

THE EXECUTIVE

Minutes of the meeting held on 26 November 2018

- PRESENT:** Councillor Llinos Medi Huws (Chair)
Councillor Ieuan Williams (Vice-Chair)
- Councillors Carwyn Jones, R. Meirion Jones, Alun Mummery,
R.G. Parry, OBE, FRAGS, Robin Williams
- IN ATTENDANCE:** Chief Executive
Assistant Chief Executive (Partnerships, Community and Service Improvement)
Assistant Chief Executive (Governance and Business Process Transformation)/Statutory Director of Social Services
Head of Function (Resources) & Section 151 Officer
Head of Function (Council Business)/Monitoring Officer
Head of Democratic Services (for item 5)
Head of Housing Services
Operations Manager (Regulation and Economic) (for item 13)
Committee Officer (ATH)
- APOLOGIES:** None
- ALSO PRESENT:** Councillors Glyn Haynes, Kenneth Hughes, Eric Jones, R. Llewelyn Jones, Dylan Rees, Peter Rogers.

Prior to commencing the business of the meeting, the Chair on behalf of the Executive congratulated Dr Caroline Turner, Assistant Chief Executive (Governance and Business Process Transformation)/Statutory Director of Social Services on her appointment as Chief Executive of Powys County Council, and wished her well in her new post.

1 DECLARATION OF INTEREST

No declaration of interest was received.

2 URGENT MATTERS CERTIFIED BY THE CHIEF EXECUTIVE OR HIS APPOINTED OFFICER

None to report.

3 MINUTES

The minutes of the previous meeting of the Executive held on 29 October, 2018 were presented for confirmation.

It was resolved that the minutes of the previous meeting of the Executive held on 29 October, 2018 be confirmed as correct.

4 THE EXECUTIVE'S FORWARD WORK PROGRAMME

The report of the Head of Democratic Services incorporating the Executive's Forward Work Programme for the period from December, 2018 to July, 2019 was presented for the Executive's consideration.

The Head of Democratic Services updated the Executive as follows –

- That 2 items are new to the Forward Work Programme, namely item 3 – The Development of Gypsies and Travellers Site, Star and item 7 - Anglesey Schools' Modernisation: Report on Objections to a New Primary School to replace Ysgol Bodffordd and Ysgol Corn Hir both of which are scheduled to be considered by the Executive at its 17 December, 2018 meeting.
- That item 5 (Local Full Fibre Network (LFFN) Project), item 6 (Establishing a Sustainable Drainage Approval Board) and item 8 (Anglesey Modernisation – Outline Business Case to extend Ysgol y Graig and Close Ysgol Talwrn) have been re-scheduled to be considered by the Executive at its 17 December, 2018 instead of 26 November, 2018 as originally programmed.

It was resolved to approve the updated Forward Work Programme for the period December, 2018 to July, 2019 as presented.

5 CORPORATE SCORECARD - QUARTER 2, 2018/19

The report of the Head of Profession (Human Resources) and Corporate Transformation incorporating the Corporate Scorecard for Quarter 2 2018/19 was presented for the Executive's consideration.

The Portfolio Member for Council Business reported in respect of Performance Management that the position at the end of Quarter 2 portrays a positive story with only 2 of the indicators underperforming against their annual target for the year. Both underperforming indicators relate to Adults' Services details of which are given in section 2.4. 3 of the report along with the mitigating actions recommended by the Strategic Leadership Team. The performance in terms of managing sickness absence has also improved on Quarter 1 although it is slightly below target compared with the same period for 2017/18. Adults' Services and the Learning Service in particular have improved their sickness absence levels in the quarter and both services have been prioritised by the SLT for further improvement in Quarter 3. A sickness work-plan has been specifically devised to tackle primary schools absence and this is being implemented by the service. The Portfolio Member said that it is gratifying however to be able to report that for the first time in the last three years the number of Return to Work Interviews held within timescales has reached target.

Under Customer Service the number of registered App Môn users continues to grow with an increase of close to 600 users from the end of Quarter 1 bringing the total to 4,883 at the end of Quarter 2. There were 552 Freedom of Information requests totalling 3,899 questions by the end of Quarter 2 with 76% responded to within timescale. The SLT and Heads of Service continue to monitor the performance of FOIs closely.

