

THE EXECUTIVE

Minutes of the virtual meeting held on 28 September, 2019

PRESENT: Councillor Llinos Medi (Chair)
Councillor Ieuan Williams (Vice-Chair)

Councillors Richard Dew, Carwyn Jones, R. Meirion Jones, Alun Mummery, R.G. Parry, OBE FRAGS, Dafydd Rhys Thomas, Robin Williams

IN ATTENDANCE: Chief Executive
Deputy Chief Executive
Director of Function (Resources) & Section 151 Officer
Director of Education, Skills and Young People
Interim Director of Social Services
Head of Highways, Waste and Property
Head of Democratic Services (for item 3)
Legal Services Manager (RJ)
Committee Officer (ATH)

APOLOGIES: None

ALSO PRESENT: Councillors John Griffith, Glyn Haynes, Trefor Lloyd Hughes, MBE, Aled Morris Jones, Alan Hughes (Audit Wales), Accountancy Services Manager (BHO), Scrutiny Manager (AGD), Property and Highways Solicitor (AJ), Communications Officer (GJ), Mr Gareth Wyn Williams (Local Democracy Reporter)

1. DECLARATION OF INTEREST

Councillor R.G.Parry OBE, FRAGS declared a personal but not prejudicial interest with regard to item 12 on the agenda and indicated that although he was entitled to do so, he would not be voting on the matter.

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 17 August, 2020 were presented for the Executive's approval.

It was resolved that the minutes of the previous meeting of the Executive held on 17 August, 2020 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 October, 2020 to May, 2021 was presented for consideration and the following new items were noted -

- **For the 26 October, 2020 meeting**
 - Item 3 – Public Services Ombudsman for Wales Annual Letter 2019/20
 - Item 5 – Corporate Prevent Strategy
 - Item 6 – Green Waste Collection Fees
 - Item 7 – Introducing Galw Gofal (Care Connect Charges for Council Housing Tenants)

- **For the 30 November, 2020 meeting**
 - Item 9 – Corporate Scorecard Quarter 2 2020/21
 - Item 10 – Annual Delivery Document 2020/21
 - Items 11-13 - Budget monitoring items
 - Item 14 – Council Tax Base 2021/22
 - Item 15 – Anglesey Further Education Trust Report and Accounts 2019/20
 - Item 17 – Growth Agreement 2 (North Wales Economic Ambition Board)

- **For the 14 December, 2020 meeting**
 - Item 19 – Treasury Management Mid-Year Review 2020/21
 - Item 20 - Llangefni Golf Course

- **For March 2021**
 - Items 24 -34 – Budget setting items (*on a date in March to be confirmed*)
 - Item 36 - Corporate Scorecard Quarter 3 2020/21 (*for the 22 March confirmed meeting*)

It was resolved to confirm the updated Forward Work Programme for the period from October, 2020 to May, 2021 as presented.

5. REVENUE BUDGET MONITORING – QUARTER 1 2020/21

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Council's services at the end of Quarter 1 of the 2020/21 financial year was presented for the Executive's consideration.

The Portfolio Member for Finance reported that Quarter 1 2020/21 had been an extremely challenging period for the Council, the Island's citizens and its businesses as it coincided with the onset of the Coronavirus pandemic meaning that plans were put on hold during the period whilst attention was focused on dealing with the emergency situation. At this stage the Council is managing to keep its head above water financially owing largely to Welsh Government support which has provided £232m to date to meet additional costs incurred by Councils in Wales in dealing with the pandemic. The overall projected financial position for 2020/21 including Corporate Finance and the Council Tax Fund is nearly a balanced budget position with a small overspend of £0.027m which is 0.02% of the Council's net budget. However, it should be noted that predicting the final year-end position at the end of Quarter 1 is difficult at the best of times as the position can change considerably as the year

progresses. For 2020/21 predicting the final year end position is even more difficult because it is still unclear when some of the Council's services will return to normality and what the additional costs will be in providing those services in a way that minimises the risk of the spread of the virus. Points to note include the following –

