

## **ADJOURNED ITEMS FOR THE MEETING OF THE ISLE OF ANGLESEY COUNTY COUNCIL HELD ON 8<sup>th</sup> DECEMBER, 2011.**

### **Minutes of the meeting held on 13<sup>th</sup> December, 2011**

- PRESENT:** Councillor G.O.Jones (Chair)  
Councillor R.Ll.Jones - Vice-Chair
- Councillors E.G.Davies; B.Durkin; K.Evans; R.Anthony Dew; Ff.M.Hughes; R.Ll.Hughes; W.I.Hughes; K.P.Hughes; Aled M Jones; Eric Jones; H.Eifion Jones; O.Glyn Jones; Raymond Jones; T.H.Jones; C.McGregor; B.Owen; R.L.Owen; R.G.Parry,OBE; Eric Roberts; P.S. Rogers; J.P. Williams.
- IN ATTENDANCE:** Chief Executive (Item 3 only)  
Director of Legal Services/Monitoring Officer (Item 3 only)  
Interim S.151 Officer  
Head of Service (Finance)(Item 3 only)  
Legal Services Manager (Item 5 only)  
Committee Services Manager.  
Communications Officer
- ALSO PRESENT:** Commissioners Byron Davies; Gareth Jones (Item 3 only)
- APOLOGIES:** Councillors W.J.Chorlton, Lewis Davies, Jim Evans, C.Ll.Everett, T.Ll.Hughes, W.T.Hughes, R.Dylan Jones, Rhian Medi, J.V.Owen, G.O.Parry,MBE, G.W.Roberts,OBE, J.Arwel Roberts, E.Schofield, H.W.Thomas, Ieuan Williams, S.Williams.

The meeting was opened with a prayer offered by Councillor O.Glyn Jones

**1. DECLARATION OF INTEREST**

None to declare

**2. TO RECEIVE ANY ANNOUNCEMENTS FROM THE CHAIRPERSON, LEADER OF THE COUNCIL, BOARD OF COMMISSIONERS OR THE HEAD OF PAID SERVICE**

None to declare

**3. BUDGET STRATEGY STATEMENT 2012-13**

Reported by the Interim S.151 Officer – That the Commissioners' Budget Statement and Strategy set out the Commissioners initial budget guidelines for the year 2012/13 as a basis for action by Officers and consultation with Members.

Work was underway to explore whether further efficiencies could be realised in 2011-12 to minimise the impact in 2012-13 and all reserves were being reviewed to confirm whether there was any scope for using balances. In this context it was important to remember that the 3 year Comprehensive Spending Review (CSR) gave indications of spend for 2013-14 and 2014-15

which were equally challenging and so using reserves to any degree to mitigate against the level of savings required was not a viable option. This could leave the Authority vulnerable should unforeseen calls on spend materialise and potential criticism from regulators.

This budget statement was written in the context of continuing financial restraint based on the budget published by WG in February 2011 covering the period to 2013-14. This context was reaffirmed as part of the Chancellor's budget announcement in March 2011.

WG had built in protection for Education which was equivalent of 1% above the uplift for the WG revenue funding allocation from the UK Government after adjustments for demographic change. WG expected this to be passed onto schools. The WG had also built in protection for Social Care equivalent to 1%. Together these services represented more than half the net budget.

The Council Tax assumption in the Medium Term Revenue Budget Strategy was an increase of 5%. Over the last few years, the proposed pay and grading review had been one of the most significant risks and uncertainties in the budget. The current planning assumption was that the existing proposals as at February 2011 would continue.

Based on the provisional settlement and on the underlying assumptions in the Medium Term Revenue Budget Strategy and assuming that the Council tax increase was in the range of 3-5%, cuts in the range £3.7m - £4.2m were required next year. Underachieved APP savings from the current year would also need to be added in to the cuts target.

As regards reserves, the current assumption was that between £4m-£4.5m was required in General Balances depending on the risks in the approved budget. Current projections for 31 March 2012 were higher than that. There was also scope to release some funding from earmarked reserves.

The Commissioners considered that there needed to be a renewed emphasis on Economic Development and Tourism with management arrangements being reviewed to support and capitalise on the Enterprise Zone status WG had granted. The Commissioners aimed to follow WG expectations for school budgets and social care and other targets. They were also of the view that the corporate centre needed to be a strong part of the change process to improve corporate governance and this would be reviewed to address more effective working at officer level in various areas.

