

CORPORATE SCRUTINY COMMITTEE

Minutes of the meeting held on 4 February, 2019(Budget Meeting)

PRESENT: Councillor Aled Morris Jones Jones (Chair)
Councillor Dylan Rees (Vice-Chair)

Councillors Lewis Davies, John Griffith, Richard Griffiths, Richard O. Jones, Bryan Owen, Alun Roberts, Nicola Roberts

Co-opted Member: Mr Keith Roberts (The Catholic Church)

Partnership and Regeneration Scrutiny Committee Members and Other Members

Councillors G.O. Jones, Kenneth Hughes, R. Llewelyn Jones, Dafydd Roberts, Shaun Redmond.

Portfolio Members

Councillors Llinos Medi Huws (Leader and Portfolio Member for Social Services), Robin Williams (Portfolio Member for Finance), R. Meirion Jones (Portfolio Member for Education, Libraries, Culture & Youth), R.G. Parry, OBE, FRAgS (Portfolio Member for Highways, Property and Waste), Richard Dew (Portfolio Member for Planning and Public Protection), Carwyn Jones (Portfolio Member for Major Projects and Economic Development), Dafydd Rhys Thomas (Portfolio Member for Corporate Business), Alun Mummery (Portfolio Member for Housing and Supporting Communities)

IN ATTENDANCE: Chief Executive
Assistant Chief Executive (Partnerships, Community and Service Improvement)
Head of Function (Resources) and Section 151 Officer
Head of Adults' Services
Head of Learning
Head of Highways, Waste & Property Services
Head of Children and Families Services
Head of Democratic Services
Programme, Business Planning & Performance Manager (GM)
Scrutiny Manager (AGD)
Committee Officer (ATH)

APOLOGIES: Mrs Anest Frazer (Co-opted Member – The Church in Wales)

ALSO PRESENT: Mr Clive Thomas (Headteacher Ysgol Gyfun Llangefni), Mr Alan McDonald (Headteacher Ysgol y Borth, Menai Bridge)

The Chair welcomed all Members and Officers to the meeting and he extended a particular welcome to Mr Clive Thomas, Headteacher of Ysgol Gyfun Llangefni and Mr Alan McDonald, Headteacher of Ysgol y Borth, Menai Bridge who were present to make representations on behalf of the secondary and primary education sectors respectively.

1 DECLARATION OF INTEREST

No declaration of interest was received.

2 MINUTES OF THE PREVIOUS MEETINGS

The minutes of the previous meetings of the Corporate Scrutiny Committee held on the following dates were confirmed as correct –

23 November, 2018

10 December, 2018 (extraordinary)

17 January, 2019 (extraordinary)

3 2018/19 BUDGET SETTING PROCESS - REVENUE AND CAPITAL

The report of the Scrutiny Manager was presented for the Committee's consideration. The report outlined the strategic context to the 2019/20 Budget setting process along with the key issues and questions for Scrutiny in evaluating the final Budget proposals in light of the outcome of the public consultation on the initial draft Budget proposals. The report incorporated supplementary documentation as follows –

3.1 The report of the Head of Function (Resources) and Section 151 Officer outlining the proposed Revenue and Capital Budgets for 2019/20 and the key financial considerations on which those budgets are based including a position statement for each of the following:- the Local Government final settlement; the revised budget position; Council Tax; the Council's reserves and balances; savings proposals and accompanying Equality Impact Assessments for those proposals in service areas likely to have a direct effect on stakeholders, and budget pressures and risks.

The Portfolio Member for Finance reported that the Council will have to make some important decisions in the next few weeks as it seeks to deliver a balanced budget for 2019/20 in the context of increasing pressures in Children's Services, Education and Adults' Social Care and a reduced grant settlement. The Council in Anglesey like others in Wales, is also facing other pressures in the form of inflation, staff pay awards, the requirements of new legislation, increased employer contributions to the Teachers' Pension Scheme and an increased Fire Service levy. These are beyond the Council's control and together with demographic pressures leading to a rising demand on services, they represent a perfect storm of challenges which place the Council in a very difficult situation. The initial Standstill Budget of £137.402m approved by the Executive in November, 2018 based on the Welsh Government's provisional settlement of £95.159m gave a funding gap, before increasing Council tax, of £7.156m. Although the final revenue settlement of £95.791m for Anglesey announced in December improved on the provisional position, it is a reduced settlement compared to last year and is insufficient to meet the Council's commitments. The Portfolio Member said that as well as reconciling its budget overall, the Council has to set service budgets that are realistic especially for those areas that have experienced increasing demands; arguably those areas may have been historically underfunded.

