

Public Document Pack



CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

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RHYBUDD O GYFARFOD	NOTICE OF MEETING	
PWYLLGOR CYSWLLT Y SECTOR GWIRFODDOL	VOLUNTARY SECTOR LIAISON COMMITTEE	
DYDD GWENER, 17 IONAWR, 2014 am 2 o'r gloch y prynhawn	FRIDAY, 17 JANUARY 2014 at 2.00 pm	
NEUADD SEFYDLIAD Y MERCHED, FFORDD CAERGYBI, LLANFAIRPWLL	WOMEN'S INSTITUTE HALL, HOLYHEAD ROAD, LLANFAIRPWLL	
Swyddog Pwyllgor	Ann Holmes 01248 752518	Committee Officer

AELODAU / MEMBERS

CYNGOR SIR YNYS MÔN / ISLE OF ANGLESEY COUNTY COUNCIL

Cynghorwyr/Councillors Jim Evans, Kenneth P.Hughes, Alun Mummery (*Is-Gadeirydd/Vice-Chair*) Alwyn Rowlands, Ieuan Williams

SECTOR GWIRFODDOL / VOLUNTARY SECTOR

Islwyn Humphreys (Samariaid/Samaritans) (*Cadeirydd/Chair*)
Mrs Dilys Shaw (Medrwn Môn)
Aled Roberts (TARAN)
Eleri Lloyd Jones (Age Cymru)
Cadi Roberts (Merched y Wawr)

IECHYD/ HEALTH

Wyn Thomas, Cyfarwyddwr Cynorthwyol Datblygu Partneriaeth Cymunedol,
BIPBC/Assistant Director of Community Development, BCUHB

A G E N D A

1 DECLARATION OF INTEREST

To receive any declaration of interest by any Member or Officer in respect of any item of business.

2 MINUTES 3RD OCTOBER, 2013 MEETING (Pages 1 - 6)

The minutes of the previous meeting of the Liaison Committee held on 3rd October, 2013 to be submitted for confirmation.

3 MEETING THE CHALLENGES - BUDGET CONSULTATION 2014-15 (Pages 7 - 26)

To consider the Executive's initial proposals for the 2014-15 Budget as set out in the Meeting the Challenges 2014-15 Budget Consultation document.

4 CONTINUITY AND CHANGE - REFRESHING THE RELATIONSHIP BETWEEN THE WELSH GOVERNMENT AND THE THIRD SECTOR

To report on the outcome of the Welsh Government Consultation on *Continuity and Change – Refreshing the Relationship between Welsh Government and the Third Sector in Wales*.

5 TRANSFORMATION PROGRAMME - INTERFACE WITH THE VOLUNTARY SECTOR (Pages 27 - 28)

To discuss the Transformation Programme's interface with the Voluntary Sector. (*Transformation Governance Model attached as background information*)

6 SCRUTINY PROCESS

To receive an update on the Third Sector's engagement with the Council's Scrutiny process.

7 COMMUNITY VOICE PROJECT

To receive an update on the Community Voice project.

8 NEXT MEETING

To agree a date and venue for the next meeting of the Liaison Committee.

VOLUNTARY SECTOR LIAISON COMMITTEE

Minutes of the meeting held on 3 October, 2013

PRESENT: Mr Islwyn Humphreys (Voluntary Sector) (Chair)

Local Authority

Councillors Jim Evans, Kenneth Hughes, Alun Mummery, Alwyn Rowlands, Ieuan Williams

Voluntary Sector

Eleri Lloyd Jones (Age Cymru)
Aled Roberts (Taran)
Dilys Shaw (Chair Medrwn Môn)

Health Sector

Mr Wyn Thomas, BCUHB Assistant Director of Community Development

IN ATTENDANCE: Mr John R. Jones (Chief Officer, Medrwn Môn)
Mrs Gwen Carrington (Director of Community - IOACC)
Mr J. Huw Jones (Head of Service, Policy- IOACC)
Ann Holmes (Committee Officer)

APOLOGIES: Cadi Roberts (Merched y Wawr)

ALSO PRESENT: Ms Lyndsey Williams (Project Manager, Medrwn Môn), Mr Tristan Pritchard, Gwynedd and Anglesey Partnership Unit Manager

The Chair welcomed all those present to Talwrn Community Hall for this meeting of the Voluntary Sector Liaison Committee.

1 DECLARATION OF INTEREST

No declaration of interest as received.

2 MINUTES

The minutes of the previous meeting of the Liaison Committee held on 11 July, 2013 were presented and confirmed as correct.

Arising thereon –

- With reference to the Third Sector's participation in the Authority's Scrutiny process the Head of Service (Policy) confirmed that the Scrutiny Section had been in contact with the Chief Officer of Medrwn Môn to take the matter forward. The Officer explained that the Executive updates its work programme via its monthly meetings which in turn feeds into and informs the priorities of the Scrutiny Work Programme. As has been agreed a work programme jointly with the Third Sector based upon the outputs of the Liaison Committee is in the early stages of development and this will facilitate the Third Sector's involvement in the Council's democratic arrangements, including scrutiny.

The Chief Officer of Medrwn Môn confirmed that he had discussed the matter with the Scrutiny Manager and that he would like to receive assurance that definite progress will be made. However, potential Third sector participants need to be appropriately trained to ensure that

they bring a broad breadth of experience and expertise to scrutiny proceedings and that they are not just present as representatives of their individual organisation. The Third Sector however does have pool of individuals who have an understanding of what it means to act as representatives and to work in partnership. The Chief Officer of Medrwn Môn said that whilst he was conscious that this matter has been on-going for some time, it does involve more than simply selecting individuals to undertake the role and is a matter of making sure that ultimately there is available a group of trained people who are able to act effectively.