- As the majority of schools were closed for all but one week of the summer term, they have incurred less costs than normal; any underspending that will result will feed through to an increase in school balances as the Council is not intending to claw back any of the underspend.
- Adults' Social Care was £716k overspent for the period and the forecast outturn for the year as a whole is a predicted overspend of £195k. The Portfolio Member for Finance in highlighting that this excludes the potential winter pressures grant as the Council has not received a grant offer for these pressures to date said that this uncertainty is a cause of concern and a hindrance to planning and he urged Welsh Government to incorporate Winter Pressures funding within the Council's overall settlement annually in order to provide the Council with the clarity it needs to continue to provide services which the funding helps support.
- Children's Services was underspent by £292k during the period and is projected to underspend by £1.382k at year end. Children and Families Services have seen a reduction in referrals coming into the service and a slight reduction in the number of children coming into the care of the Local Authority.
- The Waste Service was £32k overspent for the period and is predicted to have an outturn position of £10k overspend at year end made up of overspends and compensating underspends within different sections of the service. A factor is the reduction in price of recyclable material as supply exceeds demand.

The Portfolio Member for Finance singled out the increasing number of second homes owners re-designating their properties as businesses as a particular issue of concern currently because of the implications for the Council's income (The report refers to the continued erosion of the tax base as significant numbers of self-catering properties switch to business rates). Second home owners who are able to demonstrate to the Valuation Office Agency that their properties are available to be let for 140 days per year and actually let for 70 days can register to pay business rates instead of Council Tax (which includes the second home premium) and as small businesses they can also be eligible for small business rate relief. The problem is compounded by the fact that the registration can be backdated several years meaning that as well as losing income, the Council must reimburse second home owners for council tax paid. The Portfolio Member said that coastal counties such as Anglesey where there is a high number of second homes are particularly affected and he called on Welsh Government to amend the law to prevent this from happening and to make changing a residential property into holiday accommodation subject to planning permission as with other changes of use.

The Director of Function (Resources)/Section 151 Officer concurred that figures for Quarter 1 in the financial year come with a degree of uncertainty in any case but the uncertainty is magnified this year because of the pandemic. In a normal year figures change as the year progresses and the financial situation evolves but the current uncertainties around a possible further lockdown, the rate of recovery and Government support as well as winter pressures mean the figures in the report are certain to change. The financial situation has improved from that reported to the Executive's July meeting as Welsh Government has covered both the additional costs incurred by the Council and the income lost. To date, 3 claims in relation to the Covid 19 crisis have been made to Welsh Government for extra expenditure incurred during Quarter 1. For Quarter 1 reporting purposes, £725k has been applied to forecast figures for the loss of income due to this amount being confirmed by Welsh Government. The latter has confirmed that additional funding will be released to cover the loss of income

during the remainder of the financial year but this has not been taken into account in the forecast. The receipt of this additional funding will improve the financial position of some services compared to the forecast.

It is anticipated that the Council Tax Reduction Scheme will come under pressure as the Furlough scheme ends and the unemployment rate rises – discussions are ongoing with Welsh Government as to whether it will fund local authorities for the extra burden of meeting increased claims. Covid-19 is also impacting on the collection of Council Tax and an increase in bad debt provision has been made to reflect this impact; as at August, 2020 the collection rate was down 1.67% compared with the same period last year which is equivalent to approximately £750k. Although the financial situation has improved over recent weeks the outlook remains uncertain with particular risks around the winter period which is a challenging time when the demand on services can increase with resulting cost impacts for the Council.