The Head of Function (Resources) and Section 151 Officer outlined the key milestones and principal considerations in relation to the 2019/20 Budget setting process as follows –

- The context for the 2019/20 revenue budget was set out in the Medium-Term Financial Plan (MTFP) for 2019/20 to 2021/22 approved by the Executive in September, 2018

based on a projected 1% reduction in Aggregate External Finance (AEF - the total amount of support the Council receives from Welsh Government) a Council Tax increase of 5% and savings requirements of approximately £5m. The initial Standstill Budget (the amount required to deliver services at their current levels) of £137.402m received Executive approval in November, 2018 and, based on the provisional settlement of £95.159m, led to a funding gap of £7.156m.

- The initial budget proposals included savings of £3.747m (including a £1.739m reduction in school budgets) which left £3.409m to be raised from Council Tax. Taking into account proposed increases in the Council Tax Premium – from 25% to 35% for second homes and from 25% to 100% for long-term empty homes - which would generate an additional £0.69m based on the 2018/19 charge, a Council Tax increase of 7.55% would be required to make up the remaining £2.719m.
- The final local government funding settlement was published by the Welsh Government on 19 December, 2018. The overall AEF for Wales increased by £23.591m and is made up of the elements outlined in paragraph 2.2 of the report. For Anglesey, this raised the AEF from £95.159m to £95.791m – an increase of £0.632m and although the Council benefitted from raising the funding floor from -1.0% to -0.3%, it still represents a reduction of 0.3% in the AEF on a like for like basis.
- Based on the revised standstill budget (after budget savings) of £133.921m and a final AEF of £95.791m, £38.130m would have to be generated from Council Tax to fund this budget which after the increase in premium and the change in the tax base, would require a Council Tax increase of 6%.
- In drawing up the standstill budget additional funding has been included to meet some of the projected £2.3m overspend for 2018/19 (due mainly to increased demand for services in Children's Services, Adults' Services and Central Education). However, since the standstill budget was initially drafted in September/October, 2018 the situation has worsened with the projected overspend in Children's Services and Adults' Services having increased. The 3 services which are currently in overspend are implementing plans to manage demand and reduce costs as described in paragraph 3.3 of the report. In addition, the Welsh Government has announced additional grants outside the settlement for Social Care; £35m has been allocated to Wales with Anglesey's share being £720k (subject to confirmation).
- In light of the above, it has been estimated that the underlying potential under-funding across the 3 services is £1m assuming the planned projects deliver on the anticipated savings and there are no further increases in demand. Given that the level of the Council's reserves has fallen significantly, an overspend of this magnitude again in 2019/20 would place the Council at a greater financial risk.
- The initial budget proposals included £3.7m of savings. Although these have been scrutinised and the risk of non-delivery assessed, there remains a risk that some may not be realised or may not be achieved on time. Although the risk is minimal, £235k are considered to carry a higher risk of not being delivered.
- The budget proposals include a proposal to allocate less funding to schools than is required to meet all the budget pressures (pay, pension contributions and general price inflation). The cost of all these pressures faced by schools is estimated to be 7% but, by reducing the delegated schools budget by £1.739m, the actual proposed cash increase to schools is 1.95%.

