

# Public Document Pack



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

Mr Richard Parry Jones, BA, MA.  
Prif Weithredwr – Chief Executive

CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
Swyddfeydd y Cyngor - Council Offices  
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<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>	
<b>PWYLLGOR GWAITH</b>	<b>THE EXECUTIVE</b>	
<b>DYDD LLUN, 7 IONAWR 2013 10.00 o'r gloch</b>	<b>MONDAY, 7 JANUARY 2013 10.00 am</b>	
<b>SIAMBR Y CYNGOR – SWYDDFEYDD Y CYNGOR, LLANGFNI</b>	<b>COUNCIL CHAMBER - COUNCIL OFFICES, LLANGFNI</b>	
Rheolwr Gwasanaethau Pwyllgor	<b>Mr John Gould</b> <b>(01248) 752 515</b>	Committee Services Manager

**Annibynnol Gwreiddiol/Original Independent**

R LI Hughes, K P Hughes, O Glyn Jones, B Owen and G O Parry MBE

**Plaid Cymru/The Party of Wales**

T LI Hughes and R G Parry OBE

**Plaid Lafur/Labour Party**

W J Chorlton

COPI ER GWYBODAETH / COPY FOR INFORMATION

I Aelodau'r Cyngor Sir / To the Members of the County Council

Bydd aelod sydd ddim ar y Pwyllgor Gwaith yn cael gwahoddiad i'r cyfarfod i siarad (ond nid i bleidleisio) os ydy o/hi wedi gofyn am gael rhoddi eitem ar y rhaglen dan Reolau Gweithdrefn y Pwyllgor Gwaith. Efallai bydd Bwrdd y Comisiynwyr yn ystyried ceisiadau gan aelodau sydd ddim ar y Pwyllgor Gwaith i siarad ar faterion eraill.

A non-Executive member will be invited to the meeting and may speak (but not vote) during the meeting, if he/she has requested the item to be placed on the agenda under the Executive Procedure Rules. Requests by non-Executive members to speak on other matters may be considered at the discretion of the Board of Commissioners.

## A G E N D A

**1     DECLARATION OF INTEREST**

To receive any declarations of interest from any Member or Officer in respect of any item of business.

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

No urgent matters at the time of dispatch of this agenda.

**3     MINUTES (Pages 1 - 4)**

To submit for confirmation, the minutes of the meeting of the Executive held on 3<sup>rd</sup> December, 2012.

**4     INITIAL PROPOSALS FOR THE 2013-14 BUDGET (Pages 5 - 20)**

To submit the report of the Interim Head of Function (Resources)

## THE EXECUTIVE

### Minutes of the meeting held on 3<sup>rd</sup> December, 2012

- PRESENT:** Councillor Bryan Owen (Leader)(Chair)  
Councillor K.P.Hughes (Vice-Chair)
- Councillor W.J.Chorlton, R.LI.Hughes,  
T.Lloyd Hughes, G.O.Parry,MBE, R.G.Parry,OBE.
- IN ATTENDANCE:** Chief Executive  
Deputy Chief Executive  
Director of Sustainable Development  
Director of Community  
Director of Lifelong Learning  
Interim Head of Function (Resources)  
Head of Service (Finance)(Items 3 & 4 only)  
Legal Services Manager (Item 5 only)  
Committee Services Manager
- APOLOGY:** Councillor O.Glyn Jones

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#### **1 DECLARATION OF INTEREST**

Councillor R.G.Parry,OBE, declared an interest in Item 5 of these minutes and was not present at the meeting during any discussion or voting thereon.

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

None to declare.

#### **3 2013/14 BUDGET STRATEGY UPDATE**

##### **3(a) Review of Financial Reserves and Balances**

Submitted for information – The report of the Interim Head of Function (Resources) and Section 151 Officer updating previous assessments of financial reserves and advising on the potential release of small amounts from earmarked and restricted reserves as a one-off contribution to protect general balances during the current year.

Members were of the opinion that the limit for the carry forward of reserves within Services should be amended to 0.5% of budget (compared to the present 1%) from the end of 2013-14. This would then assist the 2014-15 budget.

## RESOLVED

- **To note the contents of the report;**
- **That the limit for the carry forward of Service reserves be amended to 0.5% of budget from the end of 2013-14, except where a commitment has been approved in advance.**

### **3(b) Update to Budget Strategy and Initial Draft Revenue Budget 2013-14**

Submitted – The report of the Interim Head of Function (Resources) and Section 151 Officer on the budget assumptions and the effect of the provisional settlement.

Reported – That the content of the Budget was not prescribed, but its timetable required the co-operation of the Executive, Scrutiny and full Council before adoption in March 2013. An all Member workshop had been established for 4<sup>th</sup> December, 2012 to go through the options for growth and savings. The initial proposals for the budget would be presented to the Executive in January and thereafter the completion of a consultation document covering both strategy and annual budget issues, should serve both the requirements of the Constitution and public consultation.

Members requested officers to provide further information to the Executive as regards the position of the pension fund and the costs of energy.

