

THE EXECUTIVE

Minutes of the meeting held on 21 May, 2018

PRESENT:	Councillor Llinos Medi Huws (Chair) Councillor Ieuan Williams (Vice-Chair) Councillors Richard Dew, Carwyn Jones, R. Meirion Jones, Alun Mummary, R.G. Parry, OBE, FRAGS , Dafydd Rhys Thomas, Robin Williams
IN ATTENDANCE:	Chief Executive Assistant Chief Executive (Partnership, Community & Service Improvement) Assistant Chief Executive (Governance and Business Process Transformation) Head of Function (Resources) & Section 151 Officer Head of Function (Council Business)/Monitoring Officer Head of Democratic Services (for item 4) Principal Development Officer (Regulation & Economic) (THJ) (for item 10) Committee Officer (ATH)
APOLOGIES:	None
ALSO PRESENT:	Councillors Councillors Aled M. Jones, Eric Jones, Glyn Haynes, Kenneth Hughes, Dylan Rees, John Arwel Roberts.

The Chair welcomed all those present to this meeting of the Executive and she extended a particular welcome to Councillor Robin Williams to his first meeting of the Executive as the Portfolio Member for Finance.

1. DECLARATION OF INTEREST

No declaration of interest was received by any Member of the Executive.

Councillor Dylan Rees (not a member of the Executive) declared a personal but not prejudicial interest in item 10 on the agenda and proceeded to speak on the business under item 10 in the capacity of a Local Member.

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 30 April, 2018 were presented for the Executive's confirmation.

It was resolved that the minutes of the previous meeting of the Executive held on the 30 April 2018 be approved as a correct record.

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 June, 2018 to January, 2019 was presented for the Executive's approval.

The Head of Democratic Services reported as follows –

Items new to the Forward Work Programme

Item 17 – Protocol of the Statutory Director of Social Services scheduled to be considered by the Executive at its 16 July, 2018 meeting

Item 34 – Gambling Policy scheduled to be considered by the Executive at its 26 November, 2018 meeting

Items which have been re-scheduled from their original date

Item 4 – 2017/18 Capital Budget Monitoring Report Quarter 4 re-scheduled from the Executive's 21 May, 2018 meeting to its 18 June, 2018 meeting.

Item 8 - CIW Inspection of Children's Services in Anglesey: Improvement Plan Quarterly Progress Report re-scheduled from the Executive's 21 May, 2018 meeting to its 18 June, 2018 meeting.

Item 24 – Transformation of Education and Anglesey Schools' Modernisation Strategy re-scheduled from the Executive's 18 June, 2018 meeting to its 17 September, 2018 meeting.

The Officer further reported that in addition to the above, and since the publication of the Forward Work Programme, the Transformation Service has requested that the Annual Delivery Document (Improvement Plan) 2018/19 be incorporated on the Forward Work Programme for the Executive's 18 June, 2018 meeting.

The Chair referred to the Scrutiny Chairs and Vice-Chairs Forum with which she as Leader has meetings in order to discuss the Forward Work Programme, and she suggested that it would be useful if a reference could be made to this Forum within the Work Programme in recognition of its contribution to the shaping of the programme.

It was resolved to confirm the Executive's updated Forward Work Programme for the period from June, 2018 to January, 2019 subject to the additional change outlined at the meeting.

5. ADOPTION OF POWERS BY COUNCIL AND DELEGATION TO OFFICER

The report of the Head of Function (Council Business)/Monitoring Officer seeking the Executive's endorsement of proposed changes to the Council's Constitution prior to their submission for final approval by the Full Council was presented for consideration. The changes consisted of at Enclosure 1 Section A additional legislation to be added to the Scheme of Delegation to the Head of Service (Regulation and Economic Development) and at Section B legislation to be removed from the Scheme of Delegation to the Head of Service (Regulation and Economic Development). Additionally, the report contained a recommendation that some constitutional changes arising from new, amended or revoked legislation be delegated to the Head of Function (Council Business)/Monitoring Officer without recourse to the Executive and Full Council.