The Section 151 Officer in highlighting that the proposal does not in fact represent a 5% cut to the schools' budget at the 2018/19 level, explained that the Schools Delegated Budget for 2018/19 was £34.8m. The Authority is making additional provision for teacher and support staff pay costs and the increase in the employer's contribution to the Teachers' Pension Scheme (£800k) as well as for inflation, taxes, energy and building costs etc (£700k). The budget has also been adjusted – as it is annually- to reflect changes in pupil numbers leading to a reduction of £136k for the primary sector and an

increase of £58k for the secondary sector. An additional budget allocation of £196k for Canolfan Addysg y Bont has also been approved by the Executive to reflect an increase in pupil numbers at the school. Therefore, the Delegated Schools' Budget has increased by £2.6m from £34.8m in 2018/19 to £37.2m in 2019/20. The savings proposal entails taking 5% or £1.739m out of the 2018/19 Schools Budget meaning that in basic cash terms the Schools Budget for 2019/20 will increase by £800k or 2% (1% for the primary sector and just under 2% for the secondary sector).

- Headteachers have expressed concern that this proposal will have a significant impact on schools resulting in a reduction in teaching numbers and increased class sizes. School balances are available to provide additional funding in the short-term but the level of balances has fallen from £2.4m in March, 2016 to a projected figure of £0.8m in March, 2019. The funding impact of the proposal on schools of varying sizes is shown in paragraph 3.9 of the report.
- Anglesey is among the lowest charging authorities in Wales in terms of Council Tax with its Band D Council Tax charge for 2018/19 being the 4th lowest in Wales and second lowest in North Wales (paragraph 4.1 of the report). The impact of each 0.5% rise from 6% to 10% is shown in paragraph 4.2 of the report.
- As shown in paragraph 2.4 of the report an increase of 6% in the level of Council Tax is required to fund the revised standstill budget as well as the implementation of £3.747m of savings. However, there is an element of underfunding in 3 service areas which the budget does not address as well as a risk around the achievability and/or timely delivery of some savings. Consideration also needs to be given to the impact of the reduction in the Schools' budget. The table in paragraph 5.3 of the report shows the impact of funding a percentage of the potential unfunded budget/savings risk along with the impact of reducing the budget reduction to schools. The additional costs of these savings would be funded from setting the Council Tax increase higher than 6%.
- As at March, 2018, the Council's general reserves stood at £6.899m or 5.3% of the Council's net revenue budget for 2018/19, 7.4% if the delegated schools' budget is excluded (The optimum level of reserves held is a matter for each 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 acceptable which based on the 2019/20 standstill budget, is £6.7m for Anglesey). During 2018/19 £0.59m of the general reserves have been released to fund one-off costs bringing the total level of reserves down to £6.309m. Funding the anticipated £2.35m overspend on the 2018/19 revenue budget will reduce the level of general balances further to £4m by the end of the 2018/19 financial year or 3% of the 2019/20 standstill budget.
- It is the opinion of the Section 151 Officer that the level of general reserves has now reached a critical point and should not be allowed to fall any further. Having as little as 3% of financial reserves is a financial risk to the Authority which only increases the longer the reserves remain at this low level and limits the Council's ability to deal with any unexpected financial problems or to maintain a balanced budget.
- Estimating future changes in the AEF is difficult and depends on a number of factors. As no indication has been given by Welsh Government as to the level of future funding the MTFP continues to assume no increase in the level of the AEF over the next 3 years; an annual increase of 2% in inflation and pay awards and a Council Tax increase of 5% per annum. Based on these assumptions, the Council will have to continue to find savings of between £1m and £1.5m in each of the following three years which on top of the savings already made in recent years, is becoming an increasingly difficult task.
- The proposed Capital Programme for 2019/20 is set out in in the table in paragraph 8.2 of the report and is based on the criteria listed in paragraph 8.1 with funding coming from the sources referred to in paragraph 8.2. The aim is to limit external borrowing as much as possible so as to avoid placing extra costs on the revenue budget with the exception of the modernisation of the Council's schools under the Twenty- First Century Schools

Programme which presents an opportunity to invest in the Authority's schools which is too good to miss. Following Horizon's suspension of the Wylfa Newydd project the New Road to Wylfa scheme which was to have been funded by Horizon, will be taken out of the capital programme for 2019/20. In the final local government settlement for 20/19/20, the Welsh Government announced an increase of £738k in the general capital grant. The Executive has yet to allocate this to any projects.

Councillor Dafydd Roberts, a member of the Scrutiny Finance Panel reported on the Panel's contribution to the 2019/20 budget setting process highlighting that the Panel had taken a risk approach to the 2019/20 budget proposals, focusing specifically on the risk of not being able to realise the planned savings in full which has taken on greater significance as the financial safety net provided by the Council's reserves reduces.