The following issues were raised as the Executive discussed the report –

- Whilst the Executive was thankful for the support provided by Welsh Government for councils in Wales to date there were questions about how far it could go being mindful of the fact that those council areas currently experiencing enhanced lockdown restrictions will require additional support. It was noted that the financial viability of councils depends on the continuation of Welsh Government funding to meet ongoing spending pressures and loss of income. The Director of Function (Resources)/Section 151 Officer advised that the situation is dependent on a number of factors including the increased need which tighter local lockdown restrictions generates in the areas where they apply; the extent of support for private residential and nursing homes which forms part of the support budget and the duration and severity of lockdown restrictions over the coming months which will affect council income. If councils' loss of income reaches the £78m for Quarter 1 in subsequent quarters then that would take up a large part of the latest £260m support package allocation added to which are the ongoing additional costs of complying with Covid-19 rules and the demand on the Council Tax Reduction Scheme meaning that the package is unlikely to be enough to cover all eventualities; but without such support councils will find themselves in a very difficult situation.
- Concern about the loss of income and for how long the Council is able to sustain reduced income levels. Specific mention was made of the suspension of parking charges over the emergency period and whether the closure of the Council's leisure centres had seen any increase in the number of people terminating their direct debit subscription. The Director of Function (Resources)/Section 151 Officer advised that leisure centres direct debit payments were not collected during the initial months of the Covid-19 when the centres were closed but have since resumed. However owing to reduced capacity and Covid restrictions the current leisure offering is limited which may lead to some having second thoughts about continuing with their subscription; additionally the Covid 19 emergency has hampered the drive to increase leisure centre income levels as part of which investment in the leisure centre facilities was made. Welsh Government will make up the income shortfall as a result of the difference between this year and last year's attendance numbers – but it will not compensate for potential loss of income. As regards parking charges Welsh Government will reimburse loss of income due to reduced footfall in towns but may not cover lost income as a result of a decision taken locally by the Council to offer free parking although how the loss of income is apportioned between the two is the subject of discussion. Parking income amounts to £500k annually for the Council and will otherwise have to be recovered via Council Tax. The Portfolio Member for Highways, Waste and Property thought that the Council may have to resume levying

parking charges in October with free parking possibly being offered over the Christmas period instead.

- The number of second home owners moving from paying council tax to paying business rates which Executive Members were agreed is an issue requiring the Welsh Government's attention it being noted also that second home owners who have re-registered their properties as businesses can claim a business support grant and further, that an increasing number of second homes are on residential estates and their use as holiday lets often has a detrimental impact on the amenities of the immediate community. The Director of Function (Resources)/Section 151 Officer advised that since the introduction of the Council Tax premium there has been gradual stream of second homes transferring to business rates and it has become apparent that an increasing number of people are purchasing second homes as investments and letting them for income hence the emergence of such homes on residential estates. Second homes can only be re-registered as businesses if they have been confirmed by the Valuation Office Agency as having met the criteria – currently 30 such homes are awaiting determination and registration can be backdated. In relation to business support grants the Council has 70 second home applicants where the award of a grant is pending the receipt of additional supporting information which under the scheme the Council is required to seek; this information has not been forthcoming and these will be brought to the Valuation Office Agency's attention. The lack of validating information in these cases also raises the wider issue of the ongoing monitoring of second homes registered as businesses to ensure that they continue to meet the criteria for business rates valuation after the original registration.

Although mindful of the fact that Welsh Government has been previously lobbied on the issue of the transfer of second homes to business rates, the Executive was agreed that the Portfolio Member for Finance and Section 151 Officer should write a joint letter to Welsh Government requesting reconsideration of the matter and the amendment of the law to prevent it from happening.