The Portfolio Member for Planning and Public Protection reported that adopting and delegating the powers At Section A of Enclosure 1 will enable the Council to operate a wider range of solutions whilst removing the legislation in Section B of Enclosure 1 is a good

housekeeping exercise. At present, any changes to the Constitution require Executive and Full Council approval. It is requested that some constitutional changes such as that set out in the report be delegated to the Head of Function (Council Business)/ Monitoring Officer. The Portfolio Member said that it will remain that politically significant and local choice changes to the Constitution will be a matter for the Full Council, but that constitutional changes due to new, amended or revoked legislation will be delegated to the Head of Function (Council Business)/Monitoring Officer and this will include adding or removing reference to that legislation to or from the relevant Head of Service's list of delegated matters. This would assist workloads for both Officers and the Executive/Full Council. Such reference is known to be included in the constitutions of other councils for the purpose of streamlining processes and ensuring that technical changes are implemented as smoothly and as quickly as possible.

It was resolved to recommend to the Full Council that –

- **The powers listed in Section A of Enclosure 1 to the report be adopted.**
- **The Scheme of Delegation in the Constitution be amended to delegate the exercise of the powers noted in Section A of Enclosure 1 to the report to the Head of Service (Regulation and Economic Development).**
- **The powers listed in Section B of Enclosure 1 to the report be removed from the Scheme of Delegation in the Constitution which delegates these powers to the Head of Service (Regulation and Economic Development).**
- **The Council's Head of Function (Council Business)/Monitoring Officer be authorised to make the necessary changes to the Scheme of Delegation, and any consequential amendments, to reflect the adoption, delegation and removal of the said powers.**
- **The Council's Head of Function (Council Business)/Monitoring Officer be authorised to make any future changes to the Constitution without requiring Executive or Full Council approval where those changes are as a result of legislative changes where additional/revised delegation to Officers is required in order to execute additional powers or rights granted to the Council by amended or new legislation.**
- **The Scheme of Delegation in the Constitution be amended to delegate to the Head of Function (Council Business)/Monitoring Officer the authority – “To review and update the Council's Constitution from time to time, to include any changes arising from amended, substituted or new legislation; any restructure of the organisation already authorised as required and to include new delegations to Officers, namely the Head of Service with responsibility for the relevant service, to have full delegated authority to discharge the function on the Council's behalf unless it is a matter reserved to the Council, Executive or a Committee.”**

6. REQUEST APPROVAL TO RECRUIT ADDITIONAL AGENCY STAFF IN CHILDREN AND FAMILIES' SERVICES

The report of the Head of Children's Services seeking the Executive's approval to recruit additional agency staff in Children and Families' Services was presented for consideration.

The Portfolio Member for Social Services reported on the context to the request by saying that a crucial element of the Children's Services Improvement Plan which was formulated in response to the CIW's inspection of Children and Families Services in 2016 is the recruitment and retention of committed and qualified social work staff. Although much has already been achieved as documented within the report, the service continues to be on a journey of improvement and as part of this journey the service is now looking to appoint 7

Newly Qualified Social Workers (3 have already been appointed); 3 agency Social Workers and a Practice Leader to form a Practice Group to review legacy cases along with additional legal capacity to meet the demand arising from this review in terms of cases that may proceed to Public Law Outline or into care proceedings.

The Assistant Chief Executive (Governance and Business Process Transformation) and Statutory Director of Social Services said that the number of children coming into care has doubled in the last four years thereby leading to a significant increase in the work required to support these placements. Although the number of children in the Authority's care has since stabilised and levelled out it remains a matter of being aware of the continuing pressure on the service because of this increase and consequently of the number of staff that is required to provide appropriate support for these children and young people. The Officer referred to the request being made as having three elements to it namely –