Details of how the Commissioners intended to reduce the Band D tax increase to the minimum possible consistent with maintaining service delivery to the citizens and communities of Anglesey were referred to at Para 5.3 of the report. Commissioners had asked all Council Departments to identify a voluntary 5% reduction which would be based on gross expenditure. They had also asked the APP projects to be refreshed. Windfall savings and committed changes would be removed from budgets where appropriate.

Commissioners were also keen that the capital plan and priorities were updated in light of reduced resources and emerging corporate plan priorities. They also wished to see repositioning of the property asset base, with innovative funding arrangements and in partnership where appropriate. Investment in ICT infrastructure was also a priority.

The Council had been consulting widely with stakeholders, partner organisations and the community. Scrutiny Committees would be asked to consider budget issues within their terms of reference and the Corporate Scrutiny Committee may also wish to review overall assumptions.

This draft budget timetable had been distributed/communicated to relevant staff with the aim of supporting the corporate and business planning process, bringing forward a proposed budget in January and a final budget by the end of February for Council approval in early March.

Councillor Eric Jones proposed convening a Seminar in early January so that the members could have an opportunity to discuss the budget on an informal basis.

Councillor A.Morris Jones was of the opinion that this Council had set a responsible Council tax over a number of years. He expressed concern as to the slippage that had occurred in the APP programme and that losing out on the 'floor' had cost this Authority some £400k. He questioned where the £400k had gone last year when allocated to the corporate centre. He would also like to know what the cost of the intervention had been before the arrival of Commissioners. He considered that a proposed 5% Council tax increase for 2012-13 was not acceptable since the majority of the population of the Island had already faced a decrease in their salaries. He wished to make it clear that at the Council meeting in March, he would not be voting for a 5% increase.

#### **RESOLVED**

●**To adopt the draft Budget Statement and Strategy for 2012-13 as a basis for debate with the Scrutiny Committees, interested stakeholders and partner organisations as part of the budget planning process.**

●**That arrangements be made to convene a Seminar for Members in January to discuss the 2012-13 Council budget.**

#### **4. EXCLUSION OF THE PRESS AND PUBLIC.**

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

#### **5 SENIOR LEADERSHIP GROUP AND CORPORATE SERVICES ORGANISATIONAL ARRANGEMENTS.**

Submitted – A verbal presentation by Commissioner Byron Davies.

Commissioner Davies wished to congratulate the Appointments Committee held yesterday in the diligence that it had shown in reaching a decision in this respect. It had been one of the best sessions he had ever attended where there was a demonstration by members of wanting to explore the issues facing a modern local authority in the context of a difficult budget settlement. The option of joint appointments and collaboration to develop services more effectively would reduce costs in the future but also understanding their role in creating a change for Anglesey and its citizens and communities. The Appointments Committee had carefully considered the S151 Officer report and the Commissioners Statement and had decided to take the Commissioners proposed recommendations and strengthen them to take control of the assimilation process decision making and making a further contribution to the 2012-13 budget process by deleting the post of Head of Service (Improvement) and allocating the responsibility to the Deputy Chief Executive role at the heart of the Senior Leadership Group. Commissioners were quite happy to accede to these changes as a positive contribution from the Appointments Committee which had proved to him that Anglesey was moving forward and taking charge of its own destiny in a positive and committed way.

The Leader of the Council stated that it had been a pleasure to chair that meeting yesterday. He felt that the changes proposed would modernise the Council for the next decade. He was happy to propose acceptance of the report.

Councillor P.S.Rogers, as former Chair of the Appointments Committee requested the Commissioners to bear in mind the position of the Welsh language in any appointments process.

Councillor Tom Jones stated that he was comfortable with the structure proposed. However, he considered that there were still capacity building issues that needed to be addressed within certain Services.

Councillor A.Morris Jones accepted the need for capacity building. He queried whether severance costs were included in the costings?

Commissioner Byron Davies in reply stated that it would be prejudicial to include such figures at this stage.

Councillor A.Morris Jones enquired as to whether the fees for search agents had been factored into the costs?

Commissioner Byron Davies in reply stated that those figures had not been factored in. There would certainly be a fee but the Council would be well served by it because the key issue to making this a success was to get the right candidates to the posts. Costing in this respect would be reported to the Appointments Committee.