## RESOLVED

- **To adopt the draft standstill budget as a basis for the 2013-14 revenue budget;**
- **To seek to make sufficient savings in 2013-14 to balance the revenue budget without use of reserves;**
- **To plan to cover unavoidable costs of severance or other one-off costs of delivering savings without the use of reserves;**
- **That the Interim Head of Function (Resources) be requested to provide the Executive with further information as regards the position of the pension fund and the costs of energy.**

## **4 NATIONAL PROCUREMENT SERVICE**

Submitted for information – The report of the Head of Service (Finance) seeking the Executive's approval to join the proposed Welsh Public Sector National Procurement Service.

Members expressed concern regarding the ability and intentions of the NPS to provide a bilingual service consistent with the requirements of the Council's language scheme. They felt that it was important that local businesses should be given the opportunity to use the Welsh language and that they be given fair consideration in that respect.

**RESOLVED to commit in principle to joining the National Procurement Service for the procurement of common and repetitive goods and services for an initial period of 5 years, subject to receiving further information on the management arrangements for the service and assurances that the implementation of the proposal will not restrict this Council from complying with its statutory Welsh Language Plan.**

## **5 PLANNING MATTERS PROCEDURE RULES**

Submitted – A joint report by the Legal Services Manager and the Head of Service (Planning and Public Protection) seeking approval to make permanent changes to the Planning Matters Procedure Rules of the Council Constitution, following the end of the 12 month trial period.

Members considered that the trial period should be extended by a further 12 months, on the basis that there would be a 25% reduction in the number of members following the May 2013 election which by necessity would reduce the membership and quorum of the Planning and Orders Committee. It was also highly likely that there would be new Members on the Council after the election and therefore the new Council should be afforded the opportunity to evaluate the position at the end of that extended trial period.

**RESOLVED to recommend to the County Council that the changes made to the Council's Constitution by the Minister to the Rules (for a trial period of 12 months from 20 November, 2011) be extended for a further trial period of 12 months.**

*(Councillor R.G.Parry,OBE, declared an interest in the matter and was not present at the meeting during any discussion or voting thereon).*

The meeting concluded at 11:30 a.m.

**COUNCILLOR BRYAN OWEN  
CHAIR**

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<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>REPORT TO</b>	<b>EXECUTIVE COMMITTEE</b>
<b>DATE</b>	<b>7 JANUARY 2013</b>
<b>SUBJECT</b>	<b>INITIAL PROPOSALS 2013-14 BUDGET</b>
<b>PORTFOLIO HOLDER(S)</b>	<b>COUNCILLOR JOHN CHORLTON</b>
<b>LEAD OFFICER(S)</b>	<b>INTERIM HEAD OF FUNCTION (RESOURCES)</b>
<b>CONTACT OFFICER</b>	<b>GILL LEWIS (EXT. 2620) EINIR WYN THOMAS (EXT. 2605)</b>
<b>Nature and reason for reporting</b>	
To enable the Executive to prepare its initial budget proposals for consultation.	

**A – Introduction / Background / Issues**

**1. BACKGROUND**

**1.1 Earlier Decision**

**1.1.1** The Executive at its meeting on 3 December approved a base budget and identified a budget gap based on the provisional settlement. The provisional budget gap for 2013-14 was £3.45 million with a £10 million gap over the three years to 2015-16.

**1.1.2** The Board of Commissioners had approved a savings target of 7% for services at its meeting in July, which was set at a figure higher than the budget gap in order to be able to prioritise and the responses to the target were challenged by a workshop of all members on 4 December.

**1.2 The Chancellor’s Autumn Statement**

**1.2.1** The Chancellor presented his Autumn Statement on 5 December 2012. This gave an update on public finances and the economy.

**1.2.2** Although this was not expected to impact significantly on the final funding announcements for 2013-14, it did give an indication of the direction of travel and provided key information in respect of Council Tax support.

**1.2.3** The Statement was generally similar to last year, focusing on reductions in growth and lengthening the expected period of cuts:

- There was much in the Chancellor’s Statement and the report of the Office for Budget Responsibility about the UK’s economic prospects. GDP is expected to contract by 0.1% this year and then expand gradually over the next 5 years.

- The Welsh Government's Budget beyond the current Spending Review period will depend on the outcome of next year's Spending Review. The outlook is for further austerity. To eliminate the deficit, the Chancellor has said that there will be real cuts in UK spending on public services extending into 2017-18.
- There are revenue reductions, including further cuts to welfare benefits that are being made by the Chancellor.

There was news about Non domestic rates in England:

- The Government will extend the temporary doubling of the Small Business Rate Relief scheme for a further 12 months from 1 April 2013.
- In addition, the Government will exempt all newly built commercial property completed between 1 October 2013 and 30 September 2016 from empty property rates for the first 18 months.

We understand that the Small Business Rate Relief is to be extended in Wales too, but that it is unlikely that the provision for empty property will be introduced in Wales because conditions are different here.

The key points for Wales were:

- Good news for Wales in the increased capital allocation that the Welsh Government will receive, but this is partly funded by revenue cuts and it does not compensate for previous cuts to our capital budgets;
- A revenue increase of £16.651million for Wales (but see next paragraph);
- The Chancellor said the UK Government had accepted recommendations from pay review bodies not to press ahead with regional pay.