- To retain the 7 Agency Social Workers who are currently filling 7 vacant posts within the department for a further period until the end of October when 3 Newly Qualified Social Workers (NQSWs) will be able to take caseloads **(Cost £56,658)**.
- To appoint 7 NQSW to the Fieldwork Teams in October, 2018 (3 of whom have already been appointed as referred to above) and to support these by going over establishment of 4 agency workers for 12 months. **(Cost £123,686)**. The service continues to advertise for permanent social workers and has had some success in this endeavour although the appointments made have not been numerous. However, during its latest round of recruitment the service did appoint the 3 Social Work students to which reference has been made who will qualify in October, 2018 as NQSWs. There were four other candidates who were appointable during that process but they will not qualify for a further six months. Given the current social work recruitment difficulties throughout England and Wales it is unlikely the service will be able to recruit enough experienced social workers to fill the existing vacancies. The service will therefore seek to nurture and develop its own social workers but as NQSWs their caseloads will be limited initially and they will not be able to take responsibility for and lead on serious cases hence the need to retain agency social workers to provide support and guidance until the NQSWs gain experience.
- The Head of Service has recently been made aware of historical cases some dating back a number of years which for the reasons stated in the report, could have been dealt with differently and more appropriately; these are being referred to as Legacy cases. These cases will have to be re-assessed and it is proposed to recruit 3 agency Social Workers and 1 Practice Leader over establishment to form a temporary Practice Team to be managed directly by the Head of Service in order to audit, assess and progress these cases to the correct plan or to the Courts **(Cost £177,874)**. As it is difficult to provide an accurate figure for the amount of cases which will proceed to the Public Law Outline or into care proceedings, the Service would need to estimate and provide additional capacity within its legal service (over and above the 1.5 FTE Solicitors that currently support the Children and Families Services) to meet this demand. It is proposed that the additional capacity is extended to 2.5 FTE for a period of 12 months at a cost of **£54,527**.
- Taking into account the reserve of £144,737 within the Service for staffing costs the total additional funding requested is **£268,008**.

With reference to supplementing the legal capacity within the Service, the Head of Function (Council Business)/Monitoring Officer advised that having discussed the matter of additional legal capacity with the Head of Children and Families Services the estimated costs of making this provision as set out in the report are accurate in the event that the service is successful in recruiting a professional to work internally in this field for a period of 12 months. However, experience suggests that this is unlikely

given the historical difficulties in recruiting for a temporary period to a specialised area. The alternative is to engage an agency solicitor for this purpose but at a significantly higher cost. The cost of a previous agency appointment to an area of similar specialism was £130k per annum which is considerably more expensive than the figure quoted in the report.

The Head of Function (Resources)/Section 151 Officer said that the additional costs incurred from meeting the request outlined above will fall to the Council's General Reserves; these have reduced to £6.232m as at March, 2018 having been drawn upon to balance the 2017/18 Revenue Budget which was overspent by £1.7m. Further utilisation of the General Reserves to provide the additional funding requested by the Children and Families Services will take them below £6m which is the minimum level of general reserves which the Section 151 Officer has assessed the Council needs to hold in light of the financial context. The Officer said that however, the Council's usable reserves are there for situations such as this when a sum of money is required to meet an unplanned for need.

The Executive noted the information presented and raised the following points –

- The Executive noted that the Council has in the past supported traineeship schemes in a number of service areas. The Executive noted that establishing a solicitors' traineeship scheme might be an idea worthy of further consideration in view of the difficulty of recruiting a professional for a fixed period and the high costs of procuring additional legal capacity when that is required from an agency source.
- The Executive noted that historical cases have emerged within Children's Services that are deemed to require audit and review to ensure there have been no oversights in their conduct and management. The Executive further noted that a strategic plan is proposed to reassess these legacy cases. The Executive was agreed in stating that it would be helpful if the service was able to clarify a timeframe for addressing and resolving legacy cases and the issues involved.
- The Executive noted that the 2018/19 Budget Book shows that the income in the form of grants and other contributions to Children's Service is £1.26m (now approaching £1.5m if the request above is acceded to). In light of this and also in view of the ongoing pressures on the Looked After Children's budget although not unique to Anglesey, the Executive sought clarification of whether the assumptions in the Medium Term Financial Plan (MTFP) should be revised to factor in this additional expenditure and the likelihood of reoccurrence in future years, and whether the £8.224 standstill budget for Children's Services for 2018/19 is a realistic and true reflection of the actual position.