The Council Leader concurred with the analysis made and he reminded the Committee that scrutiny committees are a-political and are meant to utilise the experience and expertise of their membership to inform better decision making.

The Chief Officer of Medrwn Môn said that he would co-ordinate the process of selecting suitable scrutiny representatives when it is timely to do.

Position noted. No further action arising.

- With reference to the Compact Agreement and Volunteering Policy the Head of Service (Policy) informed the Committee that he had had discussions with the Chief Officer of Medrwn Môn regarding the formal launch of the Compact Agreement which has been set for 7 November. The Chief Officer of Medrwn Môn confirmed that the Leader of the Council had been invited to be part of the launch which will serve to emphasise the partnership character of the Compact as a tripartite agreement. The Director of Community updated Members with regard to putting the Volunteering Policy into effect and she said that the priority remains to raise Service Heads' awareness of the policy and to identify those volunteers who are currently active in the system and to ensure that appropriate arrangements are in place to support that group and thereafter to identify opportunities.
- With reference to the Funding Code, the Chief Officer of Medrwn Môn said that he had met with the Head of Service (Policy) and the Head of Function (Resources) to discuss updating the Funding Code which sets out arrangements for engaging with the Third Sector in terms of funding and financial matters. He said that a review of the Funding Code is timely given that the financial climate has changed with increased emphasis being placed on funding on the basis of Service Level Agreements and through a commissioning process rather than the traditional method of grants allocation and that this change should be reflected in the Funding Code.

The Chair said that it was important that the Third Sector is informed of the level of funding it is likely to receive at the earliest opportunity to assist the sector with its planning process.

The Leader of the Council informed Members that the budget process has commenced much earlier this year with initial dialogue taking place in July. The Welsh Government's Finance Minister has corresponded with the local authorities in Wales at the beginning of September and the early indications are that the financial position will be very challenging in the forthcoming year with projected cuts in the region of 5% or £7.5m.

- With reference to the Commission on Governance and Public Service Delivery in Wales, the Director of Community confirmed that the Commission's work is on-going and that the Authority has submitted a response as part of the consultation. The Leader of the Council referred to a meeting of the WLGA which Sir Paul Williams, the Commission's Chair had addressed and he said that there are indications that in the long term there may be fewer public service establishments in Wales. The Head of Service (Policy) said that the recommendations of the Commission are expected to be published early in the New Year.
- With reference to the Listen Community Voice Project, Ms Lyndsey Williams, Project Manager updated the Committee on activities. She referred to the circulation of questionnaires to obtain baseline information about how much understanding communities have of public services and to the staging of a host of consultation events to gather further supporting information for the baseline. The Officer also mentioned developments with regard to the community visioning process focussed initially on the Seiriol ward and activities in relation to the official launch which will bring members of the different sectors together to get a better understanding of what the project is trying to achieve. An evaluation exercise of the project will be undertaken with invitations to tender for the delivery of the evaluation having been issued and interviews

carried out. With reference to the Authority's Making a Difference Consultation, she said that a number of issues with regard to the method and timescale of the consultation had been identified.

The Leader of the Council said that the Authority's Policy Section is in the process of collating the responses to the Making a Difference questionnaire which totalled 900. The Head of Service (Policy) added that issues in respect of the methods used to carry out the consultation and the time limitations imposed on the process will be reviewed with the objective of making improvements. The Committee discussed the lessons to be taken from the Making a Difference Consultation in terms of reaching a wider audience and utilising social media to obtain the opinions of younger people. It was acknowledged that the Making a Difference Consultation had been successful as regards generating a higher number of responses. The Director of Community referred to ways of co-ordinating engagement with the third sector which matter has been the subject of previous discussions and to the fact that that process is now maturing.

- With reference to the Work Programme and workshop, the Head of Service (Policy) said that the intention is to use the Executive Work Programme to inform the Liaison Committee's work programme and to plan on that basis.

3 LOCAL SERVICE BOARD

The Chair welcomed Tristan Pritchard, Gwynedd and Anglesey Partnership Unit Manager to the meeting and invited him to address Members on the Joint Local Services Board.

The Partnership Unit Manager updated the Committee on the developments to date and the role of the Joint Local Services Board (JLSB) by reference to the following –

- The merger of the key strategies encompassing Children and Young People, Community Safety, and Health and Wellbeing and the Community Strategy to form one Integrated Strategy for Gwynedd and Anglesey. This process has been planned, driven and overseen by the creation of a Joint Local Services Board with the voluntary sector as a full partner.
- Establishment of the Joint Local Services Board as the principal strategic partnership for all the services within its remit i.e. Children and Young People; Health and Wellbeing; and Community Safety.
- Modus Operandi whereby the JLSB sets the priorities within the Integrated Plan supported by a sub-structure focussing on outcomes. The Integrated Plan is the main vehicle for realising the priorities set.
- A focus on improving engagement, joint-ownership and the deletion of establishment boundaries.
- The Integrated Plan as a preventative agenda. The early priorities of the JLSB which include the Language, Poverty, the Economy and strengthening engagement.
- Aims and Objectives of the Joint Partnership Unit including adding value and leading on matters that require joint strategic intervention.
- The governance structure comprising of the Joint Local Service Board setting the strategic direction; a Delivery Board to ensure effective implementation and Delivery/Project Groups achieving results. The governance structure is designed so that the emphasis is more on achieving outputs than on a cycle of meetings with the JLSB commissioning clear objectives in specific areas to be realised by the delivery and project groups.
- Next steps including the formulation of a Single Integrated Plan which process has already been implemented.