The Portfolio Member referred briefly to Financial Management and the revenue budget out-turn forecast for the current financial year which predicts a £2.660m overspend. This will be dealt with in greater detail elsewhere on the agenda.

Councillor Dylan Rees, Vice-Chair of the Corporate Scrutiny Committee reported from the Committee's meeting on 23 November at which the Quarter 2 Corporate Scorecard had been discussed. In scrutinising the Scorecard the Committee had noted the following –

- that the Scorecard is in its sixth year and that in this time to the process of gathering and reporting performance indicators in a co-ordinated way has evolved and matured.
- That the performance against key national indicators was generally good with a few areas – specifically Adults' Services requiring further attention. The Committee was clear about the mitigating measures recommended by the SLT to improve performance.
- That sickness absence levels in Quarter 2 had improved compared to Quarter 1 but were not as good as for the same period last year.
- That the Council continues to face considerable financial pressures. The Committee was clear about the need to monitor financial pressures in Social Services and the Learning Service which it noted will continue through the Finance Scrutiny Panel.

The Committee noted the areas which the SLT is managing to secure improvement into the future through the implementation of the mitigation measures outlined specifically in relation to Adults' Services; attendance at work with particular focus on Adults' Services and the Learning Service; financial pressures on Children's Services, Adults' Services and the Learning Service, and Complaints' Management in Children's Services. The Committee also recommended that an indicator for Planning Enforcement be considered for inclusion on the Corporate Scorecard for the 2019/20 financial year.

The Executive thanked the Corporate Scrutiny Committee for its comments. In considering the position with regard to performance at Quarter 2 as reflected by the Corporate Scorecard which it viewed as generally good, the Executive recognised the need to continue to monitor areas that are performing below target and highlighted Complaints' Management by the Children's Services as a particular area for monitoring especially in terms of improving the timeliness of written responses to complaints received.

It was resolved –

- **To note the areas where the Senior Leadership Team is managing to secure improvements into the future as those are set out in paragraphs 3.1.1 to 3.1.5 of the report and to accept the mitigation measures as outlined therein.**
- **To accept the recommendation of the Corporate Scrutiny Committee that a performance indicator for Planning Enforcement be considered for inclusion in the next Corporate Scorecard for the 2019/20 financial year.**

6 REVENUE BUDGET MONITORING REPORT - QUARTER 2, 2018/19

The report of the Head of Function (Resources)/Section 151 Officer outlining the financial performance of the Council's services at the end of Quarter 2 relating to the period from 1 April, 2018 to 30 September, 2018 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that it was disappointing to report that based on information to date, the overall projected financial position for 2018/19 including Corporate Finance and the Council Tax Fund is an overspend of £2.660m which represents 2.3% of the Council's net budget for 2018/19. This is due to similar budget pressures experienced in 2017/18 the most significant of which are statutory children's services. Departments have been asked to look at ways of reducing expenditure for the remainder of the financial year and to bring forward saving plans. The Portfolio Member said that although this level of overspending can be funded from general reserves in 2018/19 doing so will further deplete the Council's general balances. Having to use reserves to maintain a balanced budget shows the extent of the financial pressures on the Council and means that it will have to look carefully at how the budget for 2019/20 is set and how it is funded.

The Head of Function(Resources)/Section 151 Officer said that three of the Council's major services – Adults' Services, Children's Services and the Learning Service are facing an increased level of demand which is leading them to overspend their budgets. Whilst the situation with regard to the Council's other services is an improving one at the end of Quarter 2, it is not enough to offset the overspends by the three aforementioned services. Although it is hoped that the overspends have peaked and that expenditure can be contained from now on until the end of the financial year this depends on circumstances – specifically winter pressures and the level of demand. The Officer said that the Executive is also asked to support the use of the Equal Pay reserve which was created to deal with Equal Pay claims, in order to fund the redundancies shortfall for the 2018/19 year. The Equal Pay process has more or less been completed with the majority of claims now having been settled leaving a surplus in the funds which can be transferred to help with the current budget situation.

