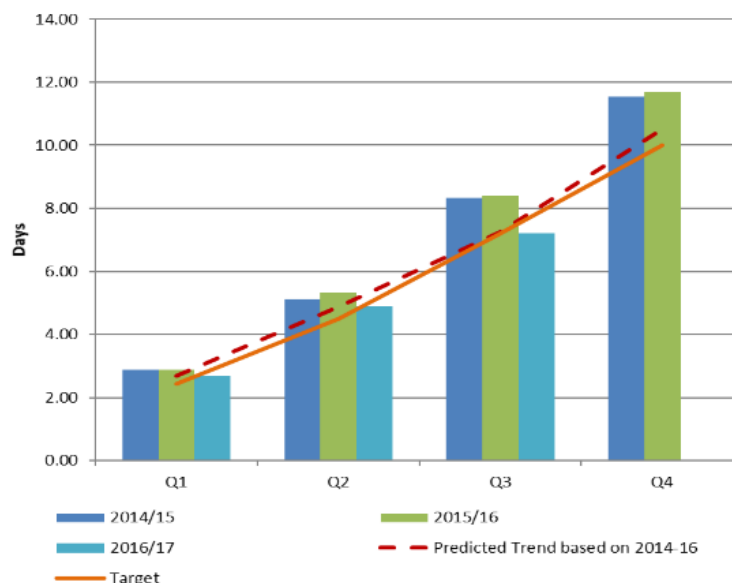


Table 1

2.2.3 Service Performance against these targets for Q3 indicate that only 2 Services are RED compared to their targets for the quarter:

- Childrens Services – RED – 11.11 Days Sick per FTE (Target 7.58). The service have considerably improved their sickness during Q3 (Table 2)

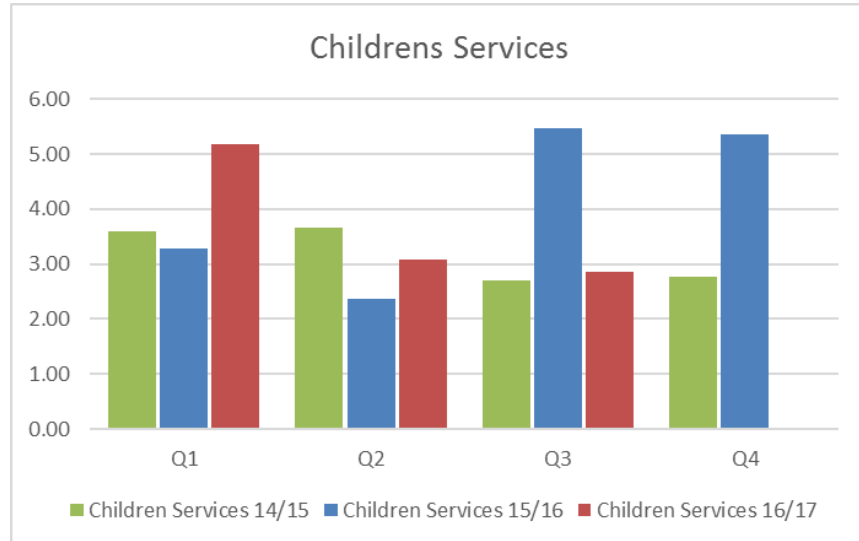


Table 2

- Highways, Waste and Property – RED – 8.30 Days Sick per FTE (Target of 7.13)The service saw a decline in their sickness rates during Q3 (Table 3). This decline is mainly down to the increase in long term sickness which equated to 56% of the sickness for year up to the end of Q3.

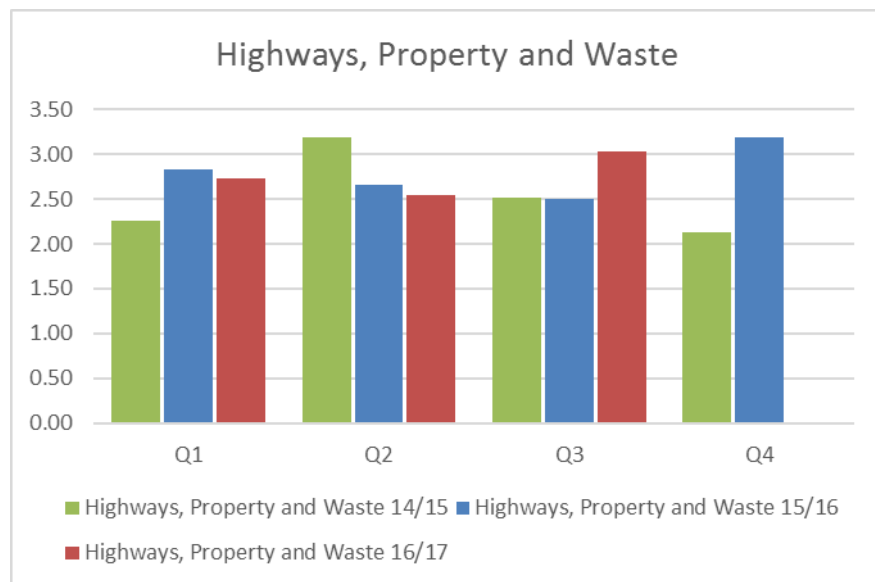


Table 3

2.2.4 One of the main reasons for not achieving our corporate target for 2015/16 was due to an increase in our Long Term Sickness rates which equated to 58% of the total sickness days lost last year. In this respect, Q3 has seen an improvement in

comparison with Q3 2015/16, 2800 days sick compared to 3800 days sick respectively (See table 4 below). An improvement of a 1000 days.

LONG TERM SICK DAYS

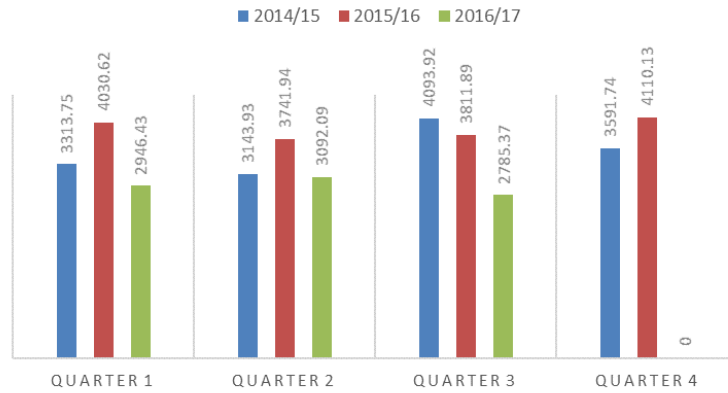


Table 4

2.2.5 Long Term sickness equated to 54% of our total sickness for Q3 compared to 59% over the same period for 2015/16. This is an improvement on where the Council was this time last year and has been instrumental in the Council hitting its target at the end of Q3.

2.2.6 With regards to short term sickness our year on year comparison has now improved. Indeed, for the first 9 months of the year (cumulative total) our short term sickness days per FTE has improved from the same period last year by 350 days. There continues to be a drive to decrease short term sickness rates however, and this drive can be seen in Q3 where there was an improvement of 640 days on the same period last year (Table 5).

SHORT TERM SICK DAYS

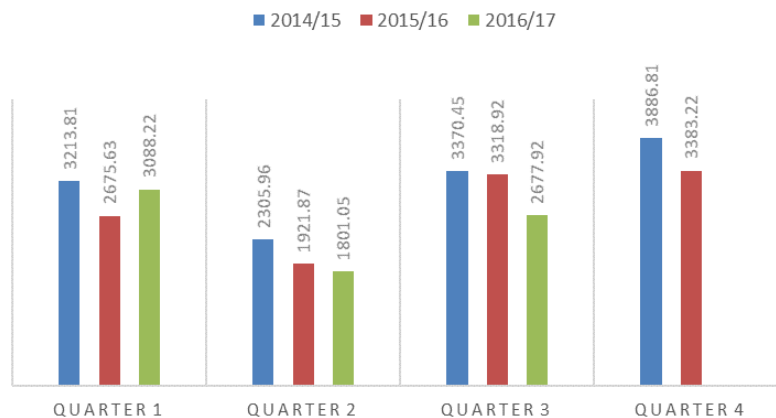


Table 5

2.2.7 Associated with sickness rates is the 'management' of sickness. An integral part of the management process within the Council is staff's compliance with corporate sickness policies which includes the undertaking of return to work interviews and Attendance Review Meetings (*indicators 7 to 9 on scorecard*).

2.2.8 The Council continues to embed this working practice across its services and is performing well against its target of Return to Work (RTW) interviews within timescale (i.e. 5 working days) operates at a 78% success rate, whilst total RTW interviews is operating at a 90% success rate.

2.2.9 It was recommended by the SLT in 2015/16, that further consideration and focus is given to the management of recurring short-term sickness absence where trigger points are reached and the completion of attendance review meetings (ARM's) are undertaken. These continue to be monitored in the Sickness Challenge Panels.

2.2.10 ARM figures for Q3 have maintained its performance from Q2 at 75% (these figures do not include Schools). Although no improvement has been made in the quarter, Human Resources have noted that the quality of the ARMs coming through from services continue to be greatly improved.

2.2.11 The figures reported in this years sickness statistics do not include days off sick due to bereavements (750 Days). If we were to include bereavements in the calculation we would still see a slight improvement (7.54 Days per FTE). This change in the calculation has been made to meet the guidance provided by Data Unit Wales in the national performance indicator.

2.2.12 *The SLT therefore recommends –*

- *To continue with the regular service sickness challenge panels to keep a focus on improving our absence management figures*
- *The Wales Audit Office work related to absence management has yet to be received but the aim remains that it will be reported through to the Executive and Corporate Scrutiny Committees following receipt of the report.*

2.3 CUSTOMER SERVICE

2.3.1 Two of the new indicators looking at channel shift look at the successful launch of AppMôn, where users have used the technology to submit 248 reports to up to the end of Q3 (including fly tipping, faulty street lighting, compliments or complaints, broken pavements, sports club database forms and ordering recycling bins). Unfortunately we are currently unable to provide the amount of downloads of AppMôn from the supplier.

2.3.2 The remaining indicators focus on the website and on our social media presence. We had a total of 395k unique visits to the website during the first half of the year. Our social media presence has also resulted in a total of 20k social media accounts following us on Facebook (9k followers) and Twitter (11k followers).

2.3.3 Regarding Customer Complaints Management, by the end of Q3 52 Complaints were received and 1 Stage 2 complaints in Social Services. All of the complaints have received a response and of these complaints 6 were upheld in full (Regulation & Economic Development [1], Highways, Waste & Property [2], and Resources [3]), 8 were partially upheld (Regulation & Economic Development [1], Highways, Waste & Property [4], and Housing [3]) whilst the remaining 35 were not upheld. These indicators are reported to and tracked by the Customer Service Excellence Board.