The Head of Function (Resources)/Section 151 Officer said that the MTFP contains 3 scenarios for Children's Services, namely no additional funding for Children's Services; 10% additional funding and 20% additional funding. So when the MTFP makes reference to a possible savings requirement of £10m, additional funding for Children's Services has been accounted for within that sum.

It was resolved to approve the following –

- **For the Children and Families Services to recruit 7 NQSW to the fieldwork teams from October, 2018 (3 already appointed) and for these to be supported by going over establishment by 4 agency social workers for 12 months.**
- **For the Service to extend the legal capacity within the service by 2.5 FTE for a period of 12 months.**

- **For £268,008 additional funding to be released from the Council's reserves to fund the additional requirements outlined in the report.**

7. REVENUE BUDGET MONITORING REPORT – QUARTER 4 2017/18

The report of the Head of Function (Resources) and Section 151 Officer setting out the provisional outturn for the Revenue Budget for the 2017/18 financial year was presented for the Executive's consideration.

The Portfolio Member for Finance reported that it was disappointing to report that the outturn for 2017/18 is an overspend of £1.762k against a budget of £126.647m (1.39% of the Council's net budget). This is despite the Authority delivering savings of £1.55m over the same period and means therefore that £1.77m has been taken out of the General Reserves in order to balance the budget thereby taking the level of usable reserves down close to the £6m threshold recommended by the Section 151 Officer and approved by the Council. Should the overspend be repeated in 2018/19 then that could lead to a further depletion of the Council's general reserves. The most significant service demand pressures have been seen in Education and Children's Services as has been reported throughout the year. An increase in demand in specific budgets within Adult Social Care over the final quarter has led to a higher overspend at outturn in Adults' Services than was forecasted at the end of Quarter 3. Council Business is also £181k overspent at outturn which is an improvement on the end of the Quarter 3 prediction and which is due mainly to agency fees owing to maternity cover and long-term sickness absence. The Portfolio Member said that additionally he wished to draw attention to the summary of contingency budgets under Appendix C and specifically to the overspend on the salary and grading contingency budget as a result of meeting voluntary redundancies agreements; however these will lead to long-term savings for the Council.

The Head of Function (Resources) and Section 151 Officer said that the main pressure areas where the overspends are the highest are known and have been well documented throughout the year. Other emerging risk areas in Quarter 4 which could carry on into 2018/19 are increasing homelessness costs and the Leisure section which is having difficulties achieving income targets. In mitigation, Corporate Finance has underspent by £655k for the year; this includes an underspend of £258k on the Council Tax Reduction Scheme and an underspend of £449k on capital financing costs. With regard to the Council's general reserves, the Officer said that the point is approaching where consideration will have to be given to developing a strategy as part of the MTFP to restoring the reserves to the £6m level; depending on if and by how much the Authority overspends in 2018/19, and how far below the £6m threshold the Council's general reserves dip as a consequence it will need to consider over what length of time it proposes to build the reserves back up to an acceptable level and then factor this into subsequent budgets. The Council's approach in previous years of setting aside reserves to cope with unplanned for financial pressures has helped it in 2017/18 and will likely do so again in 2018/19.