The Heads of Service for Children's Services, Adults' Services, Learning Services, and Highways, Waste and Property Services together with the Services' Portfolio Members were given the opportunity to elaborate on the specific pressures facing their respective services and the effects if any, of the savings proposals on services and provision. The Committee heard that –

- Although **Children's Services** remain under pressure with expenditure having increased in Quarter 2, the Service unlike schools, is not funded on a per capita basis and the Service budget has not kept pace with demand with the number of children needing to be looked after having increased significantly over recent years.
- Children's Services are implementing measures to manage demand by increasing placement options thereby reducing reliance and expenditure on costly out of county placements. These measures include an Enhanced Support Package for Foster Carers and the introduction of Small Group Homes (Ein Ty Ni) through the utilisation of suitable dwellings from the Council's own housing stock. There has also been a focus on preventative work with the Resilient Families Team working to provide appropriate and timely support for families so that children do not have to be taken into care in the first place.
- Managing demand in **Adults' Services**, in particular specialist placements for individuals with learning disabilities is becoming more of a challenge. Efforts to manage demand in recent years have been based on preventative services at the front door i.e. when the individual first presents for assistance, on re-ablement and on providing support via community hub activities. However, the Service has experienced an increase in the demand for expensive specialist placements for learning disabilities and mental health which can be more difficult to manage because they are also linked to ageing and/or intensifying needs. Although the Service is working hard on demand management and has a range of plans to support it in this task, dealing with demographic pressures as well as an increase in the number of individuals on the Learning Disability Register remains a challenge. The Service is confident that the savings plans are deliverable but cannot be certain that it will not face additional demand from individual(s) who because of the complexity of their needs, might require a specialist placement.
- Pressures are now becoming more acute in **Education**. The proposed reduction in the Schools' budget will hit schools extremely hard and could lead to job losses, increased class sizes and consequently, to a deterioration in standards and outcomes for learners. The scope for using balances to fill the gap is also reducing as more schools use up their reserves to balance their budgets with some schools going into negative reserves.

Mr Alan McDonald, Head Teacher of Ysgol Gynradd Porthaethwy Menai Bridge and Mr Clive Thomas, Head Teacher of Ysgol Gyfun Llangefni in their representations to the Committee emphasised the severity of the impact which cutting Schools' Budget at the level proposed will have on the schools' sector in Anglesey and its implications for teaching, for pupils' learning and ultimately for education standards on the Island.

Although acknowledging that the allocation to schools is an increase in strictly cash terms, it falls significantly short in terms of meeting all the cost pressures on schools and represents in effect, a cut in funding. Mr Alan McDonald referred to a letter which the Federation of Primary Headteachers on Anglesey had circulated to Elected Members setting out the potential effects which a negative budget could have on education provision. A survey of Primary Headteachers on Anglesey conducted in January, 2019 showed that 74% of primary schools would have classes of 30+ pupils in September, 2019; 61% of schools expected to cut teaching staff; 58% of schools expected to cut support staff; 71% of schools are considering strategies which they deem “extreme” in order to balance their budgets and 58% of schools have no reserves upon which they can draw in 2019.

Notwithstanding both Head Teachers acknowledged the difficult financial situation in which the Council finds itself in having to identify savings in order to balance its budget, they urged Members not to take the route of cutting the Schools’ budget thereby putting at risk, the quality of children’s education and making it difficult for schools to maintain and improve standards and to meet new obligations in future.

- The **Highways, Waste and Property Services’** budget has reduced by 42% over the course of the past 8 years. The Service has sought to identify savings to the value of £630k across all service provision for 2019/20 £133k of which is focused on bus services based on specific routes which have been identified as having low passenger numbers and a high subsidy. In light of the petition against ceasing all journeys under Contract 43a serving housing estates and residential areas in Menai Bridge and Llanfairpwll, the Service is looking at the possibility of amending Bus Service 42 in order to provide an appropriate bus service from Llanfairpwll to Menai Bridge via an alternative route subject to discussions with the provider and the Local Members whose areas are affected. This would still allow the Service to realise most of the projected saving whilst maintaining a service that is acceptable in the context of the savings which the Service is seeking to make.