The implication of the Autumn Statement for Wales initially looks like, in 2013-14, a revenue increase of £16.651million. However, the revenue totals include a Barnett consequential for an extension to the Small Business Rate Relief Scheme. If WG choose, as they have done previously, to participate in the UK level scheme, they will forego the consequential. If this adjustment is taken into account, the overall picture in 2013-14 is a revenue decrease of £6.389 million.

### **1.3 Final Local Government Settlement**

**1.3.1** The Final Settlement was published on 11 December and confirmed:

- That the funding for the Council Tax Support scheme would increase by £8 million, but that the funding would be within the settlement;
- That there would be a topslice from the settlement of £10 million for a Regional Collaboration Fund. Guidance was made available;
- There were no floor or damping arrangements;
- Specific Grants were transferred into the settlement as planned – the figures changed;
- Aggregate External Finance increased by £266k for Anglesey.



## 1.4 The Council Tax Support Scheme

1.4.1 The Chancellor's Statement informed WG that the amount available for Council Tax Support in 2013-14 is £222 million (£223 million for 2014-15). WG have determined that this translates into a maximum liability of 90%. This means that councils in Wales are left to pick up the shortfall.

1.4.2 Our calculations, based on detailed financial modelling, show that there is a shortfall of £120k based on the current council tax benefit caseload; 90% maximum liability; and 5% increase in council tax. The Council is also exposed to variances in caseload which have been projected at up to 4%. The range of assumptions is £150k to £300k, and our advice is that the Council should budget for at least £200k shortfall on Council Tax Support next year.

## 2. STANDSTILL BUDGET AND BUDGET GAP

### 2.1 Changes

2.1.1 Based on the above changes and on work being done between the Finance Service and budget holders, the following amendments have been made to the base budget, bringing the gap to £3.495m. This is shown at Appendix A and then at Appendix B with the inclusion of suggested savings.

Amendment	£000	Comments
Council Tax Support	157	
Increase in Settlement	-266	
Increase in inflation projection	125	for contracts to be agreed for next year
Reduction in other grants	29	
<b>Total</b>	<b>45</b>	

2.1.3 The main areas of uncertainty are now:-

- Council Tax Support as outlined above;
- Future of some hypothecated revenue grants to be announced over the next months;
- Inflation on a small number of contracts;
- Out-turn for the current year and its effect on the level of balances.

2.1.3 Included in the budget as a result of the decisions of others are precepts, levies and contributions to joint committees. Precepts and levies will not generally be available until late February, just before budget setting. Both the police precept and community council precept are shown separately on the council tax bill. The other items are:-

- **North Wales Fire and Rescue Authority**
- **Internal Drainage Board**
- **Coroners**
- **Board of Conservators of Towyn Trewan**

### 2.2 Pressures

2.2.1 Pressures identified in the previous report are still being discussed and refined so that they can be incorporated at an appropriate level.

Pressure	£000	Comments
Looked after Children	600	can be reduced to £300k by using existing budgets
Pension Auto- enrolment	200	Can be deferred
Welfare Reform	200	
Schools Protection	500	
<b>From Medium Term Revenue Budget Strategy</b>		
Additional Job Evaluation contingency	400	Most recent profile shows not required until 2014-15
Additional Unsupported Borrowing contingency	200	Most recent profile shows not required until 2014-15

### 3. BUDGET STRATEGY

#### 3.1 Savings Proposals

3.1.1 Savings proposals were achieved by all services against the 7% targets set. The achievability of these savings was mixed, and a number of services found it difficult to offer up sustainable savings and offered more realistic efficiency savings in future years.

3.1.2 Service officers have worked with the service accountants to assess how achievable the proposals are in the short term. Comparative expenditure levels for local authorities and budget pressures were also taken into account.

3.1.3 The savings proposals are shown at Appendix C as a long list of potential savings. The appendix also shows a suggested amended target against each saving based on the achievability of proposals.

#### 3.2 Growth Bids

3.2.1 In a period of cuts to external funding and shrinking budgets across all services, growth bids are invited in the expectation that only limited growth can be allowed. The main growth issues of demand and response to key pressures are considered separately. A list of bids is shown at Appendix Ch.

3.2.2 The bids received, not already included elsewhere in the budget deliberations, and prioritised at this stage are as follows:

Bid	£	Comments
Adoption and Fostering Panel representation - Reference 17	27,650	New burden
Court Ordered Remands - Reference 18	28,110	New burden
Transition Working - Reference 20	28,130	Pilot phase coming to an end
Energy Island Programme (EIP) - Reference 14	300,000	

#### 3.3 Schools Budgets

3.3.1 The Minister confirmed in both the draft and final settlements that he wished to protect schools budgets for a further year. This increase, when fed into the 2013-14 budget, gives an uplift for schools of 2.08%. However, there are other issues that affect the eventual distribution to schools:

- **Demographics:** This is the effect of changing pupil numbers which for 2013-14 is minimal;
- **Projected budget position for 2102-13:** As reported to Members previously, there is a significant overspend on the education integration budget for 2012-13 that has continued for a number of years. If this level of spend continues in 2013-14 it will absorb the protection afforded to schools.