The Executive in considering the report and the position it reflected made the following points-

- That managing budgets which are demand led is difficult and that Anglesey is not the only council facing a challenge in trying to cope financially with escalating demand. It was noted that the Council has to respond to the needs of vulnerable adults and children but that the pace of growth in demand in these services is outstripping their budgets leading to overspending.
- That it is likely that for the second consecutive year the Council will not be able to balance its budget without having to draw on general reserves thereby lowering the Council's reserves to under the recommended minimum level. This suggests that the Budget is not sufficient to meet the Council's needs.
- That as the Corporate Scorecard shows, the Council is still managing to sustain the quality of services despite the financial pressures.
- That the Finance Scrutiny Panel is supporting the Executive in its monitoring of the Revenue Budget by keeping a regular watching brief over the services that are overspending and by challenging the respective Heads of Service on their plans to mitigate overspending and manage expenditure.
- That the level of detail in the budget monitoring report prepared by the Finance Service is helpful to the Executive both in terms of managing the budget and in responding when it is challenged on how resources are being used particularly with regard to agency and consultancy costs much of which is funded by external contribution. The Head Of Function (Resources)/Section 151 Officer clarified that from the total spend of £674,406 on agency and consultancy costs in Quarter 2, £155k came from the Council's core budget and/or reserves with the remainder being funded by grant and/or external contribution which is about 75%.

It was resolved –

- **To note the position set out in appendices A and B of the report in respect of the Authority's financial performance to date and expected outturn for 2018/19.**
- **To note the summary of Contingency budgets for 2018/19 detailed in Appendix C to the report.**
- **To note the position of the Invest to Save programmes in Appendix CH of the report.**
- **To note the position of the efficiency savings for 2018/19 set out in Appendix D to the report.**
- **To note the monitoring of agency and consultancy costs for 2018/19 detailed in Appendices DD and E of the report.**

- **To approve the usage of the Equal Pay reserve to fund the redundancies shortfall for the financial year 2018/19.**

7 CAPITAL BUDGET MONITORING - QUARTER 2, 2018/19

The report of the Head of Function (Resources)/Section 151 Officer setting out the financial performance of the Capital Budget for Quarter 2 of the 2018/19 financial year was presented for the Executive's consideration.

The Portfolio Member for Finance reported that as is now customary expenditure against the Capital Budget is slow due mainly to the fact that a number of the capital schemes are weighted towards the latter part of the financial year. The Capital Budget for 2018/19 is £60.889m and to date actual expenditure is £10.756m against the profiled budget of £13.518m. The majority of projects are progressing and it is expected that the funding will be spent.

The Head of Function (Resources)/Section 151 Officer confirmed that the funding for any slippage will carry forward into 2019/20 and it is not anticipated at this point that any funding will be lost because of delays.

It was resolved to note the progress of expenditure and receipts against the Capital Budget 2018/19 at Quarter 2.

8 HRA BUDGET MONITORING, QUARTER 2 2018/19

The report of the Head of Function (Resources)/Section 151 Officer setting out the performance of the Housing Revenue Account for Quarter 2 2018/19 was presented for the Executive's consideration.

The Portfolio Member for Finance presented the report to the Executive. It was noted from the report that the revenue position for Quarter 2 shows an overspend of £322k whilst capital expenditure is £1.6m below the profiled budget. The forecast deficit (combining both revenue and capital) is £5,501k less than the budget largely the result of lower than budgeted capital expenditure. The opening balance of the HRA Reserve stood at £7,407k. Although the budget allowed for the use of £6,050k of this balance, the forecast underspend on the capital budget together with the forecast overspend on the revenue budget will result in only £549k of the reserve being used. This will give a reserve balance of £6,858k by the end of the financial year which is ring-fenced to be used to fund future HRA expenditure only.

It was resolved to note the following –

- **The position set out in respect of the financial performance of the Housing Revenue Account (HRA) for Quarter 2 2018/19.**
- **The forecast outturn for 2018/19.**

9 COUNCIL TAX BASE 2019/20

The report of the Head of Function (Resources)/Section 151 Officer in respect of calculating the Council Tax Base for 2018/19 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the report sets out the calculations for the purpose of setting the Council Tax base for 2018/19 based on the number of properties in the various Council Tax bands on the valuation list on 31 October, 2018 taking into account discounts, exemptions and premiums as well as changes to the valuation list likely in 2019/20. The details of the calculations are provided in Appendix A to the report.