**RESOLVED that having considered the report by the Section 151 Officer, the independent Hay Group report, the views of existing staff, the Legal and Financial advice; to endorse the following recommendations of the Appointments Committee held earlier in the day:-**

**●To fully endorse the intention of Mr. Richard Parry Jones to continue as Chief Executive and statutory Head of Paid Service until further notice and to authorise him, in consultation with Commissioners and the Leader of the Council, to implement the following decisions of the Appointments Committee :-**

- (i) To create four new posts of Deputy Chief Executive, Director of Sustainable Development, Director of Lifelong Learning and Director of Community Services with effect from 1 April, 2012. These posts together with the Chief Executive to form the Senior Leadership Group of the Council. The role of Improvement and Democratic Services to fall within the Deputy Chief Executive role, the role of Director of Social Services to fall within the role of Director of Community and the role of Director of Education to fall within the role of Director of Lifelong Learning.**
- (ii) To implement the salary grades for the new posts as the spot salary at the mid-point of the Hay Group recommended range with a variable team based 'performance' supplement of up to 10% of the spot salary for the Senior Leadership Group.**
- (iii) To implement the process for deciding on any salary supplement as set out in the report through arranging the appointment of an independent facilitator/arbitrator by April 2013 to consider the Chief Executive's Outcome Report on 2012-13, to be submitted to the Council Executive and Corporate Scrutiny by November 2013.**
- (iv) Create the two new posts of Head of Function (Resources) and Head of Function (Legal and Administrative Services). The role of statutory Section 151 Officer to fall within the role of the Head of Function (Resources) and the Monitoring Officer role within the Head of Function (Legal and Administrative Services).**
- (v) To delete the current Director of Finance, Director of Education, Director of Social Services, Director of Highways, Environment and Planning, and Monitoring and Democratic Services posts with effect from the filling of the new posts within the Senior Leadership Group and Heads of Function level.**

- (vi) To arrange that current postholders, whether permanent or temporary, will be eligible for consideration for new posts on the basis of a matched assimilation and/or to apply for the new posts created at Senior Leadership Group and Head of Function level.
- (vii) To implement the appointment process as set out in the report and that any existing postholders seeking assimilation would be required to demonstrate an 80% match through comparison of job description and person specifications between the existing and new posts. The Chief Executive will report to the Appointments Committee in January 2012 for decisions on assimilation or any other adjustments.
- (viii) To implement the assimilation process to be completed in January 2012, by the Appointments Committee before advertising for any remaining new posts in February 2012 and the advertising of any new post to be on the basis of individual applicants or joint appointment applicants from neighbouring public bodies.
- (ix) To arrange for any individual affected by these proposals to access the Council's existing policies relating to redundancy, severance and detriment arrangements and this will be effective up to 1 April, 2012. The Council will need to review the existing policies in the light of the final budgetary settlement in the context of affordability and practicality as part of the 2012/13 budget process.
- (x) To implement changes to the Head of Service (Finance, ICT, HR and Policy) posts and to refer these roles together with all other Heads of Service for Job Evaluation during 2012/13 when the job evaluation for all Council employees will be addressed along with the job evaluation of all Council employees by the Pay and Grading Committee during 2012/13. Until the job evaluation process is completed for the Heads of Service, honoraria payments will be made to reflect any additional duties in their new requirements within the Head of Service role as a result of this report.
- (xi) To continue the engagement of the Hay Group to provide an independent assessment of 80% matching assimilation claims for settlement during January 2012, to provide an independent assessment of all shortlisted candidates for new posts during March 2012 and to complete the Head of Service Job Evaluation during the first quarter of 2012/13.
- (xii) To engage 'Search Agents' to identify any suitable individual candidates or neighbouring public sector organisations who will consider making shared appointments to Senior Leadership Group and vacant Heads of Function posts after the assimilation process. The 'Search Agents' to prepare an advertisement in January 2012, advertise any vacant post in a local and national newspapers and local government professional journals in February 2012, prepare a long-list of candidates for each post for consideration by the Appointments Committee in March 2012 for shortlisting.

●To authorise any consequential amendments to policies or Constitution required to implement the decisions, and refer any changes to the Constitution Working Party.

The meeting concluded at 1:15pm

**COUNCILLOR G.O.JONES**  
**CHAIR**