The delegated budget for 2013-14 (excluding grants) is £38.61m.

#### 4. CONTINGENCIES, RESERVES AND BALANCES

##### 4.1 Contingencies

4.1.1 The main assumptions for contingencies in the December report have now been updated as follows:-

Contingency	£000	Comments
Job Evaluation	900	Funds ongoing work and contribution to the Reserve. Could be reduced by half, say, as a one off.
Performance	190	Funded from Outcome Agreement Grant. May be increased by any unallocated/ unused funds from previous years, and potentially by qualifying for the full grant.
Cost of Change	500	Suggested level
Severance	1,000	As previous years at slightly reduced level
Process Contingency	500	Becomes General Contingency at the end of the budget process, after review
Specific Contingency	400	Contingency for known risks – now transferred outside service budgets
Contribution to balances	0	

##### 4.2 Reserves and Balances

4.2.1 The annual report on reserves and balances was considered by the Executive at its meeting on December 3. It was suggested that a small sum could be released from earmarked reserves and that a contribution to reserves would be required. These aspects will be kept under review.

4.2.2 As a result of a recent Audit Commission report on English local authorities, reserves and balances are, once again, the subject of discussion. English local authorities are criticised for increasing reserves in a period of budget cuts. The response by CIPFA is relevant to this Authority too, including:

- Reserves are an important component of councils' financial planning but they are not a silver bullet solution to financial problems;
- Judgements about reserves - to what extent they should be used or set aside to meet either specific or unforeseen future liabilities - can only be made locally within individual organisations;
- Local decisions should be taken by councillors having regard to clear and full information and advice provided by Chief Finance Officers.

Steve Freer, CIPFA's Chief Executive is quoted as saying:

“We have to be extremely careful about using one-off reserves to fund shortfalls in recurring funding. Reserves are not a long term solution. At best they buy time to enable service changes to be planned and implemented in an orderly way. In these circumstances it is important that councils explain clearly to the public the actions and implications for services which are expected to follow in the medium and longer term.”

## **5. MEDIUM TERM STRATEGY AND EFFICIENCY STRATEGY**

### **5.1 Medium Term Revenue Budget Strategy**

- 5.1.1** Having updated the strategy for the assumptions relating to inflation, and brought the gap down to £10 million, it should be possible to protect front line services by ensuring that real efficiencies are driven out of budgets over the three year period. In order to buy time to modernise the services, a strategy is being developed based on reprofiling and deferring contributions for time sensitive spending; applying for capitalisation directions to spread the cost of equal pay compensation as appropriate; deferring contributions to earmarked reserves on a one off basis.
- 5.1.2** Ynys Môn is planning significant transformation for some of its services, particularly in response to demographic pressures and regulators reports and to improve the delivery of services for the future. Planning for transformation takes time, and the base budget level and capacity of the Council has made this difficult to implement changes as quickly as we would have hoped.
- 5.1.3** The decisions made in preparing the standstill budget and subsequently reducing the 'gap', will need to be re-visited and reviewed through 2013-14, and in preparing the budget for 2014/15, having allowed some time in 2013-14 to implement transformational change.

### **5.2 Efficiency Strategy**

- 5.2.1** This report sets out the on-going preparation of the 2013-14 budget. Alongside this is a programme of work, looking at the development of an efficiency strategy to cover a further three years to correspond with the term of the new Council.
- 5.2.2** Service reviews have been undertaken on all services and have included Heads of Service, senior officers and politicians and finance and policy officers. The service reviews have considered the vision for each of the services, the transformation needed to deliver on the vision, opportunities for efficiencies, effectiveness and external collaboration and opportunities to work smarter and collaborate internally to improve delivery.
- 5.2.3** The efficiencies have been drawn together to produce a draft efficiency strategy that will be brought back to Members in the New Year. Further work is needed to quantify some of the efficiencies to be gained from transformation and to deliver the level of savings needed for the next 4 years.

### 5.3 Programme Management Arrangements

5.3.1 The Council has been working with a number of Partners to develop an Operating model and, from that, to develop a Transformation Plan. The 3 year Transformation Plan is in the process of being finalised, but one of the more important aspects of the delivery of the plan is setting up a Programme Management Office.

5.3.2 Within the 3 year plan are two initial '90 day cycles,' which are intense programmes of work with tasks and accountabilities identified in detail. All work will be delivered through 3 new Programme Boards which will be managed to SLT and the Executive through the Programme Office. The efficiency strategy will be managed through the Programmes.