The Committee in considering the information presented to it including the oral representations made, made points as follows –

- The Committee noted that the Council’s services are facing increasing cost and demand pressures and that managing these pressures is becoming more difficult year on year. Central Government’s long austerity programme and Welsh Government’s prioritisation of areas other than local government have led to successively poorer funding settlements for Anglesey making it necessary for the Council to find savings and make difficult choices which are now having an impact on schools and on services for the more vulnerable. The Committee noted that given how long this and other councils have been delivering savings, it may well be time to make a stand for a fairer share of resources for local authorities if services are to be maintained in future.
- The Committee noted, and was particularly concerned by the impact on schools, and consequently on children’s education, of the proposed £1.739m reduction in the Schools’ Delegated Budget as testified to in the representations of the two Head Teachers. The Committee further noted that as well as the immediate effects at classroom level of cutting the Schools’ Budgets, the proposal could have a long-term impact affecting the prosperity of the Island as a good education helps individuals fulfil their potential enabling them to contribute to creating prosperous communities.

The Committee sought clarification of whether it would be feasible to draw on unused earmarked reserves to reduce the reduction in the Schools’ Budget or whether the funding allocation formula could be amended for the future so that the impact is more

evenly spread across schools thereby giving more protection to those schools which are less able to absorb cuts.

The Head of Function (Resources)/Section 152 Officer said that a report on the use of the Council's reserves is to be made to the Executive. Having reviewed the earmarked reserves and the purposes for which they have been set aside it is clear that any remaining unused reserves are insufficient to meet the proposed £1.739m cut in the Schools' Budget. With regard to the formula, 85% of the Schools Budgets must be delegated to schools with the remainder being held centrally. The Individual Schools Budget is then allocated to schools according to a formula determined by the Local Education Authority the aim being to ensure that each school is treated equally. The formula cannot be used to target resources to one school at the expense of another. Changing the formula is a complex process and may not be appropriate at this time given that the Authority is reviewing its model of education provision to include all-through schools for children from 5 to 18 years old which would require their own funding formula. The Officer said that the real issue is the size of the cake rather than the formula used to share it.

- The Committee noted that it is proposed that the Council Tax Premium for second homes and for long-term empty homes be increased to 35% and 100% respectively. Although a proposal was made by a Committee member that the premium for second homes be set at a higher rate at 50% which would generate additional income for the Council, this was not supported by the remainder of the Committee taking into consideration the risks which the Section 151 Officer said applied in setting the premium at too high a level including the risk that second home owners may register the property for business rates and apply for Small Business rates relief which would then remove the charge completely.
- The Committee noted that the savings proposals include withdrawing the independent child nappy collection service and collecting child nappies as part of the black bin service i.e. to collect child nappies in the standard black bin once every three weeks. The Committee also noted the impact on stakeholders of this proposal which would require them to store soiled nappies for a longer period possibly leading to an overspill of nappies with the potential for health-related issues and also the potential for the fly-tipping of nappies. The Committee suggested that it may be better to pause this proposal pending the outcome of the review of the Waste Collection contract in its entirety.

The Portfolio Member for Highways, Waste and Property said that the Service would be willing to review this proposal and to look at other ways of finding the saving. The Interim Head of Highways, Waste and Property Services said that it is intended that there should be no savings with regard to Waste Services in the first two years until the new contract goes out to tender thereby providing an opportunity at that time to look at the frequency of the green and black bin collections and to review the nappy collection. However, taking the saving out will leave a gap of £30k.

- The Committee noted that the savings proposals include increasing the annual parking voucher fee by £20 to realise more income. The Committee sought clarification of whether consideration had been given to introducing a parking voucher scheme for the Council's staff (charging staff for parking having been suggested in the public consultation) which may encourage greener forms of travel e. g. car-sharing, walking and cycling to work which the Council is committed to promoting.