- 2.3.4** A total of 77% of the complaints have been responded to within timescale with 23 late responses (Adult Services [5] Highways, Waste & Property [1], Housing [1], Waste & Housing [1], Council Business [1] and Childrens Services [14]). This is significantly up from the 64% at the end of 2015/16, however it continues to be marginally below the target of 80%.
- 2.3.5** The % of FOI requests responded to within timescale performed at 73% at the end of Q3 compared to 67% at the end of 2015/16. This is a considerable improvement year on year bearing in mind that the Council has dealt with in excess of 4000 questions in the first 3 quarters of 2016/17.
- 2.3.6** In total there was 704 FOI requests after Q3 with 189 late responses. The majority of the late responses came from Resources which equated to 37% of the late responses (59% of the 119 received by the service, a similar level on the 60% late in Q2). This has been identified by the Head of Service as an improvement area and changes to the systems in the way FOI's are processed have been introduced which will see an improvement during the 4th quarter. Other services include Learning with 16% (52% of the 58 received by the service), Social Services with 14% (19% of the 139 received by the service) and Regulation & Economic Development with 14% (33% of the 108 received by the service). Our response to FOIs is important and the SLT and Heads of Service monitor the performance of FOIs closely.
- 2.3.7** The Mystery Shop (Items 16-19 on the scorecard) exercise is currently being undertaken and due to be completed by the end of Q4. The Mystery Shop has once again been undertaken by the Tenants Advisory Group following their efforts in 2015/16. Findings and recommendations of their report will be reported here in Q4.

2.4 FINANCIAL MANAGEMENT

- 2.4.1** A total overspend of £16k (0.01%) is projected for the year ending 31 March 2017.
- 2.4.2** An overspend of £756k is predicted on service budgets, though this is made up of a number of over and underspends. The services that are experiencing significant budgetary pressures are Lifelong Learning and Children's Services. This is due to the cost of statutory services for specialist placements over which these services have limited control. The overspend on services is expected to be funded by an underspend in Corporate Finance of £1.004m, which is mainly due to an underspend on the Council Tax Reduction Scheme and savings on Corporate Financing. In addition, there is an estimated shortfall on the collection of Council Tax of £264k, mainly due to the requirement to provide for bad debts.
- 2.4.3** It should be noted that this is a forecast and items outside the control of the Council, such as severe weather, will have an impact on expenditure but cannot be factored into this forecast. Forecasts are subject to change as new information becomes available, however, with regular scrutiny from SLT and remedial action is taken by Heads of Services these will help the services manage within the budgets they can control.
- 2.4.4** Further information on financial management can be seen in the 'Revenue Budget Monitoring Report for Q3' which was reported to the Executive and Corporate Scrutiny in February.

3. RECOMMENDATIONS

- 3.1** The Committee is requested to scrutinise the scorecard and note the areas which the Senior Leadership Team are managing to secure improvements into the future. These can be summarised as follows –
 - 3.1.1** Underperformance (red or amber indicators on the scorecard) is recognised and appropriate measures put in place for improvement as noted as part of this report. These are to be presented on a monthly basis to the relevant portfolio holder and associated management boards.
 - 3.1.2** Continue with the regular service sickness challenge panels work, which has been instrumental in the improvement of our sickness management figures up to Q3.
 - 3.1.3** The Wales Audit Office work related to sickness is reported through to the Executive and Corporate Scrutiny once received. Best practise and proposed further improvements based on national best practice should then be adopted.
 - 3.1.4** The Childrens Service Improvement Plan drafted and aligned with the CSSIW report is overseen by the Children’s Panel & Senior Leadership Team.
 - 3.1.5** Further support in evaluating the processes of collating Learning indicators is undertaken during Q4 and into the new financial year.
- 3.2** The Committee is asked to accept the mitigation measures outlined above.

Gofal Cwsmer / Customer Service	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Canlyniad 15/16 Result	Canlyniad 14/15 Result
01) No of Complaints received (excluding Social Services)	Melyn / Yellow	↑	52	49	59	65
02) No of Stage 2 Complaints received for Social Services	-	-	1	-	5	
03) Total number of complaints upheld / partially upheld	-	-	14	-	21	
04) Total % of written responses to complaints within 20 days	Melyn / Yellow	↓	77%	80%	64%	
05) Number of concerns (excluding Social Services)	-	↓	125	-	261	71
06) Number of Stage 1 Complaints for Social Services	-	-	43	-	53	
07) Number of Compliments	-	↑	465	-	712	521
08) % of FOI requests responded to within timescale	Melyn / Yellow	↓	73%	80%	67%	65%
09) Number of FOI requests received	-	-	704	-	854	894
10) % of telephone calls not answered	-	-	-	15%	12%	
11) No of AppMôn users	-	-	-	-	-	
12) No of reports received by AppMôn	-	↑	248	-	-	
13) No of web payments	-	-	-	-	-	
14) No of 'followers' of IOACC Social Media	-	↑	20k	-	-	
15) No of visitors to the Council Website	-	↓	395k	-	-	
16) % of written communication replied to within 15 working days of receipt (Mystery Shop)	-	-	-	-	-	
17) % of written responses in the customers language of choice (Mystery Shop)	-	-	-	-	-	
18) % of telephone calls answered bilingually (Mystery Shop)	-	-	-	-	-	
19) % of staff that took responsibility for the customer query (Mystery Shop)	-	-	-	-	-	

People Management	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Canlyniad 15/16 Result	Canlyniad 14/15 Result
01) Number of staff authority wide, including teachers and school based staff (FTE)	-	-	2258	-	2310	2336
02) Number of staff authority wide, excluding teachers and school based staff(FTE)	-	-	1250	-	1303	1362
03) Sickness absence - average working days/shifts lost	Gwyrdd / Green	↑	7.21	7.2	11.68	11.53
04) Short Term sickness - average working days/shifts lost per FTE	-	-	3.33	-	4.89	5.49
05) Long Term sickness - average working days/shifts lost per FTE	-	-	3.88	-	6.79	6.04
06) % of stress related sickness	Gwyrdd / Green	↓	7%	9%	7%	5%
07) % of RTW interview held within timescale	Melyn / Yellow	↓	78%	80%	84%	85%
08) % of RTW interview held	Melyn / Yellow	↓	90%	95%	-	-
09) % of Attendance Review Meetings held	Melyn / Yellow	-	74%	80%	-	-
10) Local Authority employees leaving (%) (Turnover) (Annual)	-	-	-	-	-	-
11) % of PDR's completed within timeframe	Gwyrdd / Green	-	85.50%	80%	-	-
12) % of staff with DBS Certificate (if required within their role)	-	-	-	-	98%	-
13) No. of Agency Staff	-	⇒	21	-	26	21
14) Staff Survey (Staff Satisfaction) - TBC	-	-	-	-	-	-
15) Staff Survey (Staff Satisfaction) - TBC	-	-	-	-	-	-
16) Staff Survey (Staff Satisfaction) - TBC	-	-	-	-	-	-

Rheolaeth Ariannol / Financial Management	CAG / RAG	Tuedd / Trend	Cyllideb / Budget	Canlyniad / Actual	Amrywiad / Variance (%)	Rhagolygon o'r Gwariant / Forecasted Actual	Amrywiad a Ragwelir / Forecasted Variance (%)
01) Forecasted end of year outturn (Revenue)	Gwyrdd / Green	↑	£124,037,000	-	-	£124,053,000	0.01%
02) Forecasted end of year outturn (Capital)	-	↓	£52,863,268	-	-	£38,786,031	-26.63%
03) Salary Year to Date Variance	Gwyrdd / Green	↑	£61,623,633	£61,705,719	0.13%	-	-
04) % of Budget spent on Salary	-	-	-	-	62.50%	-	-
05) Cost of agency staff	Coch / Red	↓	£173,451	£984,885	467.82%	-	-
06) Budget v Actuals	Coch / Red	↑	-	-	-1.91%	-	-
07) Achievement against efficiencies	-	-	-	-	-19.10%	-	-
08) Income v Targets (excluding grants)	Gwyrdd / Green	↑	-	-	8.22%	-	-
09) Amount borrowed	-	-	-	£110M	-	-	-
10) Cost of borrowing	-	-	-	-	-	£8,450,000	-
11) % invoices paid within 30 days	Ambr / Amber	-	-	81.58%	-	-	-
12) % of Council Tax collected (for last 3 years)	Melyn / Yellow	↑	-	98.40%	-	-	-
13) % of Business Rates collected (for last 3 years)	Melyn / Yellow	↑	-	98.90%	-	-	-
14) % of Sundry Debtors collected (for last 3 years)	Melyn / Yellow	↑	-	96.50%	-	-	-
15) % Housing Rent collected (for the last 3 years)	-	-	-	-	-	-	-
16) % Housing Rent collected excl benefit payments (for the last 3 years)	-	-	-	-	-	-	-