## 6. OPTIONS FOR A PROPOSED BUDGET PACKAGE

### 6.1 Base proposal

6.1.1 Based on an assessment of the savings proposals and on initial consultation with officers and Members, I am able to suggest an initial budget package as follows:-

Base	Comments
5% increase in council tax	
Defers elements of the medium term financial plan to reflect reprofiling	
Defers some planned funding for Job Evaluation and reduces contributions to earmarked reserves	
Allows for £1.5m Cost of Change and £0.5m contribution to balances	
Protects schools	see above
Increases funding for Looked after Children and provides demographic increases for social care	In line with pressures seen in other authorities
Protects corporate services for another year to allow significant transformation of back office functions	Enables future year savings
Leisure services given time to rationalise the service	Enables future year savings
Adult Social Care given time to transform service	Enables future year savings
Minimal growth	
Address Energy Island programme on the basis that expenditure will be covered by future income	

6.1.2 The effect of this base proposal is shown at Appendix B with the detail at Appendix C and Ch. A number of options are available around this proposal and can be included in the consultation paper.

6.1.3 The calculation of the Council Tax is that each 1% increase produces £265k. This means that each 1% below the planned 5% council tax increase widens the budget gap by £265k for next year and for the future. My advice is that the tax increase should remain at 5%, as planned.

Council Tax Increase	Produces £ 000	pence per week Band D dwelling
5%	1,327	86p
4.5%	1,194	77p
4%	1,061	69p
3.5%	929	60p

## 7. MATTERS FOR DECISION

7.1 To update the standstill budget for items at paragraphs 2 and 4.1 so that the budget gap becomes £2.845 million.

7.2 Based on the draft proposal at paragraph 6, the Executive is invited to approve an initial budget package for consultation.

B – Considerations		
see above		
C – Implications and Impacts		
1	Finance / Section 151	author
2	Legal / Monitoring Officer	
3	Human Resources	
4	Property Services (see notes – separate document)	
5	Information and Communications Technology (ICT)	
6	Equality (see notes – separate document)	
7	Anti-poverty and Social (see notes – separate document)	
8	Communication (see notes – separate document)	
9	Consultation (see notes – separate document)	
10	Economic	
11	Environmental (see notes – separate document)	
12	Crime and Disorder (see notes – separate document)	
13	Outcome Agreements	
CH – Summary		
<p>The standstill budget and other budget information are updated for the final settlement and for other items.</p> <p>Having considered the savings and growth proposals, an initial budget package has been prepared with a number of potential options for consultation.</p>		

**D – Recommendation**

That the Executive approves an initial budget proposal for formal consultation and delegates to the Head of Function (Resources) in consultation with the Portfolio Holder for Resources the authority to finalise the budget consultation document.

**NAME OF AUTHOR OF REPORT: GILL LEWIS**

**JOB TITLE: INTERIM HEAD OF FUNCTION (RESOURCES)**

**DATE: 21 DECEMBER 2012**

**Appendices:**

- A Summary of Draft Standstill Budget and Budget Gap 2013-14
- B Proposed Savings and Growth 2013-14
- C Summary of Proposed Savings
- Ch Summary of Growth Bids 2013-14 Budgets

**Background papers**

Welsh Government final Settlement December 2012

**APPENDIX A - Summary of draft standstill budget and budget gap 2013-14**

**Isle of Anglesey County Council**

Directorate	Draft Standstill Position after provisional settlement 03-Dec	Final Settlement changes	Amended Assumptions	Revised Gap before savings
	£000	£000	£000	£000
Lifelong Learning (including schools)	47,485			47,485
Community Services	31,883	-	85	31,798
Sustainable Development	22,592	-	190	22,402
Deputy Chief Executive	8,316		29	8,345
Corporate and Democratic Costs	2,269		-100	2,169
Council Tax Support - additional responsibilities	4,468		157	4,825
Levies	3,223			3,223
Capital Financing and Interest	7,185			7,185
Recharges to HRA/ DSO	-	358		-
Affordable Priorities Programme Initiatives (savings)	-	480		-
<b>Total</b>	<b>126,583</b>	<b>-</b>	<b>89</b>	<b>100</b>
			<b>100</b>	<b>126,594</b>
Outcome Agreement Grant	-	545		-
Improvement Contingency	190			190
Process Contingency	500			500
General Contingency	-			-
Job Evaluation Contingency	900		-450	450
<b>Sub Total Standstill Budget</b>	<b>127,628</b>	<b>-</b>	<b>89</b>	<b>350</b>
			<b>350</b>	<b>127,189</b>
<b>From Medium Term Plan:</b>				
Additional Job Evaluation Contingency	400		-400	-
Additional Unsupported Borrowing Contingency	200		-200	-
<b>Pressures:</b>				
- Looked after Children	600			600
- Autoenrolment	200		-200	-
- Welfare Reform	200			200
- Schools Protection	500			500
				-
Severances Contingency	1,000			1,000
Cost of change Contingency	500			500
Other Specific Contingency		400		400
Contribution from/ to Balances	-		500	500
<b>Total before Savings</b>	<b>131,228</b>	<b>311</b>	<b>-</b>	<b>650</b>
				<b>130,889</b>
<b>Funded by:</b>				
Aggregate External Funding	99,961	266		100,227
Council Tax	27,867			27,867
Discretionary Rate Relief	-	50		-
<b>Total Funding</b>	<b>127,778</b>	<b>266</b>	<b>-</b>	<b>128,044</b>
<b>Funding Gap</b>	<b>3,450</b>	<b>45</b>	<b>-</b>	<b>650</b>
				<b>2,845</b>