Members were given the opportunity to question the Partnership Unit Manager on the information presented. The Leader of the Council said that it would be useful for the Committee in due course to receive a presentation and/or information on the direct activities of the Joint Local Services Board. The Partnership Unit Manager said that he would be happy to do so once the thematic/project groups have gone through the channels for reporting back and that he would also share the draft Single Integrated Plan with the Committee.

The Chief Officer of Medrwn Môn said that before the advent of the Joint Local Services Board there was a local structure of thematic groups with the voluntary sector a part of that structure.

He did have some concerns that with arrangements being spread over the two counties the voluntary sector's role will diminish and he emphasised that it was important to continue to consult with the smaller organisations.

The Partnership Unit Manager said that the aim is to preserve local activity and that work is being done on developing a different model of working e.g. through workshops. Whilst there is a risk that local contacts might be diluted, the Joint Local Services Board can take advantage of the knowledge and intelligence about communities and their needs generated by such projects as the Listen Community Voice Project.

The information as presented was noted.

Action Arising: Head of Service (Policy) to liaise with the Partnership Unit Manager to arrange for the Liaison Committee to be provided in due course with information about the Joint Local Service Board's direct activities as well as a copy of the draft Single Integrated Plan.

4 FRAMEWORK FOR THE PROVISION OF INTEGRATED HEALTH AND SOCIAL CARE

A consultation document on the Framework for the Provision of Integrated Health and Social Care along with correspondence and a written Statement by the Welsh Government's Minister for Health and Social Services was presented for the Committee's consideration. The documentation set out the objectives in putting forward the Framework in response to the growing demand for services by an ageing population as well as the benefits of integration in creating greater consistency in health and social care outcomes; a shift in the focus of care from the hospital to the home and the concentration of early intervention, reablement and intermediate care in a single system.

The Director of Community said that the timescale for response with regard to the above document is limited and she informed the Committee that a task group has been already established since March to promote the integration of services with the Health sector. She explained that given the expectation that each Council and partner Local Health Board produce signed agreed statements for the integration of services for older people with complex needs by the end of January, 2014, she proposed that a group of partners comprising of representatives of the voluntary sector; the independent sector, elected members and officers meet to establish an initial baseline for progressing integrated services with health by the end of December, 2013 in terms of obtaining an understanding of what is already in place and what further integration is required and possible. She said that as a professional officer she supported the proposals and was keen to move forward on them and to utilise the arrangements within the Liaison Committee as a marker.

In the ensuing discussion, questions were asked about the resource position; about pooling resources and whether there was sufficient resources available to implement the Framework proposals in full. Mention was made also of how might the outcome of the Commission on the Governance and Delivery of Public Services influence and/or fit with the Framework proposals as regards what the Commission might envisage as the best vehicle for the delivery of social care for older people.

The Director of Community said that the starting point must to conduct a discussion about what requires attention in Anglesey and to relate the Framework proposals to current plans in Anglesey.

The requirements of the documentation were noted.

Action Arising: Director of Community to co-ordinate arrangements for a meeting with partners in response to the Framework proposals with a view to establishing a baseline for integrated services on Anglesey in preparation for the issuing of a Statement of Intent by the end of January, 2014.

5 THE COUNCIL'S CORPORATE TRANSFORMATION PROGRAMME

In the absence of the Corporate Transformation Programme Manager, the Head of Service (Policy) provided the Committee with a summary of the aims and objectives of the Authority's Corporate Transformation programme and the structure for their delivery. He referred to the three Programme Boards and their themes around service excellence; enterprise, and business

transformation and to the sub-structure of project boards focussing on specific themes. The Council Leader elaborated on the work streams under each Programme Board.

The Chief Officer of Medrwn Môn questioned whether the Corporate Transformation Programme will have an effect on the Authority's links with the community and with the third sector in terms of introducing new ways of supporting the sector and communities. He said that he would appreciate a discussion regarding this matter.

The Council's Leader said that a work stream has been established that covers customer care and that the third sector would be included in consultations linked to the process of identifying ways of better serving the public as that evolves and progresses.

Information noted.

Action Arising: Head of Service (Policy) to prepare a summary/flow chart of the Corporate Transformation Programme structure to be circulated to the Committee's voluntary sector members for their information.

6 FINANCIAL ISSUES

The Chief Officer of Medrwn Môn said that as preparations to formulate the 2014/15 budget progress, the Third Sector would wish to be alert to the main themes of the discussions so that organisations are aware of the prospects and are able to plan accordingly. He said that it would be helpful if the aspirations of the Third sector are fed into the process and that the sector is apprised of developments as regards opportunities and the Authority's commissioning intentions.