The Committee was informed that charging for staff parking goes being the remit of the Highways Service and is a matter for Human Resources as it involves staff conditions of

employment. There are also issues around charging staff at a different level to the public as this would then be regarded as a benefit in kind which could lead to additional cost for the Council in the implementation. In addition, if the charge is for less than the full price it would be classed as a taxable benefit requiring the distribution of form P11D to all relevant staff at a time when the Council is seeking to reduce the volume of P11Ds generated.

- The Committee in noting the proposed Capital Budget and Programme for 2019/20 did not recommend any amendments to the schedule.
- The Committee noted the options for using the additional funding if the Council Tax was increased by more than 6% - specifically the impact of funding a percentage of the potential unfunded budget/savings risks along with the impact of reducing the budget reduction to schools. (*Table 6 of the report*)

*At this point the Committee adjourned for a short interval following which it was agreed that as the Committee had now been in session for three hours, [item 3.2 below having been brought forward in the order of business], under the provisions of paragraph 4.1.10 of the Council's Constitution, a resolution was required by the majority of those Members of the Committee present to agree to continue with the meeting. **It was resolved that the meeting should continue.***

3.2 The report of the Programme, Business Planning and Performance Manager which provided an analysis of the messages from the Public Consultation exercise on the Authority's 2019/20 initial Budget proposals as approved by the Executive which was conducted during the period 16th November to 31st December, 2018 (Appendix 2)

The Portfolio Member for Corporate Business reported that the consultation exercise this year followed a similar pattern to previous consultation events held in recent years but with an increased emphasis being placed on promoting an electronic response through the Council's extensive use of social media as well as greater engagement with the Island's young people, Young Farmers and the Urdd. The Portfolio Member said that there had been a significant increase in the rate of responses this year with the most successful method of garnering views being the online survey which accounted for in excess of 95% of responses. As in previous years, the Council will be undertaking a full appraisal of this year's consultation process in order to learn lessons from it and to provide a sound base from which to further improve for next year.

The Programme, Business Planning and Performance Manager said that the proposals which were presented for public consultation over a 7-week period from 16 November to 31 December, 2018 were split into themes under the heading of Learning; Social Services, Reduction of Budgets; Buses, Parking and Regeneration, Council Tax, Tax Premiums and Ideas for other Savings/Efficiencies (paragraph 1.3 of the report). The proposals were publicised in a variety of ways - local press, the Council's website homepage, social media, e-mails, and radio with the aim of generating as much publicity as possible and creating sufficient enthusiasm amongst citizens and staff to prompt them to actively engage and respond to the initial proposals. Engagement exercises were also held with specific groups encompassing secondary school pupils, Young Farmers and the Urdd, Town and Community Councils and Head Teachers and Senior School Managers. In the region of 5,400 responses were received against a total of 17 proposals averaging approximately 317 responses to each proposal. This is considerably higher than in previous years and although respondents used all the channels made available to them to convey their views by far the most popular method of reply was the online survey. As in previous years the Council has been able to capture the reach and engagement it has secured through social media; by

promoting the consultation through these means, the Council reached approximately 62,000+ people.

The Officer said that in terms of the substance of the responses received, the results are similar to those of last year with viewpoints in favour of and against a number of the proposals. An analysis of the responses received to each of the savings proposals under the 7 themes listed in paragraph 1.3 along with additional comments made is provided in the report; the most contentious areas (a response rate of over 70%) wherein there was a resounding disagreement with the proposals were the following –

- Increasing the Council Tax Premium on Second Homes from 25% to 35% (83% disagreed/17% agreed)
- Cutting school budgets by providing them with a cash settlement that is lower than the full cost of their projected budget pressures in 2019/20 (85% disagreed/15% agreed)
- Making savings by reducing the demand for homecare services and supported living support (78% disagreed/22% agreed)

The Officer highlighted Appendix A to the report which provided a summary of the additional suggestions and ideas for savings put forward by respondents; it is suggested that these are examined by the Scrutiny Finance Panel as the first part of the process for setting the 2020/21 budget on the basis that they may be a source of potential savings that could contribute towards addressing the budget gap in 2020/21 and beyond.