The Head of Function(Resources)/Section 151 Officer said that the total base proposed for 2019/20 for tax setting purposes is 31,571.46 which is an increase of 2.59% on 2018/19. If the changes to the Council Tax premium were to be excluded the increase is 0.7% which is generally in line with the position in other authorities in Wales. The calculation for the Council Tax Base will be used by Welsh Government in setting the Revenue Support Grant for the Council for 2019/20 but will not reflect the Council Tax premium so changes to the premium will not affect the level of RSG which the Council receives from the Welsh Government.

The Executive queried whether lack of capacity within the Valuation Office Agency leading to delays in implementing Council band changes following appeal has an impact on the calculation of the Council Tax base. The Head of Function(Resources)/Section 151 Officer said that decisions made by the Valuation Office Agency with regard to changes to Council Tax bands are backdated to the date on which the change – up or down - was agreed. When the Council Tax base is set there is a possibility that the Council will subsequently have to make a repayment in cases where the change agreed by the Valuation Agency is from a high to a lower Council Tax Band so in those circumstances there is a small financial impact on the Council.

It was resolved –

- **To note the calculation of the Council Tax Base by the Head of Function (Resources) and Section 151 Officer – this will be used by the Welsh Government in the calculation of the Revenue Support Grant for the Isle of Anglesey County Council for the 2019/20 financial year, being 30,876.09. (Part E6 of Appendix A to the report)**
- **To approve the calculation by the Head of Function (Resources) and Section 151 Officer for the purpose of setting the Council Tax Base for the whole and parts of the area for the year 2019/20 (Part E5 of Appendix A to the report)**
- **That, in accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 (SI19956/2561) as amended by SI1999/2935 and the Local Authorities (Calculation of Council Tax Base) and Council Tax (Prescribed Classes of Dwellings) (Wales) (Amendment) Regulations 2004, and the Local Authority (Calculation of Council Tax Base) (Wales) (Amendment) Regulations 2016, the amounts calculated by the Isle of Anglesey County Council as its tax base for the year 2019/20 shall be 31,571.46 and for the parts of the area as listed in the table at paragraph 3 of the report.**

10 COUNCIL TAX REDUCTION SCHEME 2019/20

The report of the Head of Function (Resources)/Section 151 Officer seeking the Executive's endorsement for a Council Tax Reduction Scheme for approval by the Full Council was presented for consideration.

The Portfolio Member for Finance in recommending the report to the Executive said that the proposal is that the Council continue with the current scheme unchanged.

The Head of Function (Resources)/Section 151 Officer referred to the factors that will affect expenditure on the Council Tax Reduction Scheme including the decision on the increase in the Council Tax; the figure for the scheme will be adjusted as the position becomes clearer during the budget setting process.

It was resolved to recommend to the Full Council at its meeting on 11 December, 2018 –

- **That its current local Council Tax Reduction Scheme should not be revised or replaced with another scheme.**
- **That it formally adopts the current Council Tax Reduction Scheme for the financial year 2019/20.**
- **That it authorises the Head of Function (Resources)/Section 151 Officer to make administrative arrangements so that all annual changes for uprating of financial figures or technical revisions in any amending regulation or regulations are reflected in the Council's Council Tax Reduction Scheme along with any required procedural changes as regards the scheme that may be required after the Full Digital Service for Universal Credit has been introduced in the Authority's area from 4 December, 2018.**

11 CARE OPTIONS - SMALL GROUP HOMES

The report of the Head of Children and Families' Services with regard to the development of Small Group Homes as a care option for the children of Anglesey was presented for the Executive's consideration. The report provided a summary of what the Small Group Home (SGH) model of care entails along with the costs and potential savings.

The Chair and Portfolio Member for Social Services reported that the Small Group Home model of care would provide for children aged 8 upwards with each house or apartment (SGH) accommodating a maximum of two children. The concept of Small Group Homes as an alternative form of care provision for children has been explained to the Council's Members in briefing sessions, to the Town and Community Councils Forum and to the Children's Services Improvement Panel the idea being that children from Anglesey who need to be looked after, some of whom might currently be in out of county placements at a great distance from their communities can where appropriate, receive care on the Island, attend local schools and participate in community life.