Rheoli Perfformiad / Performance Management	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Canlyniad 15/16 Result	Canlyniad 14/15 Result	Chwarter 15/16 Quartile
01) SCA/002b: The rate of older people (aged 65 or over) whom the authority supports in care homes per 1,000 population aged 65 or over at 31 March	Gwyrdd / Green	↑	19.87	22	20.3	22	Isaf / Lower
02) LI/18b The percentage of carers of adults who requested an assessment or review that had an assessment or review in their own right during the year	Ambr / Amber	↑	87.5	93	90.8	93	-
03) PM18 - The percentage of adult protection enquiries completed within statutory timescales	Ambr / Amber	↑	81.25	90	-	-	-
04) PM19 - The rate of delayed transfers of care for social care reasons per 1,000 population aged 75 or over	Ambr / Amber	↓	5.8	1.5	-	-	-
05) PM20a - The percentage of adults who completed a period of reablement and have a reduced package of care and support 6 months later	-	-	50	-	-	-	-
06) PM20b - The percentage of adults who completed a period of reablement and have no package of care and support 6 months later	-	-	33.3	-	-	-	-
07) SCC/025: The % of statutory visits to looked after children due in the year that took place in accordance with regulations	Coch / Red	↓	80	100	82.79	93.53	Canolrif Isaf / Lower Median
08) PM24 - The percentage of assessments completed for children within statutory timescales (42 working days)	Gwyrdd / Green	↓	92.67	100	-	-	-
09) PM32 - The percentage of looked after children who have experienced (1) or more changes of school, during a period or periods of being looked after, which were not due to transitional arrangements, in the year to 31 March	Melyn / Yellow	↑	13.25	15	-	-	-
10) PM33 - The percentage of looked after children on 31 March who have had three or more placements during the year	Gwyrdd / Green	↓	5.22	8	-	-	-
11) Attendance - Primary (%)	-	-	-	-	-	-	-
12) Attendance - Secondary (%)	-	-	-	-	-	-	-
13) No. of days lost to temp exclusion - Primary	-	-	-	-	-	-	-
14) No. of days lost to temp exclusion - Secondary	-	-	-	-	-	-	-
15) KS4 - % 15 year olds achieving L2+	-	↑	58.8	-	56.9	53.8	Canolrif Isaf / Lower Median
16) KS3 - % pupils achieving CSI	-	↑	87.6	-	84.5	83.6	Canolrif Uchaf / Upper Median
17) KS2 - % pupils achieving CSI	-	↓	89.4	-	91.8	87.8	Canolrif Uchaf / Upper Median
18) FPh - % pupils achieving CSI/FPI	-	↓	84.7	-	86.2	84.6	Isaf / Lower
19) LCL/001b: The no. of visits to public libraries during the year	Gwyrdd / Green	↑	213k	210k	289k	285k	Isaf / Lower
20) LCL/004: The no. of library materials issued, during the year	-	-	-	75k	284k	305k	-
21) The number of applicants with dependent children who the Council secured non-self contained bed and breakfast accommodation	Gwyrdd / Green	⇒	0	-	0	-	-
22) % tenants satisfied with responsive repairs	Gwyrdd / Green	↑	94.1	92	89.5	92	-
23) Productivity of workforce- % time which is classified as productive	Gwyrdd / Green	↓	79.7	75	74.6	-	-
24) The average number of calendar days to let lettable units of accommodation (excluding DTLs)	-	↓	30.8	25	33.7	25	-
25) STS/005b: The percentage of highways inspected of a high or acceptable standard of cleanliness	Melyn / Yellow	↓	92	94	95.1	95	Canolrif Isaf / Lower Median
26) STS/006: The percentage of reported fly tipping incidents cleared within 5 working days	Gwyrdd / Green	↑	96.7	96.7	94	95	Uchaf / Upper
27) WMT/009b: The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled	Gwyrdd / Green	↑	65	60	59.5	58	Canolrif Isaf / Lower Median
28) WMT/004b: The percentage of municipal waste sent to landfill	Gwyrdd / Green	↑	8.3	22	16.9	41	Canolrif Isaf / Lower Median
29) THS/011c: The % of non-principal (C) roads that are in an overall poor condition (annual)	-	-	-	13.5	13.5	15	Canolrif Isaf / Lower Median
30) No. of attendances (young people) at sports development / outreach activity programmes	Gwyrdd / Green	↑	94k	50k	132k	85k	-
31) LCS/002b: The number of visits to local authority sport and leisure centres during the year where the visitor will be participating in physical activity	Ambr / Amber	↓	312k	334k	458k	540k	Canolrif Isaf / Lower Median

Programme/Project	Related Projects	RAYG and brief Update
Modernizing Schools	Llannau Area	External structure of the building has been completed.
	Holyhead Area	The project continues to develop well and is on time. Completion date for the project continues to be March 2017.
	Bro Rhosyr and Bro Aberffraw	The timetable for introducing the Full Business Case is as follows – presented to the Executive Committee on February 13 th and presented to WG Capital Panel in February/March 2017
	Llangefni Area	The Executive Committee, on December 19, has decided to authorize officers to proceed to formal consultation process or statutory consultation on the options under consideration
Adult Social Care	Llangefni Extra Care	The work of preparing the site for construction continues on the former site of Ysgol y Bont. Regular meetings of the Hafan Cefni Working Group are being held. Construction is expected to be completed by Summer 2018.
	Amlwch Extra Care	The work on the Amlwch area is now at a Pause and Review stage until 2018
	South of the Island Extra Care	Holistic considerations for a new area are being considered by the Board
	Garreglwyd Extra Care	
	Supported Living	Further confirmation of the project's risk strategy is needed as well as re-assessment of the related financial situation
	Tendering of Home Care Services	
Transformation of Libraries, Youth Services, Museums and Culture	Transformation of Museums and Culture	A revised timetable has been agreed by the Libraries, Culture and Youth Transformation Board on the 20/12/16
	Remodelling of Library Service	A revised timetable has been agreed by the Libraries, Culture and Youth Transformation Board on the 20/12/16 – new model in place by January 2018
	Review of Youth Services	The report on the proposed remodelling of the Youth Service will be presented to the Executive Committee has been extended to 13.02.2017 to coincide with the budget consultation
Leisure		
Energy Island		The programme has been invited to the Board in January 2017 to provide an update on the program's future
Vibrant and Viable Places (VVP)		Moving forward well as a whole. Some risks have been recognized as detailed below with the Market Hall project
Market Hall		A report was submitted and accepted on the matter by the Executive on the 19 th December. It was reported in Part II of the report as it was in a live tender process at the time of the committee.
Local Development Plan (LDP)	NO UPDATE	
Destination Management Plan (DMP)		The Destination Management Plan has been adopted by the Executive. There needs to be a better understanding of what is expected from the Council regarding its realization
Job Evaluation and Single Status		
Resource Link – Northgate (HR)		
Customer Service Excellence		
Procurement		
Energy Efficiency		
Business Continuity		
ICT Strategy		

Modernise and Co-ordinate the benefits advice service		
WCCIS		
Policy Management		

Completed Projects

Civica Improvements	Business as usual for Resources			
Smarter Working	Assets	ICT	Workforce Development	Contact Môn
Affordable Housing	Project has changed. Consequently the Board has agreed to remove it. The Senior Responsible Officer has agreed to update the Board of developments related to the future, date yet to be agreed			

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ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	SCRUTINY COMMITTEE
DATE:	13 MARCH 2017
SUBJECT:	REVENUE BUDGET MONITORING, QUARTER 3 2016/17
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES
HEAD OF SERVICE:	MARC JONES
REPORT AUTHOR:	CLAIRE KLIMASZEWSKI
TEL:	01248 751865
E-MAIL:	ClaireKlimaszewski@ynysmon.gov.uk
LOCAL MEMBERS:	n/a
A - Recommendation/s and reason/s	
<ol style="list-style-type: none"> 1. In March 2016, the Council set a net budget for 2016/17 with net service expenditure of £124.037m to be funded from Council Tax income, NNDR and general grants. 2. The budget for 2016/17 included required savings of £3.46m. These have been incorporated into the individual service budgets and achievement or non-achievement of these is reflected in the net under/overspends shown. 3. This report sets out the financial performance of the Council's services for the third quarter of the financial year which relates to the period 1 April 2016 to 31 December 2016. The projected position for the year as a whole is also summarised. 4. The overall projected financial position at quarter 3 for 2016/17, including Corporate Finance and the Council Tax fund, is an overspend of £16k. This is 0.01% of the Council's net budget for 2016/17. This is a significant improvement on the overspend of £660k predicted during quarter 2. 5. It is recommended that:- <ol style="list-style-type: none"> (i) The position set out in respect of the financial performance to date is noted. (ii) Approval be provided for the transfer of any underspend at year-end on the winter gritting budget to an earmarked reserve. This would help fund additional costs in future years arising from adverse winter conditions. 	
B - What other options did you consider and why did you reject them and/or opt for this option?	
n/a	
C - Why is this a decision for the Executive?	
This matter is delegated to the Executive.	
CH - Is this decision consistent with policy approved by the full Council?	
Yes	
D - Is this decision within the budget approved by the Council?	
Yes	

DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	n/a– this is the Section 151 Officer’s report
3	Legal / Monitoring Officer (mandatory)	Will be consulted as part of SLT
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<ul style="list-style-type: none"> • Appendix A - Revenue Budget Monitoring Report – Quarter 3, 2016/17 • Appendix B – table of forecast Revenue Outturn 2016/17, Quarter 3 • Appendix C – Summary of Contingency Budgets 2016/17 • Appendix CH – Summary of Forecast Financial Performance on the Achievement of 2016/17 Budget Savings 		
FF - Background papers (please contact the author of the Report for any further information):		
2016/17 revenue budget (as recommended by this Committee on 1 March 2016 and adopted by the the County Council on 9 March 2016).		

REVENUE BUDGET MONITORING – QUARTER 3, 2016/17

1. General Balance – Opening Position

1.1 The general fund balance at the start of the year was £7.886m. However, against this there is a need to allow for a potential commitment of at least £2.15m to settle outstanding equal pay claims, which reduces the uncommitted reserve level to £5.736m, which is £736k above the minimum figure of £5m set by the Executive for the balance of general reserves in 2016/17. The Council is endeavouring to secure agreement from the Welsh Government which would allow the Council to treat the expenditure as capital expenditure, which would charge the cost to the revenue budget over a number of years. If this is successful, then the £2.15m becomes uncommitted and adds back to the general reserve available to the Council.

2. Projected Financial Performance by Service

2.1 The details of the financial performance by service for the period and the projected outturn position for each is set out in Appendix B. An overspend of £756k (0.70%) on services is predicted at 31 March 2017. However, an underspend of £1.004m (6.31%) is forecast on Corporate Finance which will fund the predicted overspend on services. In addition, a shortfall of £264k is predicted on the collection of Council Tax. This increases the total revenue forecast for 2016/17 to an overspend of £16k (0.01%). The table below summarises the significant variances (£100k or higher). This is a more favourable position than that reported at quarter 2 when a total overspend of £660k was forecast.

Summary of projected variances at 31 March 2017 based upon financial information as at 31 December 2016	
	(Under) / Overspend £000
Lifelong Learning	700
Children's Social Care	718
Planning and Public Protection	(258)
Property Services	(175)
Corporate Management	(100)
Corporate Finance	(1,004)
Council Tax Collection	264
Other (total of variances less than £100k)	(129)
Net over/(under) spend	16

3. Explanation of Significant Variances

3.1 Lifelong Learning

3.1.1 Central Education

3.1.1.1 The service expenditure was £604k (24.91%) ahead of the profiled budget at the end of quarter 3. The service is predicted to overspend by £775k (21.14%) for the financial year 2016/17. This is a worsened position from the underspend of £167k reported at quarter 2. An increase in specialist out-of-county placements has led to significant budgetary pressures for the service, with an estimated overspend of £405k forecast on these budgets. In addition, there is a further increase in estimated school transport costs, which is predicted to overspend by £310k. There are also a number of other minor compensating over and underspends. The service has had an invest-to-save bid accepted to invest in the One Management System, which will help to reduce school transport costs (taxis) from 2017/18. All 2016/17 efficiency savings are on target to be achieved.

3.1.2 Culture

3.1.2.1 This service expenditure was £149k (13.42%) below the profiled budget at the end of period, with the forecast outturn for the year being an underspend of £75k (5.28%). This is an increase on the projected underspend of £53k reported at quarter 2. Museums and Galleries are expected to overspend by £10k and Library Services are expected to underspend by £60k. An underspend of £25k is forecast for South Stack, £16k of this is due to surplus income following an increase in fees. All efficiency savings for 2016/17 are on target to be achieved.

3.2 Adults Social Care

3.2.1 This service expenditure was £605k (3.58%) ahead of the profiled budget at the end of the period. However, the majority of this will be funded from grants. The forecast outturn for the year as a whole is a predicted overspend of £44k (0.20%). This is an improvement on the overspend of £143k predicted at quarter 2.