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 2020/21 noting also that this position is dependent on the continued support from Welsh Government to fund the loss of income and the additional costs which the Council face during the remainder of the financial year as a result of the Coronavirus.**
- **To note the summary of Contingency budgets for 2020/21 detailed in Appendix C to the report.**
- **To note the position of the invest to save programmes in Appendix CH to the report.**
- **To note the position of the efficiency savings for 2020/21 in Appendix D to the report.**
- **To note the monitoring of agency and consultancy costs for 2020/21 in Appendices DD, E and F to the report.**
- **That a joint letter be sent by the Portfolio Member for Finance and the Director of Function (Resources)/Section 151 Officer to Welsh Government to highlight continuing concern about the rising number of second homes being re-designated as businesses with consequences to the Council's income especially in the current challenging circumstances, and to urge that consideration be given to amending the law to prevent this happening.**

6. CAPITAL BUDGET MONITORING – QUARTER 1 2020/21

The report of the Director of Function (Resources)/Section 151 Officer setting out the performance of the Capital Budget for the first quarter of the 2020/21 financial year was presented for the Executive's consideration.

The Portfolio Member for Finance reported that actual expenditure to 30 June 2020 was £1.705m against profiled expenditure of £3.315m which should not come as a surprise as lockdown restrictions came into effect during the period meaning that projects could not make progress as planned during this time. In any case a number of capital schemes are weighted towards the latter part of the financial year and the funding earmarked for schemes is secure. The impact of the pandemic can also be seen in additional costs on the Pentraeth and Beaumaris Flood Alleviation schemes requiring £49k and £39k of additional match funding by the Council respectively for which the Executive's approval is sought.

The Director of Function (Resources)/Section 151 Officer confirmed that the Council has reserves set aside to help fund its capital programme from which the additional match funding will be drawn. The hope is that all capital projects will make progress against expenditure during the remainder of the year with the exception of the Schools' Modernisation Programme which has been paused pending a final decision on the configuration of schools in the Llangefni area and where little expenditure is expected, and new build housing development schemes under the HRA budget where despite renewed activity, expenditure is unlikely to recover fully for the rest of the year.

It was resolved –

- **To note the progress of expenditure and receipts against the capital budget 2020/21 at Quarter 1.**
- **To approve £49,000 of additional match funding for the Pentraeth Flood Alleviation scheme as per paragraph 3.1.1 of the report. The additional cost is as a direct result of Covid-19 which has increased the contract costs to complete the scheme.**
- **To approve £39,000 of additional match funding for the Beaumaris Flood Alleviation scheme, as per paragraph 3.1.1 of the report. The additional cost is as a direct result of Covid-19 which has increased the contract costs to complete the scheme.**

7. HRA BUDGET MONITORING – QUARTER 1 2020/21

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Housing Revenue Account (HRA) Budget for Quarter 1 2020/21 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the revenue financial position for the first quarter shows an underspend of £220k. The income forecast is £50k below the original budget, and expenditure is forecast to be £50k below the original budget. Capital expenditure is £421k below the profiled budget and the forecast expenditure is £2,112k below the budget. The forecast deficit therefore (combining both revenue and capital) is £2,112k less than the budget (reducing the planned deficit to £4,976) largely the result of lower than budgeted capital expenditure.

The Director of Function (Resources)/Section 151 Officer advised that the opening balance of the HRA reserves stood at £8,597k. The revised budget allowed for the use of £7,088k of this balance. Forecast underspend on the capital budget will result in an additional £2,112k being transferred into the reserve. This will give a reserve balance of £3,621k by the end of the financial year which will be available to fund housing schemes into next year the

HRA being ring-fenced to fund costs associated with the Council's housing stock. On the revenue side income was less than forecast due to fewer new housing units becoming available to be let than originally projected, but this was offset by reduced repairs and maintenance expenditure with all but the most urgent repairs being suspended during the lockdown period.

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 1 2020/21.**
- **The forecast outturn for 2020/21.**

8. MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2023/24

The report of the Director of Function (Resources)/Section 151 Officer incorporating the Medium-Term Financial Plan (MTFP) 2021/22 to 2023/24 was presented for the Executive's consideration. The MTFP sets out the Council's likely resource requirements for the next three financial years and details how the Council plans to balance the resource requirement with the funding available.