The Director of Community confirmed that work on reviewing Third Sector contracts is ongoing and has included some remedial work as well as strengthening processes. Due to capacity issues the schedule for completion has been re-set to October/ November. The Officer confirmed that correspondence has been sent to the Third Sector regarding the Council's indicative financial position with cutbacks in the region of 5% expected. She said that the Department is also in the process of reviewing areas wherein Third Sector activity and expenditure coincide with strategic intentions and service priorities. She said that there are a number of potential areas for savings but that none represent easy opportunities – it has already been agreed with the Third Sector that priorities will be shared and efforts are being made to strengthen the natural process of engagement whilst also recognising that there is room to improve on the formal side i.e. on the "hard" processes. It is proving challenging to identify savings within Adults' Services; a meeting of the Older People's Board has examined expenditure and financial plans in detail with a view to finding a way to provide services that are sustainable. The position and process across the whole of Social Services are complex. Some individual voluntary sector organisations have not responded to the request for information but efforts are being made to give stability to those whose activities chime with Social Services' priorities.

The Council's Leader said that savings in the region of 5% will have to be found and it is therefore likely that there will be cuts in the funding allocated.

With reference to consultation and raising awareness about what is happening with the financial situation and otherwise, suggestions were made as to how communities might be reached e.g. by invitation to meetings of the Liaison Committee in whichever community those are staged and through the Medrwn Môn newsletter and on the website.

Position noted. No further action arising.

7 NEXT MEETING

It was agreed that the next meeting be held at 2:00 p.m. on Friday, 17th January, 2014 in the W.I. Hall, Llanfairpwll.

**Mr Islwyn Humphreys
Chair**

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Ynys Môn

THE ISLE OF

Anglesey

Meeting the Challenges

Budget Consultation

2014/15



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Page 7



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THE EXECUTIVE'S INITIAL BUDGET PROPOSALS FOR 2014/15

The Isle of Anglesey County Council is conducting a public consultation on its key priorities, its financial strategy and initial budget proposals for 2014/15.

This document, which will be distributed extensively in electronic format (hard copies available on request), forms part of that consultation, along with a full Member workshop and a series of stakeholder meetings to be held earlier in January and February 2014.

CONTEXT

The Council is the largest employer on the Island and has an annual budget of around £130m. As a provider of key services such as education, social services and sustainable development, it has a major role and impact locally, through employment, quality of life and direct provision of services.

The Council has continued to demonstrate an appetite and commitment to change since Welsh Government intervention ended in May 2013.

It has ensured significant strides in its recovery through its ambitious Transformation Plan, with a new focus on corporate governance, business transformation and performance monitoring.

The overall picture in terms of performance was very positive in 2012/13 – with services performing well when compared with other Welsh councils.

However, important challenges still lie ahead in continuing to deliver the targets recently agreed as part of the Corporate Plan 2013-17, with diminishing resources.

This document lays out the Council's current key priorities and improvement themes, the medium term financial strategy and initial budget proposals for 2014/15.

COUNCIL PRIORITIES

The Council's aims and strategic priorities were consulted upon and have been set out in the Corporate Plan for 2013-17.

The Isle of Anglesey County Council's aim by 2017 is to be:

“...a professional and well-run council, innovative and outward looking in our approach, committed to developing our people and partnerships in order to deliver efficient and effective services of good quality that are highly valued by our citizens.”

To achieve this aim the Council will focus its efforts on what is important to its residents. Across demographics, geographies and different engagement mechanisms the overwhelming and consistent priorities are:

- **Supporting the most vulnerable**
- **Developing the Economy**
- **Raising the standards of and modernising our schools**

These priorities are therefore the focus of the corporate plan. However, it is developed against a backdrop of reducing funding for local government in Wales. Over the period of the plan, current projections show that we will need to save in the region of £15million. The Council will continue to have key responsibilities for statutory services such as educating our children, supporting the most vulnerable, safeguarding our environment through planning policies, collecting refuse and maintaining roads.

Other services will increasingly be provided in different ways, by other providers, and there may be some services which the Council will no longer be able to fund. If communities still value these services then alternative ways of funding them will need to be found. The corporate plan, therefore, tries to balance our aspiration and our vision with the financial outlook. Over the next four years, as a Council we are committed to:

- **Transforming Older Adult Social Care**
- **Increasing our Housing Options and Reducing Poverty**
- **Regenerating our Communities and Developing the Economy**
- **Improving Education, Skills and Modernising our Schools**
- **Transforming our Information and Communication Technologies (ICT)**
- **Becoming Customer, Citizen and Community Focused**
- **Transforming our Leisure and Library Provision**

FINANCIAL OUTLOOK

There was much in the Chancellor's Autumn Statement presented to Parliament on 6 December 2013 about the UK's economic prospects GDP is expected to contract by 1.4% this year and then expand gradually over the next 5 years.

The Welsh Government's Budget is expected to increase by £66.7m in 2014/15 and £74m in 2015/16. In the view of the Welsh Government, the autumn Statement has done little to change the challenging outlook for public finances and that there has been a marginal change to budget allocations over the next 2 years.

The outlook is therefore for further austerity. To eliminate the deficit, the Chancellor has said that there will be further real cuts in UK central government spending extending into 2017/18.

Welfare benefits will only rise by 1% p.a. going forward, with exceptions being state pensions and benefits for disabled people and carers whose benefits will rise by the Consumer Price Index (2.7%)

There was information provided on business rates in England and Wales were increases are to be capped at 2% p.a. rather than being increased by the Retail Price Index, as is the case at the moment, although an additional order will have to be put through the National Assembly for Wales to be effective here.

The final Revenue Support Grant settlement for 2014/15, issued by the Welsh Government on 11 December 2013, totalled £96.432m. This represents a reduction of £4.253m (4.2%) over funding levels provided in 2013/14. Indicative funding of £94.714m was released for financial year 2015/16. This reduction will require the Council to make significant savings over the next few years, estimated to be £20m in total by 2018/19.