3.2.2 The elements within the forecast outturn variance are as follows:-

- Services for the Elderly: forecast overspend of £44k;
- Physical Disabilities (PD): forecast overspend of £173k;
- Learning Disabilities (LD): forecast overspend of £461k;
- Mental Health (MH): forecast overspend of £141k;
- Provider Unit: forecast underspend of £722k;
- Management and Support: forecast underspend of £53k.

3.2.3 These budgets are demand-led and a small increase in placements can lead to a significant increase in costs depending on the complexity of care packages. The most significant budgetary pressure is in Learning Disabilities. The budget pressures from Mental Health services have reduced since quarter 2, though additional pressures were seen in Physical Disability services. Two new residential placements and increased fees have increased the predicted overspend within Physical Disability services from £8k reported in quarter 2 to a forecast overspend of £173k. However, remedial action has been taken within the Provider Unit to increase the underspend to £722k, and an underspend of £53k in management and support offset much of these budgetary pressures.

- 3.2.4** The budget projection has improved since quarter 2, primarily due to reduced budgetary pressures in recent months in Mental Health, services for the Elderly and an increase in the underspend in the Provider Unit.
- 3.2.5** The service aims to reduce the overspend by bringing forward specific savings in 2017/18 to the current year. There are savings targeted for two individuals placed within specialist placements in other counties. The service will continue to closely manage the placement numbers through a weekly resource panel within both Older People / Disability Services and within Learning Disability Services. The panels play a vital role in managing expenditure and ensuring appropriate and, where possible, cost effective services are commissioned.

3.3 Children's Services

- 3.3.1** The service expenditure was £513k (9.05%) ahead of the profiled budget at the end of quarter 3 and is projected to be overspent by £718k (9.59%) for the financial year as a whole. This includes a projected overspend of £721k for Looked-after-Children (LAC). This is a small increase on the overspend of £683k reported at quarter 2.
- 3.3.2** The projected overspend is caused by an increase in the number of specialist placements for Looked-after-Children. The demand for these statutory services is difficult to control and one or two complex cases can significantly increase expenditure in a short period of time. However, as reported in quarter 2, the Executive at its meeting of 25 July 2016 approved the release of additional funding to Children's Services to fund an Edge-of-Care team. This team will provide a preventative approach to the delivery of the wellbeing of children and aims to reduce the number of Looked after Children on Anglesey. £100k has been set aside for 2016/17 from contingencies and £241k will be added to the service's budget for 2017/18 and 2018/19. The service expects to start to see the benefits of this project in terms of cost avoidance from 2017/18.

3.4 Housing (Council Fund)

- 3.4.1** This service was £114k (8.62%) behind the profiled budget at the end of the period. The service is expected to have an underspend of £50k (6.05%) at the end of the financial year. This is an increase on the predicted underspend of £12k reported at the end of quarter 2. Housing strategy is now expected to underspend by £30k and Housing administration continues to predict an underspend of £40k. The J E O'Toole Centre and Homelessness are both forecast to overspend by £10k each. The work is continuing to complete and implement the changes in welfare advice but it is now unlikely that the saving will be achieved in 2016/17. The shortfall will be met from service resources.

3.5 Regulation and Economic Development

3.5.1 Economic and Community (includes Maritime and Leisure)

- 3.5.1.1** The service overall was £281k (14.68%) below the level of the profiled budget at the end of quarter 3. £153k of the underspend is due to profiling issues on grant budgets but these will be spent by year-end. The service is projected to be underspent by £9k (0.47%) by 31 March 2017. This is an improvement on the overspend of £17k predicted during quarter 2.
- 3.5.1.2** The Economic Development element of the Service is forecast to underspend by £41k due to increased income from centre facilities hire and internal recharges. Vacant posts are also contributing to the underspend.

3.5.1.3 The Maritime Section is expected to be £53k underspent at year-end due to vacancy management and other remedial action such as reducing day-to-day expenditure.

3.5.1.4 The forecast for the Leisure Service at year-end is an overspend of £85k. This is, in part, due to reduced income from the closure of Holyhead Leisure Centre Pool during the summer period for essential maintenance work and repairs following storm damage last financial year.

3.5.2 Regulation (Planning and Public Protection)

3.5.2.1 This service was £332k (15.27%) below the profiled budget at the end of the period and is projected to be £258k (10.35%) underspent by the year-end. This is an increase on the underspend of £170k reported during quarter 2. In addition, there is an estimated surplus income of £140k from major developments which will form an earmarked reserve to support implementation of major developments in the future.

3.5.2.2 Most of the budgets within Regulation are underspending with the exception of Planning Delivery Wales, Countryside and Coast, Trading Standards and Markets, which are estimated to overspend slightly.

3.6 Highways, Waste and Property

3.6.1 Highways

3.6.1.1 This service was £57k (0.88%) below the profiled budget at the end of the period and is projected to be £16k (0.25%) underspent by the year-end if the mild winter conditions continue. This is an improvement on the forecast overspend of £80k reported during quarter 2. This forecast outturn does not include any prediction on the works budgets as these may still be affected by winter maintenance requirements and any storm damage. There is also uncertainty around public transport, therefore, a balanced budget has been assumed for these. While the impact of winter budgets have not been included in the forecast, any underspends on the gritting budget should be transferred to an earmarked reserve. This would help fund any future year additional costs arising from severe winter weather.

3.6.1.2 The improvement is largely due to remedial action from reduced spending on street works which is estimated to underspend by £80k. Maintenance Design is expected to overspend by £76k and maintenance management is estimated to overspend by £50k. There are a number of other minor compensating over and underspends.

3.6.2 Waste

3.6.2.1 The Waste service was £63k (1.02%) below the profiled budget at the end of the December 2016. The service is predicting a significant improvement in outturn with an underspend of £60k (0.96%) forecast. This is an estimated reduction in expenditure of £205k compared to the overspend of £145k reported for quarter 2.

3.6.2.2 There are still budgetary pressures within the service with the Electricity Generating Site and Penhesgyn Transfer Station both expected to overspend by £60k. However, disposal costs have reduced significantly through a combination of the new three weekly collection arrangements and alternative disposal arrangements. The net effect of increased collection costs and decreased disposal costs is not yet known. Waste disposal is expected to underspend by £180k at the end of the Financial year due to these changes.

3.6.3 Property

3.6.3.1 Property Services was £209k (20.39%) below the profiled budget at the end of the period and is predicted to underspend by £175k (19.12%) at 31 March 2017. This is an increase on the underspend of £115k forecast at quarter 2.

3.6.3.2 Budget pressures, such as an overspend of £100k on repairs and maintenance, refuse collection costs and office rationalisation costs are estimated to be offset by: underspends on employees (£70k), underspends in Non Domestic Rates (£100k), Cleaning service (80k) and underspends of £30k each on rents and utilities.

3.7 Transformation

3.7.1 The Transformation Service shows that expenditure exceeded the profiled budget by £386k (14.94%) at the end of the period, however, much of these costs will be funded from earmarked reserves and grants which will be credited to the Service budget at the end of the year. The service is predicted to underspend by £50k (1.37%) at year-end, which is the same as the underspend reported during quarter 2.

3.7.2 An overspend of £50k in ICT will be offset by predicted underspends in the Corporate Transformation team (£50k) and the Anglesey and Gwynedd Partnership (£50k).

3.8 Resources

3.8.1 The Resources Function budget showed an underspend of £91k (3.57%) by the end of the period. The function is forecast to overspend by £92K (3.37%) by the end of the financial year. This is an improvement on the overspend of £131k reported at quarter 2.

3.8.2 The key budgetary pressures relate to technical subscriptions (£15k), consultancy (£46k), software support costs (£40k), bank charges (£30k) and staffing (£25k). Windfall grants (£44k) and audit staffing savings (£20k) help reduce the net overspend.

3.9 Council Business

3.9.1 The function is £19k (1.79%) ahead of the profiled budget as at 31 December 2016. However, the service continues to forecast an underspend of £62k (4.12%) for the financial year.

3.9.2 The more significant reasons for this is due to an expected underspend in Committee Services (£42k) and land charges over-achievement of income (£25k). There are also other compensating minor over and underspends.

3.10 Corporate and Democratic Costs

3.10.1 The budget was £141k (7.45%) behind profiled budget at the end of the period. An underspend of £18k (0.94%) is projected at year-end.

3.11 Corporate Management

3.11.1 The function was £72k (12.90%) underspent at 31 December 2016 and an underspend of £100k (13.38%) is still projected for the financial year due to savings arising from the restructuring of Strategic Management.

4. Corporate Finance

4.1 Corporate Finance is expected to underspend by £1,004k (6.31%) at year-end.

4.2 The benefits granted budget covers housing benefits, discretionary housing payments and the council tax reduction scheme. This budget is estimated to underspend by £274k. The significant element of this is an underspend of £501k due to caseloads which are less than originally budgeted for. However, this is reduced by an estimated £150k increase in the bad debt provision and £77k of costs which are not eligible for subsidy.

4.3 There is an estimated shortfall on the Corporate savings target of £302k relating to smarter working. There are savings that can be clearly linked to the project, for example closure of offices can be credited against this budget. However, other savings in staff administration and general administration costs are being realised within service budgets and not accounted for against this target. That is not to say that the Smarter Working project will not deliver the savings envisaged at the outset.

4.4 There is also a significant shortfall on interest receivable on the Authority's bank deposits (£105k), which has worsened by the cut to the official bank rate from 0.50% to 0.25%. These overspends are offset, however, as an underspend of £844k is forecast on capital financing due to reduced borrowing costs from the Authority's use of balances rather than external borrowing on the capital programme. The HRA's increased proportion of interest charges following the HRA buy-out loan also reduces the cost of interest on the Council Fund. This internal borrowing, however, may not be possible into the future due to the significant capital projects, particularly in relation to the 21 Century Schools programme.

4.5 Appendix C summarises the financial position on contingency budgets as at 31 December 2016. A total contingencies budget of £2.039m was approved as part of the 2016/17 budget. A net £620k has been vired to services to fund specific projects or budgetary issues approved by the Section 151 Officer. In addition, £1,507k has been committed from contingencies to fund approved costs. It is estimated that there will be an underspend of £150k on the general contingency. In addition, the earmarked contingency for the Adults service is projected to underspend by £143k. The total forecast underspend on contingencies is, therefore, £293k. The remaining contingency budgets will be fully spent by year-end in accordance with the necessary approvals for use of contingency budgets.

5. Collection of Council Tax

5.1 It is estimated that there will be a shortfall on the actual Council Tax collected of £88k. In addition, the increase in the provision for bad and doubtful debts is currently projected to be £176k. Therefore, the current projection is that the Council Tax Fund will underachieve the target figure by £264k (0.21%), largely due to the requirement to make a prudent provision for bad debts. This is a worsened position on the shortfall of £198k predicted during quarter 2.