The Portfolio Member for Finance reported that the MTFP has been finalised during a period of uncertainty surrounding the UK economy following on from the global pandemic and the continuing Brexit negotiations; putting the Plan together in these circumstances has been a challenging task. A range of factors is likely to affect the assumptions made in the MTFP as the Covid-19 crisis continues including the ending of the Furlough scheme and an expected rise in unemployment which will have an impact on the local economy with implications for the Council's tax revenue and claims on the Council Tax Reduction scheme. Although Welsh Government has made available additional funding to support the Council in responding locally to the pandemic, there have been no indications hitherto about the local government settlement for 2021/22. Based on last year, information about the indicative settlement is expected in December/January but the figures are liable to change by the time the final settlement is announced. Despite all the uncertainty, the Council will be required to prepare a balanced budget.

The Director of Function(Resources)/Section 151 Officer advised that the purpose of the Medium Term Financial Plan is to project the costs of delivering services over the course of the next three years set against an estimate of the resources available and to chart a course to bridge the budget gap for each of the three years. Whilst the costs can be predicted taking into account known changes and making revised assumptions about the main factors that impact on the Council's revenue budget including pay costs, inflation, pensions and demand, there is no intelligence to date regarding the level of Welsh Government funding for local government for 2021/22. It was hoped that the improved local government settlement for 2020/21 marked a turning point whereby local authorities would begin to be funded to the level they need to deliver services effectively but the Covid 19 crisis has cast doubt on this outcome. The report as at section 5 sets out the national and local budget pressures facing the Council and how these are planned to be accommodated by the MTFP. Table 3 of the report shows the projected standstill budget for each of the three years from 2021/22 to 2023/24. The estimated standstill budget (the cost of continuing to provide services to the same level, delivered in the same way as in 2020/21) represents a cash increase of 8.6% over the 3 year period (but not including Covid-19 related costs). The estimated standstill budget is funded from the level of Aggregate External Finance (AEF) received from Welsh Government (made up of the Revenue Support Grant and NNDR pooled funding) and from the Council Tax raised locally. Table 4 of the report shows the impact that various changes in AEF would have on the Council's funding and the level of Council Tax that would have to be set accordingly. A reduction of 1% in the AEF would require a Council Tax increase of 3%

in order to ensure that the level of funding in cash terms remains at least at the 2020/21 level whilst a reduction of 2% in AEF would require a Council Tax increase of 6%. For 2021/22 it would require AEF to rise by 3% and Council Tax by 9% to fund the £6.059m increase in the Standstill Budget.

As it is very unlikely that AEF will rise by 3%, a Council Tax increase of in excess of 10% would be required to fund the standstill budget of £148.2m in 2021/22. It is therefore necessary to find a level of savings in 2021/22 in order to balance the budget. Given that the traditional avenue of delivering efficiency savings has by now been exhausted, the budget cuts will have to come from changes in the way the Council delivers services and a reduction in the services it delivers. Trying to deliver the services currently provided with significant reductions in funding will lead to the continued overspending of budgets, further reductions in the level of general balances and a significant risk to the financial viability of the Council. Difficult and unpopular decisions will have to be taken for the Council to be able to deliver a balanced budget, which accurately reflects the cost of running the services it provides.

In agreeing that the outlook was very challenging the Executive highlighted the following –

- The vital role that local authorities in Wales have played in responding to the Covid-19 emergency in keeping essential services running throughout the period and in supporting the most vulnerable in communities in acknowledgment of which they should be awarded a fair funding settlement to enable them to properly meet the pressures and demand on services, and to help support economic recovery.
- That the level of savings which local authorities have had to make over several years - £24.616m by the Isle of Anglesey County Council in the period from 2013/14 to 2020/21- is not sustainable.
- That were the Council to be properly funded in accordance with need, local taxpayers many of whom will be affected economically by Covid-19, would not have to fund the yearly shortfall in the Council's budget through high Council Tax rises.