This presents a huge challenge for the Council and other Councils across Wales, who are increasingly going to struggle to sustain all the services that are currently provided. With reducing resources and additional pressures from an ageing population and social deprivation, the Council will need to consider the delivery services with a far greater emphasis on partnership arrangements.

MEDIUM TERM FINANCIAL STRATEGY AND BUDGET PROPOSALS 2013/14

This is an extremely difficult budget which seeks to tackle the immense challenges caused by the economic downturn and the many years of austerity measures ahead of us.

The Council's financial plans need to support the approved strategic priorities and corporate improvement areas. However, the outlook for public spending is bleak and, for Anglesey, the forecast shows that the Council will need to reduce spending by £20m over the next five years - on an annual budget of £129m, just over 15%.

Last year we reported that the amount we receive for new build, improvements to buildings and infrastructures is also reducing. This will make re-design of services an even greater challenge. 2014/15 is the last year of the Local Government Borrowing Initiative, which provides funding and the approval for the Council to borrow for improvements to Highways infrastructure. Further improvements of this nature will have to be met from the council's own resources, which will become increasingly difficult as budgets are reduced.

The Welsh Government have however indicated that they will continue to support the 21st Century Schools Programme and initial bids have been submitted for approval. The first tranche of funding, if approved, will fund a new primary school in Holyhead to commence in 2014/15, with a budget of £7.9m, 50% of which will be met by grant.

As in recent years the council continues to face long-term pressures arising from demographic changes in terms of an increasingly elderly population, the increased complexity of children and adult care and welfare reform changes.

The 2014/15 budget is therefore being set to meet these challenges by protecting frontline services as far as possible.

The Executive is seeking:-

- to protect the services used by the most vulnerable;
- to avoid, wherever possible, adding to the difficulties already being experienced as a result of the current economic situation.

This is a very difficult challenge, as the money received from the Welsh Government has reduced by over £4m for 2014/15.

Over the past years, through Government funding and Council Tax revenue, Anglesey has had one of the lowest revenue bases in Wales. Since 2013/14, Council Tax Benefit has been replaced by a Council Tax Support scheme which provides a maximum of 90% support to the poorest householders. Welsh Government funding for Council Tax Support is less than the amount that bills are reduced by and an additional £400k has been set aside to cover this gap.

These budget proposals have been put forward to set a balanced budget in what will be a very difficult year by using one-off measures and by continuing to develop changes to services that will deliver sustainable efficiencies and real cost reductions in future years.

The Council's financial objectives in the medium term are:-

- To support the Council's strategic priorities and improvement areas;
- To address issues raised through Corporate Governance themes;
- To address issues raised by Estyn and the Education Recovery Board;
- To achieve service delivery without compromising financial standing.

We recognise that:-

- The financial challenges cannot be delivered by small reductions across the board;
- Significant transformation of services is required;
- Buildings will need to be rationalised to reduce excess capacity;
- Priority will have to be given to the most vulnerable which will result in services being delivered in a different way;

The Executive have proposed a medium term financial strategy that is based on:-

- Delivering significant reductions to spending of £22m over 5 years – the equivalent of 17%;
- Allowing a limited amount of money to transform services in 2014/15, particularly in adult social care to effect significant spending reductions in future years;
- Protecting education and social care in line with Welsh Government expectations;
- Allowing for a very limited amount of growth to meet budget shortages, which cannot be met easily from alternative sources;
- Recognising the huge challenge of the potential new nuclear build, other major energy-related developments, and the need to prepare for these changes;
- The need to prioritise scarce capital resource to deliver transformation and rationalising assets;
- The need to maximise funding by tapping in to external grants;
- Recognising that additional resources are needed to support the changes to welfare reform;
- Council Tax increases at 5% each year.

These assumptions are built into the Medium Term Financial Plan in the Table below:-

	2014-15 £'000	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000
Previous year's budget	129,253	126,630	126,395	127,238	128,873
Schools Protection	318	354	354	354	354
Inflation	2,883	2,955	2,936	2,915	2,989
Increase Income	-198	-523	-556	-590	-625
Demographic change	500	500	500	500	500
Financing Costs Unsupported Borrowing	178	178	178	178	178
Financing Costs Equal Pay	296	-7	-7	-7	-7
LGBI additional responsibilities	124	0	0	0	0
Salary & Grading review	1,300	700	700	700	700
Investing in change	-100	-300	-500	-500	-100
Contribution to balances	-500	0	0	0	0
Identified Pressures	276	N/A	N/A	N/A	N/A
New Priorities	477	700	700	700	700
Savings Proposals	-7,416	N/A	N/A	N/A	N/A
Funding Gap	-761	-4,792	-3,462	-2,615	-2,973
Total	126,630	126,395	127,238	128,873	130,589
Funded by WG					
RSG	96,432	94,714	94,000	94,000	94,000
Outcome Agreement Grant	545	545	545	545	545
	96,977	95,259	94,545	94,545	94,545
Council Tax	29,653	31,136	32,693	34,328	36,044
	126,630	126,395	127,238	128,873	130,589

This table shows that to maintain the total budget at a level needed to match the likely resources available to the Council, then we will have to continue to reduce spending to cover the forecast budget gap.

A summary of the 2014/15 budget savings proposals totalling £7.416m is set out at **Appendix A**.

EFFICIENCY SAVINGS

To deliver the level of efficiencies needed, The Council has set up three Programme Boards, whose role is to review how the Council is structured and operates in the future.