6. Budget Savings 2016/17

- 6.1** Budget savings of £3.06m were removed from service budgets for 2016/17 with an additional £400k of savings from voluntary redundancies held as a contingency. Appendix CH provides a summary of expected performance against these budget savings for the year. £2.476m (80.9%) of the savings have already been achieved or are deemed achievable during the year.
- 6.2** £542k (17.7%) of the savings targets are not achievable in 2016/17 but are likely to be achievable in 2017/18. £251k of these have already been included in the forecast outturn for the year. However, £291k has not been included in the forecast due to a lack of information to assess the achievability of these savings. If these savings are not achievable, then the overspend for the year will increase by a further £291k. Despite the fact that £542k of the savings are not achievable in 2016/17, the work to implement the proposals is ongoing and, as a result, the savings are likely to be achieved in 2017/18. However, £42k (1.4%) will not be achieved in the future. The £10k income target for advertising on bins will not be achieved as there is no market for this. In addition, £32k will not be achieved within Children's Services due to increased legal requirements which make the savings unviable.
- 6.3** The majority of the £400k (75%) savings from voluntary redundancies will be achieved. As staff are released, staffing structures are reorganised and there is a need to appoint staff to the revised structures. In some cases, this process has taken more time to implement and staff, which the Council have agreed to release, are still employed by the Council.

7. Conclusion

- 7.1** A total overspend of £16k (0.01%) is projected for the year ending 31 March 2017. An overspend of £756k is predicted on service budgets, though this is made up of a number of over and underspends. The services that are experiencing significant budgetary pressures are Lifelong Learning and Children's Services. This is due to the cost of statutory services for specialist placements over which these services have limited control. The overspend on services is expected to be funded by an underspend in Corporate Finance of £1.004m, which is mainly due to an underspend on the Council Tax Reduction Scheme and savings on Corporate Financing. In addition, there is an estimated shortfall on the collection of Council Tax of £264k, mainly due to the requirement to provide for bad debts.
- 7.2** It should be noted that this is a forecast and items outside the control of the Council, such as severe weather, will have an impact on expenditure but cannot be factored into this forecast. Forecasts are subject to change as new information becomes available, however, with regular scrutiny from SLT and remedial action is taken by Heads of Services these will help the services manage within the budgets they can control.

Appendix B

Isle of Anglesey County Council Forecast Outturn 2016/17 – Quarter 3

Service/Function	Revised Budget 2016-17 (excluding CSC and Depreciation)	Q3 2016/17 Budget	Q3 Actual & Committed spend	Q3 2016/17 Variance	Q3 Estimated Expenditure to 31 March 2017	Q3 Estimated Outturn 31 March 2017 over/(under)	Q2 Estimated Outturn 31 March 2017 over/(under)	2016/17 over/(under) spend as a % of revised Budget 2016/17
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<u>Lifelong Learning</u>								
Delegated Schools Budget	43,779	33,581	33,581	0	43,779	0	0	0.00%
Central Education	3,665	2,426	3,030	604	4,440	775	167	21.14%
Culture	1,419	1,111	962	(149)	1,344	(75)	(53)	(5.28%)
Adult Services	22,295	16,916	17,522	605	22,339	44	143	0.20%
Children's Services	7,491	5,664	6,176	513	8,209	718	683	9.59%
Housing	826	1,324	1,210	(114)	776	(50)	(12)	(6.05%)
<u>Highways, Waste & Property</u>								
Highways	6,472	6,458	6,401	(57)	6,456	(16)	80	(0.25%)
Property	915	1,027	818	(209)	740	(175)	(115)	(19.12%)
Waste	6,278	6,172	6,109	(63)	6,218	(60)	145	(0.96%)
<u>Regulation & Economic Development</u>								
Economic	1,073	1,039	865	(174)	979	(94)	(53)	(8.76%)
Leisure	857	873	767	(107)	942	85	70	9.92%
Planning and Public Protection	2,493	2,171	1,840	(332)	2,235	(258)	(170)	(10.35%)
<u>Transformation</u>								
Human Resources	1,186	879	1,023	144	1,186	0	0	0.00%
ICT	1,613	1,238	1,456	218	1,663	50	50	3.10%
Corporate Transformation	858	466	491	24	758	(100)	(100)	(11.65%)
<u>Resources</u>								
Resources	2,733	2,546	2,637	91	2,825	92	146	3.37%
Council Business	1,505	1,070	1,089	19	1,443	(62)	(62)	(4.12%)
Corporate & Democratic costs	1,913	1,893	1,752	(141)	1,895	(18)	(18)	(0.94%)
Corporate Management	747	560	487	(72)	647	(100)	(100)	(13.38%)
Total Service Budgets	108,120	87,415	88,216	802	108,876	756	801	0.70%

Service/Function	Revised Budget 2016-17 (excluding CSC and Depreciation)	Q3 2016/17 Budget	Q3 Actual & Committed spend	Q3 2016/17 Variance	Q3 Estimated Expenditure to 31 March 2017	Q3 Estimated Outturn 31 March 2017 over/(under)	Q2 Estimated Outturn 31 March 2017 over/(under)	2016/17 over/(under) spend as a % of revised Budget 2016/17
Levies	3,194	2,393	2,397	4	3,198	4	0	0.13%
Capital Financing	8,286	2,931	3,015	84	7,546	(740)	(88)	(8.93%)
Corporate adjustment for depreciation	0	0	0	0	0	0	0	0.00%
Discretionary Rate Relief	60	0	0	0	57	(3)	(2)	(5.00%)
General & Other Contingencies	1,658	0	0	0	1,365	(293)	(40)	(17.67%)
Funding and use of Reserves	(3,218)	0	0	0	(2,916)	302	102	9.38%
Benefits Granted	5,937	5,985	6,060	75	5,663	(274)	(311)	(4.62%)
Total Corporate Finance	15,917	11,309	11,473	164	14,913	(1,004)	(339)	(6.31%)
Total Budget 2016/17	124,037	98,724	99,689	965	123,789	(248)	462	(0.20%)
Funding 2016/17								
NNDR	(21,309)				(21,309)	0	0	
Council Tax	(32,109)				(31,845)	264	198	
Revenue Support Grant	(70,619)				(70,619)	0	0	
Total Funding 2016/17	(124,037)				(123,773)	264	198	0.21%
Total outturn including impact of funding	(0)				16	16	660	0.01%

Appendix C

Summary of the Financial Position on Contingency Budgets 2016/17 as at Quarter 3

	Original Budget	Virements	Amended Budget	Committed to date (31/12/16)	Current Remaining Un-Committed	Estimated over/(under) spend at 31/03/17
	£	£	£	£	£	£
Improvement	400,000	(104,730)	295,270	285,000	10,270	-
General Contingency	317,927	47,680	365,607	165,000	200,607	(150,000)
Salary and Grading	500,000	(168,080)	331,920	-	331,920	-
Cost of Change	136,000	(63,000)	73,000	-	73,000	-
NNDR Allow disc rate	60,000	-	60,000	60,000	-	-
Earmarked Contingency	625,000	-	625,000	625,000	-	(143,000)
<u>Total contingency budgets</u>	2,038,927.00	(288,130)	1,750,797	1,135,000	615,797	(293,000)

Summary of Forecast Performance on Achievement of 2016/17 Budget Savings – Quarter 3

Service/Function	Budget Savings 2016/17 £000	Achievable 2016/17 £000	Potentially not-achievable 2016/17 £000	Will not be achieved at all £000	Comments
Lifelong Learning	1,308	1,308	-	-	All savings are expected to be achievable from 2016/17.
Regulation and Economic Development	258	217	41	-	£28k is not achievable in 2016/17 due to a shortfall of income from the leisure centre cafes, much of which is due to closures while repairs were completed. This will be funded during the year from underspends elsewhere within the service. In addition, the £13k increased income target in Pest Control was not achieved but will be funded from underspends within the service.
Highways, Waste and Property	730	406	314	10	£17k will not be achieved on car park income from additional car parks, though maintenance will be reduced to fund this. £6k saving from Porth Swtan septic tank not achievable in 2016/17 due to delayed works. In addition, £291k of savings are difficult to assess until the winter period. The £10k for advertising on bins will not be achieved as there is no market for this, but this will be funded this year by underspends in Waste Disposal.
Adults' Services	335	200	135	-	£135k difficult to achieve during 2016/17 due to review, consultation and legal processes.
Children's Services	143	96	15	32	£32k unachievable due to change in the law, £15k is likely to be achievable from 2017/18.
Housing	74	37	37	-	£37k, due to the lateness of the Consultant's report, have been deferred to 2017/18. However, in 2016/17 these savings will be funded from underspends elsewhere in the service.
Transformation	4	4	-	-	All savings are expected to be achievable from 2016/17.
Council Business	56	56	-	-	All savings are expected to be achievable from 2016/17.
Resources	72	72	-	-	All savings are expected to be achievable from 2016/17.
Anglesey and Gwynedd Partnership	80	80	-	-	All savings are expected to be achievable from 2016/17.
Total	3,060	2,476	542	42	

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ISLE OF ANGLESEY COUNTY COUNCIL		
REPORT TO:	SCRUTINY COMMITTEE	
DATE:	13 MARCH 2017	
SUBJECT:	BUDGET MONITORING REPORT THIRD QUARTER 2016/17 - CAPITAL	
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES	
HEAD OF SERVICE:	MARC JONES (EXT. 2601)	
REPORT AUTHOR:	GARETH ROBERTS	
TEL:	01248 752675	
E-MAIL:	GarethRoberts@ynysmon.gov.uk	
LOCAL MEMBERS:	n/a	
A - Recommendation/s and reason/s		
It is recommended to note the progress of expenditure and receipts against the capital budget.		
B - What other options did you consider and why did you reject them and/or opt for this option?		
n/a		
C - Why is this a decision for the Executive?		
<ul style="list-style-type: none"> • This report sets out the financial performance of the Capital budget for the third quarter of the financial year. • Budget monitoring is a designated Executive function. 		
CH - Is this decision consistent with policy approved by the full Council?		
Yes		
D - Is this decision within the budget approved by the Council?		
Setting of the annual Capital Budget.		
DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	

F - Appendices:

Appendix A - Capital Budget Monitoring Report – Quarter 3, 2016/17.

Appendix B - Summary of the Capital Project's Expenditure to date against the Capital Budget and the Projected Expenditure at Year-End.

FF - Background papers (please contact the author of the Report for any further information):

- 2016/17 Capital Budget, as recommended by this Committee on 1 March 2016;
- 2016/17 Treasury Management Strategy Statement, approved by the Full Council on 10 March 2016;
- 2016/17 Capital Budget Monitoring Report Quarter 1, as recommended by this Committee on 19 September 2016; and
- 2016/17 Capital Budget Monitoring Report Quarter 2, as recommended by this Committee on 28 November 2016.