It was resolved to note the contents of the Medium Term Financial Plan 2021/22 to 2023/24 and to approve the assumptions made therein.

9. ANNUAL TREASURY MANAGEMENT REVIEW 2019/20

The report of the Director of Function (Resources)/Section 151 incorporating the Annual Treasury Management Review for 2019/20 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the Council is required by regulations issued under the Local Government Act 2003 to produce an Annual Treasury Management Review of activities and the actual prudential and treasury indicators for 2019/20. The review reflects on the Council's treasury management activities during the year in the context of the wider economic factors including interest rate performance during the period, continued uncertainty over Brexit and the impact of Covid-19.

The Director of Function (Resources)/Section 151 Officer advised that the Review Report had been considered and accepted by the Audit and Governance Committee at its 1 September, 2020 meeting. From the perspective of the Council's borrowing strategy, borrowing during the year was within the limits set by the TM Strategy for 2019/20 and was in line with the Prudential Indicators. The Authorised Borrowing Limit (£178m) and the Operational Boundary (£173m) were not breached during the year, with the amount of external debt peaking at £139.2m only, this being attributable to a large underspend on capital projects as outlined in paragraph 3.1 of the report. The Council has implemented an internal borrowing strategy over the last few years meaning that it has used its own cash balances to finance new capital expenditure on the basis that best value is obtained by

avoiding external borrowing when investment rates are below long term borrowing rates (when the cost of borrowing exceeds the returns on investment). As at 31 March, 2019 the Council had used £6.2m of its cash balances to fund capital expenditure but by 31 March, 2020 the Council had borrowed to a level of £2.3m more than required as a result of a £10m loan taken out in March to ensure the Council had sufficient cash going into the Covid-19 emergency. The loan will mature on 18 March, 2021. On the investment side the Council maintained its low risk approach of ensuring ready access to its cash should it be required, keeping to shorter term deposits (whilst retaining the ability to invest out to longer periods) and investing surplus cash by borrowing short term with other local authorities to maximise returns in a secure way.

It was resolved –

- **To note that the outturn figures in the report will remain provisional until the audit of the 2019/20 Statement of Accounts is completed and signed off; any resulting significant adjustments to the figures included in the report will be reported as appropriate.**
- **To note the provisional 2019/20 prudential and treasury indicators in the report.**
- **To forward the Annual Treasury Management Report for 2019/20 to Full Council without further comment.**

10. SOCIAL SERVICES IMPROVEMENT PANEL UPDATE

The report of the Interim Director of Social Services updating the Executive on progress in the Social Services was presented for consideration. The report summarised recent developments within Children's and Adults' Services with reference also to the impact of the Covid 19 pandemic and the response of Social Services during the lockdown period.

The Chair and Portfolio Member for Social Services referred to progress and delivery in Children and Families' Services and Adults' Services respectively under the following headlines and she elaborated on the activities, developments and successes under each heading –

- Increasing the number of Local Authority Foster Carers
- Opening the first Cartef Clyd which will enable looked after children from Anglesey to receive care on the Island
- Opening a training flat for young people leaving care to support them to live independently for the first time
- Continuation of planning work for a new extra care housing provision in the south of the Island
- Developing the Shared Lives Programme to support people living with dementia and their carers as well as design a Dementia Strategy in line with Welsh Government's Dementia Plan
- Developing opportunities for people with mental health needs to participate in community based group activities
- Increasing participation levels in the community hub models by promoting and developing the hubs across the Island; working to establish 3 community resources teams in Amlwch, Ysbyty Penrhos Stanley and Llanfairpwll
- Engaging and consulting with users on the Adult Learning Disability Day Opportunity Strategy to create a greater range of high quality day opportunities for individuals in their communities.
- Delivering on all statutory duties during the Covid-19 lockdown period

Referring to the Covid-19 pandemic, the Interim Director of Social Services said that Social Services determined to persevere with development initiatives during the emergency period

finding alternative processes for moving them forward whilst also fulfilling the Service's statutory responsibilities during that time. He highlighted that the benefits package introduced to attract potential foster carers to the Council's Fostering Services has helped to recruit 7 foster carers offering 13 new foster placements for the children and young people of Anglesey which is a gratifying outcome; the package is an important factor in attracting new foster carers as is the good reputation which the Fostering Team has been building over the last few years as the service continues to develop.