For 2014/15, in order set the budget initial service reviews have been carried out to consider opportunities for efficiencies, effectiveness and collaboration to improve service delivery. Other savings opportunities arising from things like improved procurement and operational changes to service delivery have been drawn together to produce a draft efficiency strategy from which the current savings proposals in Appendix C have been drawn from. This strategy will be considered by Members in the New Year. More work is needed to quantify some of the efficiencies being proposed for later years and this work will fall to the three Programme Boards.

What we will be doing to improve our service to you during 2014/15

Much of what the Council delivers is prescribed nationally, but it is important that, within the flexibility afforded to it, services reflect local circumstances and the priorities and needs of Anglesey communities. These are our proposals for 2014/15:

Education & Assets

Schools modernisation is underway and the Education Recovery Board is monitoring the Council's delivery against the Post Inspection Action Plan. Additional resources have been allocated to modernise our school provision. In addition, much of the transformation agenda will impact on the Council's assets and, therefore, in order to be successful, further resource has been secured to drive asset rationalisation and to provide professional advice to the key service transformations. School budgets have been protected in line with the Welsh Government policy, at 0.9% above the 2012/13 budget.

Adult social care

As people live longer, healthier lives there is a need to increase and change the kind of services available for the adult population and their carers. This brings with it increased pressure on this area of spend. Further additional resources have been prioritised for this service for 2014/15 to support the changes being introduced. A further review of services, is planned with partners in order to provide the most cost effective models of care that can be sustained for the future.

Transformation of services

All service areas will undergo significant transformation over the coming years as we look to modernise services. A number of areas will be going through a transformational programme in 2014/15, in preparation for reduced spend in 2015/16 and beyond. As such, the budgets have been protected at a slightly reduced level in order to give adequate time to deliver real reductions and for changes to be implemented. These include leisure, library and cultural activities Back office services will be re-structured and re-modelled during 2014/15 to modernise the way we work and to make the best use of Council assets.

SERVICE REDUCTIONS

Inevitably with the level of funding reducing so considerably year on year, the level at which some aspects of services are provided will have to be reduced. This is being done in a careful and measured way to minimise the risk and the impact on citizens. Risk assessments have been undertaken, and each potential reduction in service looked at in detail. Delivering everything we do at the same level, with less money, is not possible and so, having protected services that are statutory and serve the most vulnerable, there are a number of potential reductions put forward in the detailed Appendices attached to this document.

If the savings are not all accepted, viable and reasonable alternatives will be necessary to deliver a balanced budget. It is not realistic to expect any one service to bear the brunt of the reduction in resources and so we have planned savings in all services, but ensured that the impact can be minimised as much as possible. More detail of the planned savings can be seen at **Appendix B**.

COUNCIL TAX, FEES AND CHARGES

Each year's budget requires judgement about the amounts the public will pay, both as Council Taxpayers and as users of services where fees and charges are paid. With the effects of the economic downturn and energy prices, the Executive is mindful of the pressures on household budgets.

The settlement from the Welsh Government means we cannot avoid increasing the Council Tax in 2014/15. Anglesey has a low base from poor settlements and revenue from Council Tax.

Decreasing resources and increasing pressures means that in order to protect the most vulnerable in society, a Council Tax increase of 5% or 94p per week for an average Band D property is being proposed. 1% represents potential income of £291k. Every effort will be made to maintain the high levels of collection, but there are inevitable pressures from the changes to Council tax support.

Non-statutory fees and charges will also be increased a minimum of 5% in most cases.

USE OF RESERVES

The general balances of the council are forecasted to be around £6m by 31 March 2014. The minimum level recommended for a Council of our size is £5m. The balance of £1m over the recommended level will help to protect Council services in the short-term until the detailed service reviews are completed. There are no proposals to use earmarked reserves in the current budget round.

THE CAPITAL PLAN 2014/15

Capital spending is the money which the Council invests in areas such as house building and renewal, roads, bridges, school buildings and care homes, producing benefits over a number of years. Some of the money is spent directly on assets owned by the Council, in other cases it takes the form of grants to organisations or individuals for them to carry out the work.

The money to fund this comes from a combination of government grants, contributions from the revenue budget, receipts from sales of assets and loans taken out by the Council. All of these have been subject to the same pressures on public spending and the same depressed market conditions as all other areas of the Council's activity, and so the amounts available are limited and careful choices have to be made.

With reduced grant funding opportunities and reducing general capital funding going forward, together with uncertain levels and timings of future capital receipts, the opportunities for additional capital schemes will be very limited.

The priorities which the Executive has identified within the Capital Plan are to achieve the following:-

- Future rationalisation of schools in line with the 21st Century Schools programme requirements;
- Works to minimise the running costs of Council assets and the review of what assets are held and how they are used, identifying those which can be sold;
- Economic Development and Regeneration programmes, making full use of EU funding opportunities;
- Facilities for long term waste reduction and treatment.

CURRENT ACTIVITY

The main area of development in the next financial year is the programme to review the assets which the Council holds, with Local Partnerships appointed to undertake the option appraisal. While this work forms a project in itself, it is closely linked to achieving specific objectives in most of the key areas, including:-

- Elderly care provision;
- Affordable housing;
- Leisure centres rationalisation;
- Schools rationalisation.

There are currently three European grant-funded projects running. These are Three Towns, Coastal Environment and Strategic Infrastructure - Sites and Premises.