1. INTRODUCTION

- 1.1 This is the Capital Budget monitoring report for the third quarter of the financial year and allows Members to note the progress of Capital Expenditure and Capital Receipts against the Capital Budget.
- 1.2 In March 2016, the Council approved a Capital Programme for non-housing services of £26.933m for 2016/17 and a Capital Programme of £11.636m for the HRA and, in May 2016, the Council approved Capital Slippage of £7.792m to be brought forward from 2015/16. Since the budget setting process, there has been additional schemes added onto the programme, most of which are grant funded, which amounted to £6.502m. Included in this are grant schemes such as the Viable and Vibrant Places capital grant of £3.148m, Road Safety Grant of £0.105m, Safer Route in Communities £0.108m and Intermediate Care Fund grant of £0.244m. There have also been Invest to Save Capital projects approved amounting to £0.286m to be funded by Council Reserves. This brings the total Capital budget for 2016/17 to £52.863m.

2. PROGRESS ON EXPENDITURE 2016/17

- 2.1 Below is a summary table of the Capital expenditure to 31 December 2016, the profiled budget to 31 December 2016 and the proposed funding of the Capital Programme for 2016/17.

Service	Annual Budget £'000	Profiled Budget £'000	Actual Expenditure £'000	Committed Expenditure £'000	Total Expenditure £'000	% Profiled Budget Spend	% Annual Budget Spent
Housing General Fund	2,744	1,464	1,014	52	1,067	73	39
Housing HRA	14,221	6,405	5,187	860	6,047	94	43
Lifelong Learning	12,776	7,569	7,412	128	7,540	100	59
Economic and Regeneration	4,346	948	747	7	755	80	17
Highways	11,671	6,305	5,929	625	6,554	104	56
Waste Management	628	509	468	52	520	102	83
Property	1,128	644	928	1	929	144	82
Transformation	1,728	821	1,090	88	1,178	143	68
Planning	1,765	590	241	217	457	78	26
Adult Services	1,857	919	863	-	863	94	46
Total	52,863	26,173	23,879	2,030	25,910	99	49
Funded By:							
Capital Grant	25,314						
Capital Receipts	6,575						
Supported Borrowing	2,189						
Unsupported Borrowing	6,730						
Revenue Contribution	10,667						
Reserves	786						
Insurance	603						
Total Funding	52,863						

- 2.2** The Profiled budget spent to the end of the third quarter for the General Fund is 100%, however, only 51% of the annual budget has been spent to date. The reason for this is that a number of the capital schemes are weighted towards the last quarter of the financial year. By the end of the financial year, it is expected that 77% of the budget for the General Fund will be spent. As stated in the previous quarter, the two biggest Capital Projects that will not fully spend their budget this financial year, contributing to only 77% of the budget being spent, are the Holyhead & Llangefni Strategic Infrastructure and New Highways to Wylfa Newydd. The Holyhead & Llangefni Strategic Infrastructure is still awaiting WEFO funding and it is not anticipated that any Capital Expenditure will be incurred this year. The New Highways to Wylfa Newydd is forecasted to underspend due to the Nanner Road Project coming in under the predicted cost and the online works are not as advanced as initially estimated. There are risks with some Capital projects and these are highlighted in Section 3.1.2 of this report. Some Capital schemes are well underway with the majority, if not all, of the profiled budget for quarter 3 being spent. Some Capital Schemes have yet to commence, but their budget is profiled towards the latter part of the financial year. These schemes and their profile can be seen in Appendix B.
- 2.3** The Housing Revenue Account has spent 94% of its profiled budget, but only 43% of the annual budget. It is currently estimated that 65% of the budget will be spent at the end of the financial year, due to the Acquisition of Existing Stock only acquiring 30 properties from its original estimate of 40 properties. However, the 10 that will not be purchased this financial year will be purchased in 2017/18, therefore, the underspent budget will slip into the next financial year. During Quarter 2 of this financial year, capital contracts with carried forward commitment from 2015/16 successfully reached practical completion. A further 5 new traditional planned maintenance contracts have subsequently been awarded, which has committed over £3.8m of the budget for 2016/17. The Housing Service anticipates that these contracts will be practically complete before the end of Quarter 4. A further 2 schemes were tendered during Quarter 3 and, as a result, the planned maintenance budget for 2016/17 will be fully committed before the end of Quarter 3.
- 2.4** The smallholdings programme of improvements, financed from the ring-fenced capital receipts from the sale of smallholdings and rental income, has been extended for an additional year. Expenditure on this programme continues to exceed the funding through sales and rental income. A deficit of £1.281m was brought forward from 2015/16, capital receipts to the end of the third quarter amounted to £1.507m, with expenditure of £0.891m incurred to date. As a result, the deficit now stands at £0.665m. The forecast for the final quarter of the financial year is for a further £0.450m of Capital Expenditure and £1.683m of Capital Receipts being received. This would mean that, if all the Smallholdings are sold, and are sold at the expected price, at the end of the financial year the smallholdings programme will be in surplus by £0.568m. A decision will need to be made whether to ring-fence any surplus Capital Receipts to the Smallholdings programme, or to allocate the receipts to the General Fund.

3. FUNDING

3.1 Capital Grants

- 3.1.1** There are a number of Capital Grant schemes in the Capital Programme for 2016/17. At the end of the third quarter, there is one scheme that is yet to commence, the Intermediate Care Fund with a budget of £0.244m, but it is expected that this grant allocation will be fully spent by the end of the year.

3.1.2 There are five schemes that carry significant risk with regards to the Capital Grant funding, which are as follows:-

- The 21st Century Schools project – At the end of the third quarter, the Capital Grant for this project was claimed to profile and there are only a couple of minor issues to report. Firstly, as previously reported, due to the archaeological works at Ysgol Rhyd Y Llan, there is a potential overspend of £0.150m. However, if the additional expenditure is incurred this year, we will still be within the envelope for Band A, therefore, no issues with grant funding. Secondly, the Authority's match funding target for 2016/17 is unlikely to be met, however, this will be carried forward to 2017/18. As this is such a large scheme with a total budget this year of £12.274m, it does carry a significant risk. Although the winter weather has been good, there is still a risk that adverse weather conditions over the remainder of the winter or unforeseen issues with the sites could delay the progress of these schemes. Any problems could lead to profiled spend not achieving targets in future quarters, which could result in funding being lost.
- Vibrant and Viable Places (VVP) Grant - The capital budget for 2016/17 amounts to £3.148m. At the end of the third quarter, only £0.754m has been spent, although most of the scheme's budget is heavily profiled towards the final quarter of the financial year. It is expected that the grant will be fully spent by the end of the year, but, given the level of expenditure required in the final quarter of the financial year, there is a risk that the expenditure requirement will not be reached and that grant funding will be lost. In the fourth quarter of the financial year, the VVP budget for projects yet to be finalised budget has now been fully allocated.
- Llangefni Link Road scheme – The current budget for the Llangefni Link Road scheme is now £4.349m, due to the Authority securing a further £0.617m of grant funding from the Welsh Government for the archaeological finds that were discovered on the site earlier on in the year. The scheme is progressing well, however, there is still land to be purchased, which carries its own risk. At the end of the third quarter, the total expenditure was £3.334m, and it is expected that the budget will be fully spent by the end of the financial year.
- Beaumaris Flood Alleviation Scheme – Following completion of the Coastal Element in February, phase two of the Beaumaris Flood Alleviation Scheme involves the fluvial element of the works. This has been delayed by residents' objections and failure to reach agreement with a landowner. The Welsh Government has recently adjudicated (in the Council's favour) on the objection and we are currently awaiting legal advice on a way forward in the light of this. Negotiations are still ongoing with the landowner, however, these are proving slow and inconclusive. Welsh Government has indicated that they have allocated funding for these works but as yet, due to the difficulties described above, a Grant Award has not been made. Welsh Government is also currently considering the design review that has been undertaken in the light of fluvial flooding in December last year. Subject to Legal advice on the objection and favourable consideration by Welsh Government on the design review, it is likely that the works on the scheme will now start in the next financial year.

- Strategic Infrastructure Holyhead & Llangefni - Business plans for both projects have been submitted to WEFO and are currently being appraised. Discussions are ongoing with Welsh Government Departments regarding match funding, with elements of the Llangefni Link Road to be utilised as part of the match funding for the Llangefni Scheme. There are ongoing negotiations regarding match funding and value for money aspects of the scheme. It is anticipated that approval for the Llangefni scheme will be given in quarter 4, with approval of the Holyhead scheme expected during quarter 1 of the next financial year.

3.2 Capital Receipts

3.2.1 The Capital Receipts for this year to date, the budgeted Capital Receipts and the Projected Capital Receipts this financial year are:-

	Budget 2016/17 £'000	Received to 31-Dec-16 £'000	Projection to 31-Mar-17 £'000
Housing HRA:			
Right to Buy Sales	565	667	749
Land Sales	0	0	0
Private Sector Housing:			
Sales of plots	0	0	0
Repaid charges	0	0	0
Repaid grants	0	54	54
Council Fund:			
Smallholdings	2,285	1,507	3,190
General	1,480	648	1,840
Industrial	380	0	380
Schools	1,865	0	1,865
Total	6,575	2,876	8,078

3.2.2 The projected Capital Receipts at 31 March 2017 is £8.078m, with only £2.876m being received at 31 December 2016 (35.6%). This was mainly from the sale of six smallholdings (£1.507m), one property in Holyhead (£0.115m), one property in Llangefni (£0.350m) and seven Right to Buys (£0.667m). The forecasted Capital Receipts include £1.675m for the sale of former school sites, £0.350m for a Property in Llangefni and £1.683m on various Smallholdings.

3.2.3 The Capital Receipts budget for the Housing Revenue Account Right to Buy is based on the HRA 30 year plan and it is forecasted that 8 properties will be sold in this financial year. As stated in 3.2.2, there have been 7 properties sold to the end of the third quarter. There is potential for another two Right to Buy sales during the final quarter of the financial year, bringing in £0.143m Capital Receipts, but these are not guaranteed.

3.2.4 Since the end of the quarter, the Authority has received £0.315m of Capital Receipts for the sale of an industrial property (£0.105m), a property in Aberffraw (£0.128m) and one Right to Buy (£0.082m).

3.2.5 Out of the £8.078m Capital Receipts projected by 31 March 2017, there will be £6.768m available for Financing in 2016/17. There will be £0.742m made available for the 2017/18 Capital Programme, where the draft budget requires £1.522m of Capital Receipts to fund the programme. The latest projection is that the Authority will receive £0.780m of Capital Receipts in 2017/18. The Smallholdings programme (as mentioned in section 2.4 of this report) is forecasted to be £0.568m in surplus by the end of the financial year, due to Capital Receipts exceeding Expenditure, and a decision will need to be made whether to ring-fence any surplus Capital Receipts to the Smallholdings programme, or to allocate the receipts to the General Fund.