**APPENDIX B - Proposed Savings and Growth 2013-14**

**Isle of Anglesey County Council**

Directorate	Summary of savings proposals (Options are set out in Appendix C)	Summary of Growth proposals (Options are set out in Appendix CH)	Proposed Budget
	£000	£000	£000
Lifelong Learning (including schools)	-250		47,235
Community Services	-965	84	30,917
Sustainable Development	-1486		20,916
Deputy Chief Executive	-169		8,295
Corporate and Democratic Costs	-70		1,980
Council Tax Support - additional responsibilities			4,825
Levies			3,223
Capital Financing and Interest			7,185
Recharges to HRA/ DSO			-
Affordable Priorities Programme Initiatives (savings)			-
<b>Total</b>	<b>- 2,940</b>	<b>84</b>	<b>123,738</b>
Outcome Agreement Grant			-
Improvement Contingency			545
Process Contingency			190
General Contingency			500
Job Evaluation Contingency			-
<b>Sub Total Standstill Budget</b>	<b>- 2,940</b>	<b>84</b>	<b>124,333</b>
<b>From Medium Term Plan:</b>			
Additional Job Evaluation Contingency			-
Additional Unsupported Borrowing Contingency			-
<b>Pressures:</b>			-
- Looked after Children			600
- Autoenrolment			-
- Welfare Reform			200
- Schools Protection			500
			-
Severances Contingency			1,000
Cost of change Contingency			500
Other Specific Contingency			400
Contribution from/ to Balances			500
<b>Total before Savings</b>	<b>- 2,940</b>	<b>84</b>	<b>128,033</b>
<b>Funded by:</b>			
Aggregate External Funding			100,227
Council Tax			27,867
Discretionary Rate Relief			-
			50
<b>Total Funding</b>	<b>-</b>	<b>-</b>	<b>128,044</b>
<b>Funding Gap</b>	<b>- 2,940</b>	<b>84</b>	<b>- 11</b>

Summary Of Proposed Savings			
<b>Lifelong Learning</b>			
Savings Target	-250,000		
Original Savings Target 7%	-3,743,230		
		<b>Savings identified</b>	<b>Brief Description</b>
Education Service	-449,950	-60,000	Repairs & Maintenance (Primary) - Reference A
		-40,000	Dyslexia - Reference A
		-75,000	Repairs & Maintenance (Secondary) - Reference A
		-6,000	Maintenance (Llangefni Building) - Reference A
		-28,980	Inclusion (Secondary Behaviour)- Reference A
		-12,970	Ysgol y Bont Support - Reference A
		-77,000	10% cuts across all headings - Supplies & Services - Reference A
		-50,000	Cynnal/GEGYR (minimum) - Reference A
		-100,000	School Meals (7 months) - Reference A
Youth Service	-56,150	-4,000	Youth Justice - Reference B
		-12,490	Community Wardens - Reference B
		-4,000	Jesse Hughes Youth Club (cut staff hours) - Reference B
		-11,540	Close 5 Youth Clubs - Reference B
		-5,180	Reduce Hours Area Leaders - Reference B
		-8,000	Cut additional youth activities - Reference B
		-1,000	Cut grant Young Farmers - Reference B
		-9,940	Transfer Penmynydd and sell Llansadwrn - Reference B
<b>Total</b>	<b>-506,100</b>		
<b>Deputy Chief Executive</b>			
Savings Target	-239,000		
Original Savings Target 7%	-578,640		
		<b>Savings identified</b>	<b>Brief Description</b>
All Services	-578,000		Maximum 2% from Supplies and Services. All other savings would be achieved by cutting staff (approximately 15 posts) - effectively rolling back the investment and protection of the last two years.
Central Services	-50,000		Staffing/Supplies and Services
Policy Service	-20,000		Corporate savings on postages/use of pre paid envelopes - Reference E
Corporate and Democratic Costs	-169,000	-50,000	Reductions in transactional processing costs following implementation of Finance and HR systems and other initiatives
		-20,000	Reduction in total cost of Members' Allowances (end of intervention/reduction in number of Members)
		-50,000	Reduction in audit fees as result of reduction in numbers of specific grant audits.
		-10,000	Training budget (corporate) - Reference C
		-39,000	Training budget (services) - Reference C
<b>Total</b>	<b>-239,000</b>		
<b>Sustainable Development *</b>			
<b>Planning/Public Protection</b>			
Savings Target	-200,000		
Original Savings Target 7%	-277,810		
		<b>Savings identified</b>	<b>Brief Description</b>
Planning	-154,000	-40,000	Staff secondment to Ynys Ynni - Reference F
		-37,000	Joint Planning Policy Unit Savings - Reference F
		-10,000	Supplies & Services - Reference F
		-10,000	Pre-Application Fees - Reference F
		-3,000	General Fees - Reference F
		-10,000	Professional consultancy services - Reference F
		-5,000	Open Spaces budget - Reference F
		-14,000	Building Control Collaboration Project - Reference F
		-25,000	Property and Environment Grant Fees - Reference F
Public Protection	-130,000	-100,000	Proposed Staff Restructuring
		-10,000	Increase in selected fees and charges above the corporate ceiling of 2% - Reference G
		-5,000	Income from Ynys Ynni - Reference G
		-15,000	Efficiency changes in supplies and services budget (including CIVICA contract) - Reference G