In considering the report and the findings from the public consultation exercise, the Committee made the following points –

- The Committee noted that there had been a significant increase in the number of responses to this year's consultation which it welcomed as reflecting a greater level of interest in and engagement with the Council's approaches to finding savings.
- The Committee noted however that the findings would have carried greater weight, and consequently more validity had they been accompanied by a demographic profile of the respondents e.g. age, gender, service user/non-user. As it was, the Committee felt it was not able to differentiate between respondents with a vested interest in specific proposals e.g. parents of school children paying for school meals (proposal to increase price of school meals) or second homeowners (proposal to increase the Council Tax Premium on second homes) and respondents who were wholly impartial. The Committee also suggested that it would be useful - and helpful to the public - were the different level of Council Tax increases to be accompanied by an illustration of what each percentage increase means in terms of service gain and conversely, what not increasing the Council Tax entails in terms of service cuts.
- The Committee further sought clarification of whether the consultation and in particular the online survey carried a facility to prevent multiple responses by one and the same person(s) which could undermine the conclusions to be drawn from the consultation. The Committee also noted that in relation to the proposal to increase Council Tax premiums, the reliability of the responses was limited by some respondents not understanding the question in terms of the difference between second homes and long-term empty homes making analysis of the data more difficult.

The Programme, Business Planning and Performance Manager said that although the response to this year's consultation represents a step change as regards the volume of responses and the level of interest which this reflects, there is still room for improvement. The Officer said that as the consultation process has involved engaging with young people, with older people and with a range of other groups across the Island then it is certain that the responses received will have come from all age ranges. As regards the possibility that individuals may have responded multiple times, then creating the facility

to prevent this will involve more detailed discussions with the IT Service. However, the majority of responses received via the survey in terms of the comments made were completely different.

In considering its recommendations with regard to the Budget proposals and process for 2019/20, the Committee was clear that services should be protected from further cuts and that schools should not have to face a reduction of £1.79m in the Delegated Schools Budget as this would have an impact on schools and on children's education which the Committee felt was unacceptable. Although acknowledging that it would, regrettably affect the residents of Anglesey, the majority of the Committee therefore saw no option other than to propose that the Council Tax be raised at a level above 6%. A proposal was made and was seconded, that it be recommended to the Executive that in order to maintain services and to reduce the reduction in the Delegated Schools' Budget, it considers increasing the Council Tax by a minimum of 10% which would generate additional income of £1.4m.

An amendment was proposed that the Council Tax be raised by 6% (the percentage rise noted in the report as required to fund the revised standstill budget). The amendment was not seconded.

In the ensuing vote, the proposal that the Executive consider raising the Council Tax by at least 10% was carried by a majority vote.

Having considered and deliberated on the information presented both in written form and orally at the meeting, including representations made by the primary and secondary sector Head teacher representatives and having regard to the key messages from the public consultation on the 2019/20 Budget proposals and their impact on citizens, the Corporate Scrutiny Committee RESOLVED as follows –

- **The Committee recognises the pressures on the Council's Budget and on services and notes the effects that implementing the savings proposals is likely to have on services. The Committee notes in particular the severe impact which implementing the proposed reduction in School Budgets could have on schools and their staff and potentially, on their capacity to deliver education of the highest quality.**
- **That in light of the above, the Committee recommends to the Executive that it considers increasing the Council Tax for 2019/20 by a minimum of 10% in order to maintain services and to reduce the reduction in the Delegated Schools Budget.**
- **The Committee notes the proposed Capital Budget for 2019/20 without amendment.**
- **The Committee notes the key messages from the Public Consultation exercise and notes also that the additional suggestions and ideas presented by respondents will be scrutinised further by the Finance Scrutiny Panel as a basis for possible savings in 2020/21 and beyond.**
- **The Committee recommends to the Executive that in order to further improve the consultation process for future years, the process should reflect and/or address the following –**
 - **Demographic profile of respondents**
 - **Differentiation between service users/non-users**
 - **Prevention of multiple/duplicate responses by respondents**
 - **How different percentage increases in Council Tax are linked to service cuts/gains.**

4 FORWARD WORK PROGRAMME

The report of the Scrutiny Manager incorporating the Committee's Forward Work Programme to April, 2019 was presented for consideration and was noted by the Committee without comment.

Councillor Aled M. Jones
Chair