Councillor Aled Morris Jones, Chair of the Corporate Scrutiny Committee in reporting from the Committee's 22 September meeting which considered the progress report confirmed that the Corporate Scrutiny Committee was satisfied with the pace of progress in Social Services as evidenced in the report and was happy to recommend the report for the Executive's approval.

The Executive welcomed the report and the ongoing progress which it reflected which had been achieved in particularly challenging circumstances and collectively it thanked the Social Services' Management and staff for ensuring the continuation of essential services during the lockdown period. The recruitment of additional Foster Carers and the opening of the first family-style home (Cartref Clyd) which would provide for looked after children from Anglesey on the Island rather than in placements out of county, were received with particular appreciation.

It was resolved to confirm that the Executive is satisfied with the pace of progress and improvements made to date within both Adults' Services and Children and Families' Services.

11. ANNUAL DIRECTOR'S REPORT ON THE EFFECTIVENESS OF SOCIAL SERVICES IN 2019/20

The draft Annual Report of the Interim Director of Social Services on the effectiveness of Social Services in 2019/20 was presented for the Executive's consideration. The purpose of the report the publication of which is a statutory requirement is to promote awareness and accountability for the performance and progress made over the past year in delivering Social Services within Anglesey County Council as well as outlining improvement priorities.

The Chair and Portfolio Member for Social Services thanked Mr Alwyn Jones the former Director of Social Services who was in post for most of the period covered by the Annual Report for leading on the work which the report documents. She also extended her thanks to Mr Fôn Roberts, Interim Director of Social Services for a seamless transition and referred to the breadth of the Social Services portfolio in touching so many people's lives when they are in need.

The Interim Director of Social Services advised that the report provides extensive and wide ranging evidence of the work and activities undertaken by both Adults' Services and Children and Families' Services in 2019/20 in providing services to the people of Anglesey. The Annual Report has been compiled in a format prescribed by reporting requirements set out in statutory guidance which requires that it should be accessible and easy to understand. Also in accordance with requirements, the report documents the performance of Social Services for the year under the six quality standards that local authorities are expected to achieve under the Social Services and Well-being (Wales) Act 2014 including the actions taken to achieve the quality standards. In terms of local circumstances the Interim Director of Social Services highlighted a number of new initiatives undertaken by the Social Services in Anglesey in the course of the year including in collaboration with the Save Lives Charity in relation to domestic abuse and with Voices from Care Cymru in relation to establishing a monthly participation group for looked after children and young people. Developing

mechanisms to better listen to the voice of service users has been a particular focus during 2019/20.

Councillor Aled Morris Jones, Chair of the Corporate Scrutiny Committee reported that following a productive discussion of the Annual Report at the Committee's 22 September meeting the Committee had resolved to accept the draft Annual Report having been satisfied that the report captures the Council's current position with regard to delivering Social Services; accurately reflects the improvement priorities for both Adults and Children's Services for the forthcoming year and reflects the Council's accountability and responsibility with regard to Social Services and that it was happy to recommend the report to the Executive.

The Executive collectively thanked the Social Services Management and staff for their efforts during the past year to which the Annual report is testament.

It was resolved to accept the draft Annual Director's Report on the Effectiveness of Social Services in 2019/20 and to recommend the report to Full Council.