There are also two major Welsh Government aided projects underway. 21st Century Schools Transitional Scheme (relocation of Ysgol y Bont) and the Local Government Borrowing Initiative (LGBI). The LGBI is a three-year £5.3m programme of improvements to the Authority's highways assets, which completes in 2014/15.

There are also two significant internally-funded schemes underway; these are the programme of improvements to smallholdings, funded from the ring fenced capital receipts from the sale of the smallholdings themselves, which is expected to complete in 2014/15, and the enhancement works at the Penhesgyn Civic Amenities Site, which has a £1m budget, funded from a grant funded reserve with completion expected late 2013/14. A little later than expected.

LOOKING FORWARD TO 2014/15

The 21st Century Schools Band A scheme for a new primary school in Holyhead is expected to commence in 2014/15, with a budget of £7.9m, 50% of which is grant funded.

It is expected that works will commence at another civic amenities site, either at Gwalchmai or Holyhead.

Additionally, there are plans to ensure that additional funding is available for regeneration, including potential benefits from Enterprise Zone status, The Energy Island Programme, and the Môn a Menai Programme.

CONSULTATION

Views are sought from stakeholders on the entire improvement/budget package, but we particularly want your feedback on:

- Increasing the social services budget so as to avoid major cuts to current activity levels;
- Maintaining the leisure budget to allow time for changes to provision;
- Prioritising growth in children services and the Energy Island Programme - **as shown in Appendix C**;
- Further assumptions we should make in medium term financial planning;
- Your priorities for the Capital Plan;
- The proposed 5% increase in Council Tax (86p per week for the average Band D property) to help protect key Council services;
- Any other suggestions you may have on efficiency savings or service transformation to achieve the best outcomes for Anglesey residents

The package is subject to consultation with the Council's Scrutiny Committees, the Schools Forum, Town and Community Councils and the wider business community.

HOW TO RESPOND

Download:

This document, together with the Initial Draft Revenue Budget and associated appendices are available on the Consultations section of our website, www.anglesey.gov.uk.

Email:

budgetconsultation@anglesey.gov.uk

Post:

Consultation on 2014/15 Budget
Chief Executive's Office
Isle of Anglesey County Council
Council Offices
Llangefni
Anglesey LL77 7TW

The consultation will end on Thursday, January 30th.

What happens next?

Your views will be reported to the Executive on February 10th 2014 and final proposals prepared for the full Council on the 27th February 2014.

If you would like a large print version then please call 01248 752128.

Summary of draft proposed budget 2014-15

	2013/14 Current Base Budget	MTFP Identified Movements	Final Settlement changes	Draft Standstill Position after final settlement	Savings proposals (see Appendix B)	Growth Proposals (see Appendix C)	Proposed Budget
	£000	£000	£000	£000	£000	£000	£000
Directorate							
Lifelong Learning (including schools)	47,672	140		47,812	-1,501	158	46,469
Community Services	31,933	203		32,136	-1,894		30,242
Sustainable Development	21,347			21,347	-2,969	50	18,428
Deputy Chief Executive	13,583			13,583	-1,052	68	12,599
Corporate & Democratic Core	1,579			1,579			1,579
Total	116,114	343	0	116,457	-7,416	276	109,317
Corporate Finance							
Discretionary Rate Relief	50			50			50
Affordable Priorities Programme	-355			-355			-355
Levies	3,219			3,219			3,219
Capital Financing & Interest	7,185	598		7,783			7,783
Contribution to reserves	500	-500		0			0
	10,599	98	0	10,697	0	0	10,697
Contingencies b/f from 2013/14							
Welfare Reform	50	-45		5			5
Improvement Contingency	190			190			190
Cost of Change Contingency	500			500			500
Severance Contingency	1,000	-100		900			900
Salary & Grading Contingency	450			450			450
General Contingency	350	-298		52			52
	2,540	-443	0	2,097	0	0	2,097
Sub Total Standstill Budget	129,253	-2	0	129,251	-7,416	276	122,111
Pressures:							
- Demographic Change		500		500			500
- Council Tax Reduction Scheme		400		400			400
- Welfare Reform		77		77			77
- Schools Protection		318		318			318
Job Evaluation Contingency		1,300		1,300			1,300
Corporate Contingency for Inflation		2,685		2,685			2,685
Contribution from Reserves		-240		-240			-240
	0	5,040	0	5,040	0	0	5,040
Total before Savings	129,253	5,038	0	134,291	-7,416	276	127,151
Funded by:							
Aggregate External Funding	100,227		-3,795	96,432			96,432
Council Tax	28,023	1,630		29,653			29,653
Council Tax Reduction Scheme Grant	458		-458	0			0
Outcome Agreement Grant	545			545			545
Total Funding	129,253	1,630	-4,253	126,630	0	0	126,630
Funding Gap	0	3,408	4,253	7,661	-7,416	276	521