4. **PROJECTED ACTUAL EXPENDITURE 2016/17**

4.1 Below is a table with projected expenditure at 31 March 2017 and the revised funding:-

Service	Annual Budget £'000	Projected Expenditure £'000	Projected Under / Over Expenditure £'000	% Variance
Housing General Fund	2,744	2,128	- 616	- 22
Housing HRA	14,221	9,209	- 5,012	- 35
Lifelong Learning	12,776	11,333	- 1,443	- 11
Economic and Regeneration	4,346	1,936	- 2,410	- 55
Highways	11,671	7,967	- 3,704	- 32
Waste Management	628	617	- 11	- 2
Property	1,128	1,502	374	33
Transformation	1,728	1,597	- 131	- 8
Planning	1,765	1,063	- 702	- 40
Adult Services	1,857	1,434	- 423	- 23
Total	52,863	38,786	- 14,077	- 27
Funded By:	Annual Budget £'000	Projected Funding £'000	Variance	% Variance
Capital Grant	25,314	14,078	- 11,236	- 44
Capital Receipts	6,575	6,634	58	1
Supported Borrowing	2,189	6,216	4,027	184
Unsupported Borrowing	6,730	5,212	- 1,518	- 23
Revenue Contribution	10,667	5,758	- 4,909	- 46
Reserves	786	286	- 500	- 64
Insurance	603	603	-	-
Total Funding	52,863	38,786	- 14,077	- 27

4.2 As can be seen from table 4.1 (above), the forecast underspend on the Capital Programme for 2016/17 is £14.077m, with a potential slippage into the 2017/18 Capital Programme of £7.732m. The other £6.345m is from schemes that are due for completion in 2016/17 that are under budget, or that a new Capital bid has been submitted for 2017/18. The funding for the slippage will also slip into 2017/18 and was factored in when producing the Treasury Management Strategy Statement for 2017/18. The main projects that are forecasted to be underspent are the Holyhead Strategic Infrastructure, Llangefni Strategic Infrastructure and the New Highways to Wylfa Newydd, as can be seen in Appendix B. The reasons for the underspend in the Holyhead Strategic Infrastructure and the Llangefni Strategic Infrastructure are detailed in section 3.1.2 of this report. The New Highways to Wylfa Newydd is forecasted to underspend due to the Nanner Road Project coming in under the predicted cost and the online works are not as advanced as initially estimated. The Housing Revenue Account is also due to underspend by £5.012m and this will slip into 2017/18.

- 4.3** The Capital Finance Requirement forecasted at 31 March 2017 is £134.628m, which is the underlying need for the Authority to borrow to be able to fund its Capital Programme. The External borrowing currently stands at £110.737m, meaning the Authority essentially needs to borrow £23.891m, either internally or externally, to fund the current Capital Programme. If this borrowing is undertaken externally, the Authority will still be within its authorised borrowing limits as per the 2016/17 Treasury Management Strategy Statement (Appendix 11 of that statement).
- 4.4** As can be seen from table 4.1 (above), there is a significant difference in funding for Capital Grants and Supported Borrowing. The main reason for the increase in the Supported Borrowing is due to the funding arrangement of the 21st Century Schools programme for 2016/17. The Welsh Government funding is in the form of a Capital Grant and Supported Borrowing, and it was estimated that this would be split 50:50 in 2016/17. However, there is a greater weighting towards Supported Borrowing in 2016/17, meaning the Supported Borrowing has increased and Capital Grant has decreased. In future years, it will be reversed with a greater weighting towards Capital Grant. This, along with the forecast underspend in the Holyhead & Llangefni Strategic Infrastructure and the forecast underspend in the New Highways to Wylfa Newydd, as previously stated, are the main reasons the Capital Grant will be less in 2016/17.

5. FUTURE YEARS

- 5.1** The draft Capital Budget Report for 2017/18 was considered by the Executive on 7 November 2016. The total proposed capital programme for 2017/18 (including 21st Century Schools and Housing Revenue Account) totals £40.949m. This can be broken down to Existing Commitment from the 2016/17 Capital Programme (£8.826m), Existing Assets (£2.301m), Invest To Save (£0.271m), Highways Resurfacing (£0.760m), New Schemes (£11.675m), Unsupported Borrowing Schemes (£0.362m), 21st Century Schools (£6.865m) and the HRA (£9.889m). The proposed funding will be £21.258m (52%) from external funding sources such as Capital Grants and £19.691m (48%) from internal sources. This includes £3.472m of supported borrowing, £5.063m of unsupported borrowing with the remaining £11.156m being funded from the General Capital Grant, Capital Receipts and the Council's own reserves. The draft Capital Budget for 2017/18 was accepted by the Executive, and a final proposal will be considered by the Executive on 14 February 2017, with the final proposal being presented to the Full Council on 28 February 2017.
- 5.2** As mentioned in 4.2, some Capital schemes in the 2016/17 Capital Programme will not be completed by 31 March 2017. These schemes will be completed during 2017/18 and the funding will need to be moved into 2017/18. A request will need to be made for approval by this Committee to move the funding into 2017/18, and this will be made in the Capital Outturn Report for 2016/17 which will be presented to the Executive in June 2017.

Summary of the Capital Project's Expenditure to date against the Capital Budget and the Projected Expenditure at Year-End

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	% Profiled Budget Spent	% Annual Budget Spent	Projected Expenditure (£)	Projected (Under) / Over (£)	% Variance %
Housing General Fund											
Houses into homes to let	182,240	136,680	48,671	0	48,671	-88,009	36	27	182,240	0	0
Houses into homes to sell	167,500	125,625	25,000	0	25,000	-100,625	20	15	167,500	0	0
Houses into homes (2)	167,600	125,700	112,400	0	112,400	-13,300	89	67	167,600	0	0
Housing Study & Fees VVP	7,000	7,001	2,124	0	2,124	-4,877	0	30	7,000	0	0
VVP Housing Grant 1	20,000	20,000	17,649	0	17,649	-2,351	88	88	20,000	0	0
VVP Housing Grant 2	20,000	20,000	12,720	0	12,720	-7,280	64	64	20,000	0	0
VVP Housing Grant 3	20,000	15,000	17,777	0	17,777	2,777	119	89	20,000	0	0
VVP Housing Grant 4	20,000	15,000	15,426	0	15,426	426	103	77	20,000	0	0
VVP Housing Grant 5	20,000	15,000	19,550	0	19,550	4,550	130	98	20,000	0	0
Compulsory Purchase - Pilot Scheme	458,550	105,000	120,510	468	120,978	15,978	115	26	140,000	-318,550	-69
Disabled Facilities Grants	900,560	562,500	471,697	0	471,697	-90,803	84	52	750,000	-150,560	-17
Residential Site for Gypsies and Travellers	247,000	75,000	0	37,150	37,150	-37,850	50	15	100,000	-147,000	-60
Cyttir Lane Social Housing VVP Grant	98,760	98,760	49,381	0	49,381	-49,379	50	50	98,760	0	0
Bwlch Alltran VVP Grant	5,000	0	0	0	0	0	0	0	5,000	0	0
Victoria Gateway VVP Grant	13,000	20,000	9,560	5,506	15,067	-4,933	75	116	13,000	0	0
Cyttir Lane VVP Grant	38,190	38,185	35,000	0	35,000	-3,185	92	92	38,190	0	0
Carreg Domas VVP Grant	6,000	0	0	0	0	0	0	0	6,000	0	0
Town Centre Sites and Premises VVP	64,300	64,300	38,908	8,950	47,858	-16,442	1	74	64,300	0	0
Affordable Housing brought forward 2015/16	288,700	20,000	18,053	0	18,053	-1,947	90	6	288,700	0	0
Total	2,744,400	1,463,751	1,014,426	52,075	1,066,501	-397,250	73	39	2,128,290	-616,110	-22
Housing HRA											
Central Heating Contract	350,000	156,887	76,891	40,429	117,320	-39,567	0	34	300,000	-50,000	-14
Planned Maintenance Contract	5,190,678	3,840,088	2,745,274	790,184	3,535,458	-304,630	92	68	5,190,678	0	0
BMU Vehicles 2016/17	80,000	80,000	95,555	0	95,555	15,555	119	119	97,470	17,470	22
Environmental Works	362,500	207,131	199,858	2,495	202,353	-4,779	98	56	362,500	0	0
Remodelling of Existing Stock	450,000	6,500	6,500	0	6,500	0	0	1	6,500	-443,500	-99
Acquisition of Existing Properties	6,452,830	1,250,000	1,251,635	0	1,251,635	1,635	100	19	2,000,000	-4,452,830	-69
Public Sector Adaptations	250,000	250,000	331,572	26,723	358,295	108,295	143	143	450,000	200,000	80
Fire Risk	250,000	0	0	0	0	0	0	0	0	-250,000	-100
BMU Transformation Tools	33,000	0	0	0	0	0	0	0	0	-33,000	-100
WHQS Internal Works	750,000	562,500	427,898	0	427,898	-134,602	76	57	750,000	0	0
Energy Efficiency VVP	52,000	52,000	51,766	0	51,766	-234	100	100	52,000	0	0
Total	14,221,008	6,405,106	5,186,948	859,831	6,046,779	-358,327	94	43	9,209,148	-5,011,860	-35
Lifelong Learning											
Rewire Education Buildings	37,000	37,000	36,240	0	36,240	-760	0	98	37,000	0	0
Disabled Access in Education Buildings	300,000	50,000	113,837	0	113,837	63,837	0	38	280,000	-20,000	-7
School Catering Facilities	165,000	160,000	154,399	0	154,399	-5,601	0	94	165,000	0	0
21st Century Schools - Holyhead	7,297,000	5,458,889	4,934,826	16,422	4,951,248	-507,641	91	68	6,990,497	-306,503	-4
21st Century Schools - Holyhead - VVP	270,000	270,000	250,000	0	250,000	-20,000	93	93	270,000	0	0
21st Century Scools - Llannau	3,960,000	1,377,705	1,772,386	84,084	1,856,470	478,765	135	47	3,165,531	-794,469	-20
21st Century Scools - Parc Y Bont	150,000	40,725	725	17,281	18,006	-22,719	44	12	30,000	-120,000	-80
21st Century Scools - Bro Rhosyr / Aberffraw	390,000	154,365	149,380	10,346	159,726	5,361	103	41	385,000	-5,000	-1
21st Century Scools - Bro Seiriol	207,000	20,000	0	0	0	-20,000	0	0	10,000	-197,000	-95
Total	12,776,000	7,568,684	7,411,792	128,133	7,539,925	-28,759	100	59	11,333,028	-1,442,972	-11