The Executive's Portfolio Members summarised the end of year position with regard to their individual portfolio areas, including any variances and, where the outcome had been an overspend they outlined how the pressures on their services are being mitigated. A particular focus was put on Children and Families Services as the highest overspending area where the financial pressures are most acute and are ongoing. The Leader and Portfolio Member for Social Services said that the 72% increase in the number of children being looked after illustrates the extent of the challenge both locally and nationally – the Executive as part of the 2018/19 budget proposals did propose that part of the Council Tax increase be earmarked to meet budget pressures in Social Services where both Children's and Adults' Services are overspending. The Finance Scrutiny Panel is closely monitoring the position

and in particular the Children's Services' plans to alleviate over expenditure within the service. The Portfolio Member said that increasing attention will have to be given to transforming how services are delivered and, in light of the 2017/18 budget overspend and the continuing financial challenges which the Authority faces, service transformation has to happen expeditiously. The Authority is having to operate in a climate of financial austerity whilst still seeking to protect services for the vulnerable and those in need. Much has been made of the Authority's expenditure on agency staff – most of these costs are due to Children's Services where agency cover has been required to fill existing vacancies and sickness absence where ensuring the continuation of the service is essential. Where agency staff have been engaged by other services it is in order to fill a gap due to staff absences to maintain a service. The Leader said that the end of year overspend was disappointing but could be taken to indicate that the Authority is nearing a tipping point under the pressure of the Government's squeeze on local government funding.

With reference to Children and Families Services, the Assistant Chief Executive (Governance and Business Process Transformation) and Statutory Director of Social Services highlighted that the service has improved significantly over the course of the past two years and can evidence successes in recruiting, in reducing sickness absence and in providing a wider range of support for children, young people and their families. The overspend in the service is directly related to the increase in the number of children and young people requiring immediate and ongoing support – the service does have plans to source more cost-effective and more appropriate placements but this will take time. Whilst the service's deployment of agency staff is a temporary but not necessarily short-term measure, they do have an important contribution to make in mentoring, supporting and strengthening staff in their day to day work. The service although it has made significant progress continues to be on an improvement journey.

It was resolved –

- **To note the position set out in Appendices A and B to the report in respect of the Authority's financial performance for 2017/18.**
- **To note the summary of Contingency budgets for 2017/18 detailed in Appendix C to the report.**
- **To note the position of the Invest to Save programme in Appendix CH to the report.**
- **To note the position of the efficiency savings for 2017/18 set out in Appendix D to the report.**
- **To note the monitoring of agency and consultancy costs for 2017/18 set out in Appendices DD and E.**
- **To note that the outturn reported in the document remains provisional until the completion of the statutory audit.**

8. HRA BUDGET MONITORING – QUARTER 4 2017/18

The report of the Head of Function (Resources) and Section 151 Officer setting out the performance of the Housing Revenue Account for the period from 1 April, 2017 to 31 March, 2018 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the revenue position for 2017/18 shows an underspend of £933k mainly due to lower capital financing costs. The capital outturn expenditure was £3,607k below the budget mainly due to unforeseen delays in the council house development programme. Any underspend is available to be spent in 2018/19. The

Housing Revenue Account is ring-fenced and its reserves cannot be transferred to the General Fund.

It was resolved –

- **To note the position set out in respect of the financial performance of the Housing Revenue Account (HRA) for Quarter 4 2017/18 and,**
- **To note also that the outturn is subject to the usual year end audit process meaning the figures are provisional at this stage.**

9. EXCLUSION OF THE PRESS AND PUBLIC

It was resolved under Section 100(A)(4) of the Local Government Act 1972, to exclude the press and the public from the meeting during the discussion on the following item on the grounds that it involved the disclosure of exempt information as defined in Schedule 12A of the said Act and in the Public Interest Test presented.

10. LLANGEFNI GOLF COURSE AGREEMENT

The report of the Chief Executive with regard to the Llangefni Golf Course and Driving Range was presented for the Executive's consideration. The report referred to the current position with regard to the running and management arrangements of the Golf Course; it summarised the outcome of an options appraisal exercise in relation to the future of the Golf Course and set out recommendations for a resulting course of action.

Councillor Dylan Rees spoke on the matter as a Local Member and made representations to the effect that any plans for the area should have regard to the regeneration needs of the town of Llangefni.

It was resolved to proceed in accordance with the recommendations of the report.

Councillor Llinos Medi Huws
Chair