12. LAND AT MONA INDUSTRIAL ESTATE – APPLICATION BY THE ANGLESEY AGRICULTURAL SOCIETY TO AMEND LEASE CONDITIONS

The report of the Head of Service (Highways, Waste and Property) setting out a request by the Anglesey Agricultural Society to vary elements of a lease agreement with the Isle of Anglesey County Council for the use of land at Mona Industrial Estate was presented for the Executive's consideration.

The Portfolio Member for Highways, Waste and Property introduced the report by explaining that the Anglesey Agricultural Society has successfully used the Council's land at Mona Industrial Estate as a park and ride facility for the annual Anglesey Show. This provision has been enabled through various licence and short term lease agreements since 2012. In the context of the preparation for a no-deal Brexit the site has been identified by North and Mid Wales Trunk Road Agency (NMWTRA) and the Welsh Government as a suitable location for the short term emergency processing Of HGVs for the checking/processing of import and export paperwork without causing disruption to the road network and port facilities in Holyhead. Some enabling works were carried out in October 2019 by NMWTRA but no further contact took place until the Welsh Government contacted the Council in early April 2020 to resurrect the discussion.

In June, 2020 separate correspondence was received by the Council from the Property Department of HMRC expressing an interest in the land at Mona Industrial Estate for the provision of a facility for 100 HGVs as well as temporary ancillary buildings in readiness for the final departure from the EU specifically for customs use. Use of the Mona site would be required for a period of 5 years. A response was sent outlining the Council's position with regard to the land and suggesting that alternative options be considered. It has since come to the Council's attention that discussions have reached an advanced stage between HMRC and the Anglesey Agricultural Society for the Society to sub-let its interest in the Mona site. The Legal Services Manager on the Portfolio Member's invitation outlined the relevant terms of the existing agreement between the Council and the Anglesey Agricultural Society (as summarised within the report) with specific reference to the prohibition of sub-letting and sharing occupation.

The Portfolio Member for Highways, Waste and Property concluded that not only is the Council not legally obliged to consent to any of the requests made by the Society, it is not in the Council's power to allow HMRC's proposed development owing to the restrictions imposed by the Ministry of Defence (from which the land at Mona was originally purchased by the Council) on the Council's freehold title. Additionally it is considered that the use of

Mona for this purpose will have significant impact on the communities of Gwalchmai and Rhostrehwfa and possibly other villages as well, and the increased volume of traffic will potentially increase the risk of further accidents on the B4422 and A5. Following a separate appraisal of alternative sites along the A55 corridor, more suitable locations than Mona have been identified.

Executive Members supported the Portfolio Member for Highways, Waste and Property's view regarding the unsuitability of the Mona site for the facility proposed by HMRC and were dissatisfied with the lack of preparedness for Brexit specifically in relation to the port of Holyhead believing that this matter should have been broached much sooner in order to allow considered discussions to take place and appropriate plans made having regard to the best interests of the Island. The Executive emphasised that any final scheme should not impact negatively on the Island's residents and should be capable of being managed in a sensible way.

The Deputy Chief Executive clarified that there had been sporadic engagement with Government Officials over the past year and this had become more frequent since August and he confirmed that the Council is collaborating with the Welsh and UK Governments to identify a suitable site that will not only meet post Brexit entry/departure requirements but also the expectations of the Island in terms of health and safety and managing resulting impacts. The discussions are ongoing with the aim of identifying a site sooner rather than later so that efforts can then be focused on ensuring it is ready in time. In response to questions about whether any site visits had been carried out, the Deputy Chief Executive explained that Officials are working in a different way because of the pandemic meaning that only essential journeys are being undertaken; however a great deal of effort has been concentrated over the past few months on reflecting local knowledge and understanding not only of specific sites but of communities and their infrastructure which are equally important as regards the final decision being mindful of the fact that the location of the facility has to work for the Island.

It was resolved to reject the application to amend the existing lease agreement with the Anglesey Agricultural Society for the reasons described within the report (Councillor R.G.Parry, OBE, FRAgS did not vote on the matter)

**Councillor Llinos Medi
Chair**