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	% Profiled Budget Spent	% Annual Budget Spent	Projected Expenditure (£)	Projected (Under) / Over (£)	% Variance %
<u>Economic and Regeneration</u>											
Holyhead Bus. Inv. Fund VVP Grant	115,000	128,275	62,337	0	62,337	-65,938	49	54	115,000	0	0
Partnership Funding Unallocated Budget	58,000	0	0	0	0	0	0	0	58,000	0	0
Public Conveniences	44,770	0	0	0	0	0	0	0	44,770	0	0
Holyhead Strategic Infrastructure	1,257,000	0	0	0	0	0	0	0	0	-1,257,000	-100
Llangefni Strategic Infrastructure	1,157,000	0	0	0	0	0	0	0	0	-1,157,000	-100
Planning System Invest To Save	93,000	8,000	8,250	0	8,250	250	0	9	93,000	0	0
Penrhos Units Upgrade VVP Grant	12,640	12,641	12,994	4,104	17,098	4,457	135	135	17,098	4,458	35
Ynys Mon Gymnastics Club VVP Grant	8,640	8,000	8,638	0	8,638	638	0	100	8,638	-2	0
Active Community Development VVP Grant	40,000	40,000	4,710	2,900	7,610	-32,390	19	19	40,000	0	0
Mon CF Environmental Training VVP Grant	20,000	20,000	3,084	0	3,084	-16,916	0	15	20,000	0	0
Boxing Club VVP Grant	3,800	3,800	0	0	0	-3,800	0	0	3,800	0	0
Millbank Improvements VVP Grant	2,450	2,140	2,446	0	2,446	306	114	100	2,450	0	0
Millbank Community Centre VVP Grant	80,000	80,000	72,608	0	72,608	-7,392	0	91	80,000	0	0
VVP Projects yet to be finalised	806,970	0	0	0	0	0	0	0	806,970	0	0
Plas Arthur Leisure Centre Upgrade	3,250	2,438	2,030	461	2,492	54	102	77	3,250	0	0
Amlwch Leisure Centre Upgrade	2,810	2,108	3,018	0	3,018	911	143	107	2,810	0	0
LED Lighting	38,000	38,000	37,749	0	37,749	-251	99	99	38,000	0	0
Re-roofing Leisure Centre	262,500	262,500	233,416	0	233,416	-29,084	89	89	262,500	0	0
Re-roofing Holyhead Leisure Centre	340,000	340,000	295,943	0	295,943	-44,057	87	87	340,000	0	0
Total	4,345,830	947,901	747,222	7,465	754,688	-193,213	80	17	1,936,286	-2,409,544	-55
<u>Highways and Transportation</u>											
Car Parks	41,390	22,790	28,162	0	28,162	5,372	124	68	41,390	0	0
Vehicles	374,400	163,460	163,460	0	163,460	0	100	44	238,460	-135,940	-36
County Prudential Borrowing Initiative	2,229,120	2,124,000	1,989,246	0	1,989,246	-134,754	94	89	2,229,120	0	0
Beaumaris Flood Alleviation Works (WG)	600,000	65,089	65,089	0	65,089	0	100	11	75,000	-525,000	-88
New Highways to Wylfa Newydd	3,784,000	629,871	300,610	538,542	839,152	209,281	133	22	839,828	-2,944,172	-78
LED Lighting	80,270	0	0	0	0	0	0	0	80,270	0	0
Llangefni Link Road	4,348,570	3,187,500	3,247,034	86,580	3,333,615	146,115	105	77	4,250,000	-98,570	-2
SRIC 2016/17	108,000	45,000	44,849	0	44,849	-151	0	42	108,000	0	0
Road Safety Grant	105,000	67,000	90,226	0	90,226	23,226	135	86	105,000	0	0
Total	11,670,750	6,304,710	5,928,676	625,122	6,553,798	249,088	104	56	7,967,068	-3,703,682	-32
<u>Waste Management</u>											
Purchase Telehandler and Weighbridge	118,520	0	0	0	0	0	0	0	97,000	-21,520	-18
New Waste Collection System	509,000	509,000	468,347	51,503	519,850	10,850	102	102	519,850	10,850	2
Total	627,520	509,000	468,347	51,503	519,850	10,850	102	83	616,850	-10,670	-2
<u>Property</u>											
DDA	100,000	10,000	6,248	0	6,248	-3,752	0	6	100,000	0	0
Holyhead Fishdock	96,340	0	0	0	0	0	0	0	0	-96,340	-100
Llanbedrgoch cemetery	85,680	0	415	0	415	415	0	0	415	-85,265	-100
Llanddona Cemetery	45,590	34,193	30,956	0	30,956	-3,236	91	68	60,000	14,410	32
Smallholdings	800,000	600,000	890,184	1,314	891,498	291,498	149	111	1,341,213	541,213	68
Total	1,127,610	644,193	927,803	1,314	929,117	284,925	144	82	1,501,628	374,018	33

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	% Profiled Budget Spent	% Annual Budget Spent	Projected Expenditure (£)	Projected (Under) / Over (£)	% Variance
Transformation											
Smarter Working-Capital	953,060	534,000	781,237	40,866	822,103	288,103	154	86	822,103	-130,957	-14
EDMS Invest to Save	57,860	0	0	0	0	0	0	0	57,860	0	0
Corporate Website Content System	75,000	0	0	0	0	0	0	0	75,000	0	0
Software Licensing	72,000	72,000	72,000	0	72,000	0	100	100	72,000	0	0
Network Upgrade	60,000	0	0	0	0	0	0	0	60,000	0	0
Server Storage Replacement	150,000	60,000	59,402	0	59,402	-598	99	40	150,000	0	0
CRM System Invest to Save	135,000	0	0	0	0	0	0	0	135,000	0	0
IT Backup system	35,100	35,100	64,525	46,960	111,486	76,386	318	318	35,100	0	0
IT Citrix	190,000	120,000	113,255	0	113,255	-6,745	94	60	190,000	0	0
Total	1,728,020	821,100	1,090,420	87,826	1,178,246	357,146	143	68	1,597,063	-130,957	-8
Planning											
Holyhead Market Hall Hub Project	970,000	210,000	162,641	181,208	343,850	133,850	164	35	568,000	-402,000	-41
Holy Island Landscape Development VVP	5,000	5,000	3,406	0	3,406	-1,594	68	68	5,000	0	0
Development Fees VVP THI phase 2	789,730	375,000	74,625	35,577	110,201	-264,799	29	14	489,730	-300,000	-38
Total	1,764,730	590,000	240,672	216,785	457,457	-132,543	78	26	1,062,730	-702,000	-40
Adult Services											
CCIS Implementation	459,000	63,800	41,188	0	41,188	-22,612	65	9	74,300	-384,700	-84
Canolfan Byron	150,000	0	0	0	0	0	0	0	150,000	0	0
Extra Care Llangefni	700,000	700,000	700,000	0	700,000	0	100	100	700,000	0	0
Haulfre Refurbishment	206,760	155,070	121,486	0	121,486	-33,584	78	59	168,000	-38,760	-19
Plas Crigyll residential Care Home	98,000	0	490	0	490	490	0	1	98,000	0	0
Intermediate Care Fund Capital Grant	243,640	0	0	0	0	0	0	0	243,640	0	0
Total	1,857,400	918,870	863,164	0	863,164	-55,706	94	46	1,433,940	-423,460	-23
Total	52,863,268	26,173,315	23,879,470	2,030,055	25,909,525	-263,789	99	49	38,786,031	-14,077,237	-27

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CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL



CORPORATE SCRUTINY COMMITTEE WORK PROGRAMME

Chair: Councillor Meirion Jones
Vice- Chair: Councillor Gwilym O Jones

The table below is the Corporate Scrutiny Committee Work Programme from May 2016 to May 2017. The Work Programme will be reported to each meeting of the Scrutiny Committee for the purpose of reviewing its content, consideration of new items or adjournment / withdrawal of items.

Contact: Anwen Davies (Interim Scrutiny Manager)
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PURPOSE FOR INCLUSION OF ITEM ON SCRUTINY COMMITTEE AGENDA:

- Transformation of a Service – Libraries, Schools and Leisure
- Monitoring of Performance, Budget and Partnerships
- Pre-decision
- Policy Development / Consultations
- Committee/Member Request

Date of Meeting	Item	Purpose	Location /Start Time
12 May 2016	Election of Chair of the Committee	To appoint Chairperson	Committee Room 1 / 3.30pm
	Election of Vice-Chair for the Committee	To appoint Vice-Chairperson	
23 May 2016	Corporate Scorecard Q4 2015-2016	Performance Monitoring	Committee Room 1 / 2pm
	Revenue Outturn Report Q4 2015-2016	Budget Monitoring	
	Capital Outturn Report Q4 2015-2016	Budget Monitoring	
	Action Plan-response to CCSIW report	Member request (Committee reference: 15/12/15)	
	Consultancy Costs	Member request(reference to Q3 Performance Information-March 2016)	
	Review of School Modernisation Programme	Transformation	
11 July 2016	Annual Director's Report 2015-2016 (Social Services)	Performance monitoring	Committee Room 1 / 2pm
	Annual Complaints Report – Listening and Learning from Complaints (Social Services)	Performance monitoring	
12 September 2016	Corporate Scorecard Q1 2016-2017	Performance Monitoring	Committee Room 1 / 2pm
	Revenue Outturn Report Q1 2016-2017	Budget Monitoring	
	Capital Outturn Budget Q1 2016-2017	Budget Monitoring	
	Tendering of Domiciliary Care on Anglesey	Pre-decision scrutiny	
	Scrutiny Outcome Panel Report - Corporate Safeguarding	For approval by scrutiny committee	

Date of Meeting	Item	Purpose	Location /Start Time
	Scrutiny Outcome Panel Report – Letting of Local Authority Housing (Voids)	For approval by scrutiny committee	
19 October 2016	2017-2018 budget proposals	Pre-decision Scrutiny	Council Chamber / 2pm
	Engagement & Consultation Plan – 2017/18 budget proposals	Pre-decision Scrutiny	
21 November 2016	Corporate Scorecard Q2 2016-2017	Performance Monitoring	Committee Room 1/ 2pm
	Revenue Outturn Report Q2 2016-2017	Budget Monitoring	
	Capital Outturn Report Q2 2016-2017	Budget Monitoring	
	Learning Disabilities Service Transformation (For information)	Member request for 6 month review (Committee reference: 11.4.16)	
	Adult Services-Homecare and Telecare Charges	Pre-decision scrutiny	
	Libraries Annual Performance Report 2015/1	Performance Monitoring	
6 February 2017	(10am) Response to public Consultation on the Executive Draft Budget 2017-2018	Pre-decision scrutiny	Committee Room 1 / 10am and 2pm
	(10am) Nomination of a Member to the Corporate Safeguarding Board	-	
	LUNCH		
	(2pm) Transformation of Library Services	Pre-decision scrutiny	

Date of Meeting	Item	Purpose	Location /Start Time
13 March 2017	(10.00am) Corporate Scorecard Q3 2016-2017	Performance Monitoring	Committee Room 1/ 10.00am and 1.30 pm
	(10.00am) Revenue Outturn Report Q3 2016-2017	Budget Monitoring	
	(10.00am) Revenue Outturn Report Q3 2016-2017	Budget Monitoring	
	(1.30pm) CSSIW Inspection Report – Children’s Services	Performance Monitoring	
	(1.30pm) Local Authority response to CSSIW Inspection Report – Children’s Services	Performance Monitoring	
	(1.30pm) Performance of Children’s services	Performance Monitoring	
10 April 2017	Property - Review of Smallholding Improvement paper- to be confirmed due to pre-election period	Performance Monitoring	Committee Room 1/ 2pm