The Head of Children and Families' Services said that Small Group Homes are designed to provide care in the least restrictive environment and to integrate children and young people into the community, improving their quality of life and reducing the stigma for children who are not living with their families or foster carers. Each SGH will be staffed by a small team of local residential care workers recruited from new, ensuring continuity of care for the resident children. The Officer said that the development of Small Group Homes will allow the Council to offer an alternative and better provision to that currently available which it often has to source through independent agencies meaning it then has very little influence over where looked after children from Anglesey are placed. The Council would also make significant savings if SGHs were developed which at a time of increasing demand and cost pressures on Children's Services is also a material consideration.

The Executive welcomed the proposal as a means of better enabling Council to meet the needs of looked after children from Anglesey locally within the community wherever possible in a way that also provides better value for money than out of county placements.

In response to a question by the Executive about the term “Small Group Homes” the Officer said that the Service is consulting with children who have been or are in care on their ideas about what the provision might be called meaning that the title Small Group Homes may change in due course.

It was resolved that Children and Families’ Services proceed to seek appropriate accommodation and to complete Care Inspectorate Wales registration requirements in order to open a Small Group Home provision on the Island for local children who are looked after.

12 FOSTERING PACKAGE FOR LOCAL AUTHORITY FOSTER CARERS

The report of the Head of Children and Families’ Services setting out a proposed package of enhanced benefits for Foster Carers along with their cost implications was presented for the Executive’s consideration.

The Chair and Portfolio Member for Social Services reported that in order to recruit and retain more Foster Carers thereby increasing the placements available to meet the increasing demand for placements for local looked after children, it is considered that investment is needed to provide a more comprehensive package of benefits for Foster Carers. This would include an increased Fostering Allowance; discounted Council Tax; a free Isle of Anglesey Leisure Service Membership card and a free Council car parking ticket. The proposals have been put to the Councils’ Members in a briefing session as well as to the Town and Community Councils Forum and the Children’s Services Improvement Panel.

The Head of Children and Families’ Services said that many Foster Carers choose to foster for private agencies because they can offer a better rate of payment. It is difficult for the Council to compete against these rates but increasing the Fostering Allowance (but not the payment or skills element) along with the other proposed benefits should bring more Foster Carers for the Council which in terms of providing better placement choice, is important. Currently, the Council in some instances places children with private Foster Carers via private agencies which means the Council pays a premium because it does not have enough Foster Carers on its own register to meet the demand. Offering a more competitive package of allowances and benefits should make it easier to recruit Foster Carers which in turn will bring savings.

The Head of Function (Resources)/Section 151 Officer said that there is a risk in increasing the fostering allowance in so much as if the Council does not recruit enough Foster Carers from the independent sector to be able to reduce its use of private Foster Carers and thereby the associated costs, it will end up with higher costs as a result of this scheme.

It was resolved -

- **That Children and Families’ Services proceed to offer a more attractive package for the Local Authority’s Foster Carers to include the following –**
- **An increase of 10% in the Fostering Allowance**
- **A 50% discount in Council Tax**
- **Free Isle of Anglesey Leisure Services Membership cards**
- **Free Council car parking tickets**
- **To authorise an amendment to the Council Tax Discretionary Relief Policy to reflect the discount granted to Foster Carers.**

- **To authorise the necessary transfer of budgets from Children and Families' Services to cover the cost of providing the additional benefits which fall on other services or budgets.**

13 STATEMENT OF GAMBLING POLICY 2019/22

The report of the Head of Regulation and Economic Development incorporating a Statement of Gambling Policy for 2019 to 2022 was presented for the Executive's endorsement prior to its adoption by the Full Council.

The Portfolio Member for Planning and Public Protection reported that every three years the Gambling Act 2005 requires that the Council adopts a Statement of Gambling Policy. The Policy sets out how the Council will discharge its functions with regard to the regulation of gambling premises. The draft policy has been produced in accordance with the Gambling Commission's guidance on form and content of the Policy. The Policy is a revised and updated version of the Council's previous policy.

It was resolved to recommend that the Full Council adopts the Statement of Gambling Policy 2019-2022.

**Councillor Llinos Medi Huws
Chair**