Summary Of Proposed Savings			
<b>Total</b>	<b>-284,000</b>		
<b>Waste Management Services</b>			
<b>Savings Target</b>	<b>-400,000</b>		
<b>Original Savings Target 7%</b>	<b>-730,930</b>		
	<b>Savings identified</b>	<b>Brief Description</b>	
	-227,500		Close All Public Conveniences - Reference H
	-106,000		a) Waste Haulage from Penhesgyn and b) Residual Waste Disposal - Reference J
	-125,000		Street Cleansing Service - Reference K
<b>Total</b>	<b>-458,500</b>		
<b>Property Service</b>			
<b>Savings Target</b>	<b>-200,000</b>		
<b>Original Savings Target 7%</b>	<b>-239,290</b>		
	<b>Savings identified</b>	<b>Brief Description</b>	
	-13,390		Reduction in building specialist consultancy budget - £13,390 - Reference L
	-74,440		Efficiency savings by reducing costs and contingencies. - £74,440 - Reference M
	-34,400		Holyhead Fishdock Dockmaster Deletion of Post - £34,400 - Reference N
	-5,500		Delete Vacant Posts Architectural Services Team - £5,500 - Reference P
	-2,000		Maritime Income -£2,000 - Reference Q
	-109,580		Proposed Team Restructuring
<b>Total</b>	<b>-239,310</b>		
<b>Highways and Transportation Service</b>			
<b>Savings Target</b>	<b>-600,000</b>		
<b>Original Savings Target 7%</b>	<b>-787,810</b>		
	<b>Savings identified</b>	<b>Brief Description</b>	
	-190,000		Withdrawal and major reductions in 7 bus services - £190,000 - Reference T
	-66,000		Reduce road safety & footpath maintenance budgets and increase car parking charges - £66,000 - Reference U
	-343,000		Reduction in highway infrastructure maintenance - £343,000 - Reference V
	-169,240		Restructuring resulting in staff savings, reduction in call out budgets, and supplies and services - £169,240 - Reference W
	-19,750		Increase use of Council vehicles and hired vehicles in place of travelling expenses - £19,750 - Reference X
<b>Total</b>	<b>-787,990</b>		
<b>Economic Development Service</b>			
<b>Savings Target</b>	<b>-86,270</b>		
<b>Original Savings Target 7%</b>	<b>-86,270</b>		
	<b>Savings identified</b>	<b>Brief Description</b>	
	-38,530		Contingency - £38,530 - Reference Y
	-1,670		Pre-Paid envelopes - £1,670 - Reference Y
	-302		Computer Sundries - £302 - Reference Y
	-11,768		Partnership Funding - £11,768 - Reference Y
	-10,000		Business Services - £10,000 - Reference Y
	-7,320		North Wales Film Institute - £7,320 - Reference Y
	-4,290		Culture Tourism Project - £4,290 - Reference Y
	-12,390		Cruise Marketing - D160£12,390 - Reference Y
<b>Total</b>	<b>-86,270</b>		
* Savings target for Directorate has been set lower than total of identified savings proposals:			
(a) To allow flexibility in selection of options, some of which have significant service impacts			
(b) To recognise that, although most bids have been individually assessed as being achievable with limited service impact, it is likely that some will prove more difficult than others to implement, so again some flexibility is needed			
(c) The Directorate has made a number of Growth Bids which have not been recommended for approval - the savings target set allows for the option of incorporating some growth items by implementing savings in excess of the recommended target			
<b>Community</b>			
<b>Housing Service</b>			

Summary Of Proposed Savings		
Savings Target	-65,000	
Original Savings Target 7%	-159,880	
	<b>Savings identified</b>	<b>Brief Description</b>
	-25,000	Estate Management Officer with responsibility for Private Sector Leasing properties - Reference Z
	-5,000	Replacing existing photocopiers and printers with more modern equipment, an 'all-in-one machines' which scans, photocopies and prints, which are networked into the IT system - Reference AA
	-20,000	Budget realignment with HRA - Reference AC
	-16,490	Clerical assistant - Reference AD
<b>Total</b>	<b>-66,490</b>	
<b>Social Services - Children's Services</b>		
Savings Target	-300,000	
	<b>Savings identified</b>	<b>Brief Description</b>
	-17,580	Joint Funding SCS Integrated Manager - Reference AF
	-18,670	ACTIVITIES CO-ORD(SOC.EXCL) - Reference AG
	-5,000	Charing Capacity – Terminate use of Sessional Chairs of Case Conferences and Statutory Reviews - Reference AH
	-33,400	Bryn Hwfa - Manager Post - Reference AI
	-150,000	Queens Park has been closed during 2010/11 – Most staff were either made redundant or redeployed during 2011/12 - Reference AJ
	-74,150	Service Level Agreements with the Voluntary Sector - Reference AQ
	-12,812	Family Support Budgets Reference AR
<b>Total</b>	<b>-311,612</b>	
<b>Social Services - Adults' Services</b>		
Savings Target	-500,000	
	<b>Savings identified</b>	<b>Brief Description</b>
	-500,000	RATIONALISATION/TRANSFORMATION OF ADULTS' SERVICES COMMISSIONING - Reference AK/General review of Provider Unit budgets and costs - Reference AL
<b>Service Total</b>		
<b>Social Services Total</b>	<b>-800,000</b>	
<b>Original Savings Target 7%</b>	<b>-2,627,890</b>	
<b>Leisure and Culture</b>		
Savings Target	-100,000	
Original Savings Target 7%	-199,010	
	<b>Savings identified</b>	<b>Brief Description</b>
	-33,400	Delete Community Librarian post from the establishment
	-48,000	Income Raising Opportunity: 'Drawn to the Light', Sir Kyffin Williams and Venice, 2013 Exhibition [20/07/2013 – 02/02/2014] - Reference AM
	-16,460	Deletion from establishment of Library Assistant Post - Reference AN
	-15,000	Rationalisation of library cleaning arrangements - £15,000 - Reference AO
	-5,000	Reduction in book fund - Reference AP
<b>Total</b>	<b>-117,860</b>	
<b>Grand Totals</b>		
<b>Savings Target</b>	<b>-2,940,270</b>	
<b>Savings Proposals</b>	<b>-3,597,132</b>	

Summary Of Growth Bids - 2013-14 budget				Proposed as Net Budget Growth (£)	Notes
Service	Service Total (£)	Total Bid (£)	Brief Description		
<b>Lifelong Learning</b>					
Education Service	79,174	13,510	Coordination (part time)CAPITA ONE - Reference 1		Not recommended. Use needs to be made of existing administration resource.
		18,532	Admin support (Northgate) - Reference 2		Not recommended. Use needs to be made of existing administration resource.
		18,532	Admin support (SCT/CRB) - Reference 3		Not recommended. Use needs to be made of existing administration resource.
		28,600	Education Welfare Officer(E.W.O) - Reference 4		Proposed for implementation, but to be funded from within protected budgets.
<b>Deputy Chief Executive</b>					
Policy Service	20,000		Provision to support the Communications Strategy, public engagement and work plans to support the Council's reputation - Reference 5		Not recommended. Relates to unachieved 2012-13 saving and needs to be addressed within the service.
Committee and Legal Services	14,680	11,000	To provide a separate and distinct budget for ICT software licences for Legal Services - Reference 8		Not recommended. Cost results from service decision.
		3,680	To provide a budget to enable audio recordings of the main Council committees to be accessible on the Council website - Reference 9		Not recommended. Alternative provision has been made for funding.
<b>Sustainable Development</b>					
Property Service	71,000	31,000	Reduction in Right To Buy Income budget - Reference 10		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
		15,000	Create a budget to run Caffi Mon (Canteen) - Reference 11		Not recommended. Service was predicated on break-even. If this is not achievable then future provision needs to be reconsidered.
		25,000	Reduction in Income budget - Reference 12		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
Highways and Transportation Service	103,000		Income Generation Deficit - Reduction in Income Budget £103,000 - Reference 13		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
Economic Development Service	300,000		IACC investment and contribution to the Energy Island Programme (EIP) - Reference 14		Suggested for implementation, but as Spend-To-Save bid and not as net service growth.
TBC	13,000		Climate Change Reporting - Reference 15		Not recommended. The recommended overall savings target for the Directorate has been set at a level which will allow this to be accommodated by implementing identified savings options in excess of the target.
<b>Community</b>					
Social Services	132,900	27,650	Adoption and Fostering Panel representation - Reference 17	27,650	Proposed for approval
		28,110	Court Ordered Remands - Reference 18	28,110	Proposed for approval
		28,130	Transition Working - Reference 20	28,130	Proposed for approval
		49,010	TRANSFORMATION + REMODELLING OF ADULTS' SERVICES (COMMISSIONING) - Reference 24		Not recommended. Alternative provision has been made for funding.
Leisure & Culture Service	129,000	6,000	Unbudgeted - Committed Costs: (a) CRB Checks (Average annual costs across the service) : £3,000 (b) PAT Testing (Portable Appliance Testing) : £3,000 - Reference 25		Not recommended. Needs to be met from existing budgets
		30,000	Llangefni Golf Course - Income Expectation - Reference 26		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
		8,000	Library Service - Fines Income Expectation - Reference 27		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
		55,000	Oriel Ynys Môn - Income Expectation Reduction - Reference 28		Not recommended. Difficulties in meeting income targets is a problem across all services. Need to keep growth to a minimum means that services need to maximise income, identify new income streams and target collection rates instead.
		30,000	Archifau Ynys Môn - Anglesey Archives - Reference 29		
	862,754			83,890	

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