APPENDIX B

Summary of Proposed Savings	£'000
Lifelong Learning	
Education Service	
Central Education - Reduce Grant to Village Halls and Community Centres	-20
Central Education - Rationalise Youth Clubs	-24
Central Education - Reducing Support to Mudiad Meithrin and WPPA	-3
Central Education - Implementation of the SEN Task and Finish Group Recommendations for Support to Primary Integration	-80
Central Education - Increase Rent to Community Users in Jesse Hughes Youth Centre	-1
Central Education - Use of External Grant Funding for the Jesse Hughes Youth Centre	-20
Central Education - Cut Early Years Training Budget	-7
Central Education - Early Years Support for Centres	-13
Central Education - Reduction of Early Years Building Support - Reduce Repairs & Maintenance	-17
Central Education - Reduce Schools Admission Age from September 2014	-210
Central Education - Reduce Community Wardens Posts	-13
Central Education - Closure of Ysgol Llandonna	-82
Central Education - Utilisation of SEG Grant Administration	-35
Central Education - Central Education - Stop Providing Youth Packs	-7
Central Education - Additional Resource Allocation for Education from RSG for Increase in the Number of FSM Eligibility	-469
Reduction in Delegated School's Budget	-500
Total	-1,501
Lifelong Learning Total	-1,501
Deputy Chief Executive	
Central Services	
Revenues & Benefits Changes to Court Costs Admin.	-23
Revenues & Benefits - staffing changes	-24
Finance: Staffing changes	-50
Finance: Accountancy restructuring support	-11
Finance: Renegotiate cash in transit contract	-12
Finance: Stop printing Council Tax leaflet	-5
Finance: Budget reduction printing & stationery	-25
Finance: Budget reduction NW Procurement Partnership	-18

APPENDIX B

Summary of Proposed Savings	£'000
Finance: Budget reduction computer equipment	-20
Finance: Budget reduction computer licences (Old finance system)	-7
Finance: Budget reduction travel expenses	-10
Finance: Other efficiency savings	-7
ICT - reduce staffing and running costs	-114
Chief Executive - HR Reduce Central Training Budget	-39
Chief Executive - HR Delete Admin. Post Workforce Development	-20
Chief Executive - Reduce Corporate Health & Safety Initiatives	-5
Chief Executive - Income from Annual Leave Purchase	-5
Legal - Merge Committee and Scrutiny Services management	-35
CDC - Members Allowance Savings	-88
CDC - Reduce budget for civic & ceremonial activities	-24
Legal - Removal of Vacant Post, Scrutiny Officer	-36
Policy - Reduce budget for the Anglesey Show	-11
Policy - Review staff structures in Policy, Member Services and Business Support Units	-75
Total	-664
Corporate	
Heads of Service	-138
Increase in RSG Re Social Services	-250
Total	-388
Deputy Chief Executive Total	-1,052
Sustainable Development	
Planning	
Reduce Supplies & Services	-5
Restructuring of Building Control - Reduce staffing by one post	-25
Restructuring of Building Control - Integration with Gwynedd	-15
Introduction of e-Planning	-20
Income from work associated with Ynys Ynni Programme	-75
Open Spaces - reduced spending on Countryside and Coast	-3
Total	-143

APPENDIX B

Summary of Proposed Savings	£'000
Public Protection	
Restructuring of Public Protection	-105
Income from work associated with Ynys Ynni Programme	-5
Reduce Supplies & Services	-10
Increased Fee's & Charges	-45
Total	-165
Waste	
Reduce costs of premises and transport at Penhesgyn Transfer Station	-50
Reduce Aftercare Budget at Penhesgyn Area 2	-20
Revised Waste Section works budget	-95
Amended waste collection methods from April 2014	-215
Financing of Biffa's purchase of new vehicles	-50
Staff Reductions	-58
Reduction in Residual Waste Tonnage	-140
Amendments to Public Conveniences Provision	-104
Penhesgyn Overtime Reduction	-20
Total	-752
Property	
Restructure Property Teams	-180
Rationalisation of Office Accommodation	-34
Reduction in Car and Travel Allowances	-35
Reduction in Industrial Estates and Sundry Properties Repairs & Maintenance	-31
Reduction in Cleaning Contract Costs	-40
Reduction in Admin Buildings Repairs and Maintenance	-39
Reduction in miscellaneous expenditure, Admin Buildings	-5
Reduction in Maritime Seasonal Staffing	-15
Reduction in Maritime Repairs and Maintenance	-30
Maitime Income	-5
Increase Industrial Estates Rent Income	-57
Total	-471
Highways and Transportation	

APPENDIX B

Summary of Proposed Savings	£'000
Fleet Management: Replace diesel fuelled vehicles with LPG fuelled vehicles	
Fleet Management: Replace diesel fuelled vehicles with LPG fuelled vehicles	-15
Increase Parking Fees	-100
Reduced Bus Services	-89
Reduction in the Street Lighting Budget	-200
Reductions in Staffing	-129
Reduced numbers of School Crossing Patrols	-25
Reductions in Highway Maintenance	-475
Reduction in Traffic & Public Rights of Way	-25
Total	-1,058
Economic Development	
Operating Budget	-85
Staffing Budget	-54
Total	-139
Leisure	
Operational Budget	-41
Staffing Budget	-106
Inserting Income Budgets to meet current receipts	-74
Additional 2% Income increase for fees and charges	-20
Total	-241
Sustainable Development Total	
	-2,969
Community	
Housing	
Budget Realignment with HRA	-52
Reduction in the use of an affordable housing advisor	-15
Registered Social Landlords contribution towards the running costs of administering Common Housing Register	-15
Housing - Freeze Housing Visitor Officer post	-15
Housing - Freeze Housing Options (Homelessness) post	-10
Housing - Reduce bed and breakfast costs by refurbishing 2 council dwellings for temporary accommodation	-10
Total	-117

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APPENDIX B

Summary of Proposed Savings	£'000
Social Services	
Adult Social Care - Savings still to be confirmed	-1,048
Adult Social Care - CCTV savings	-177
Children's Services - Savings still to be confirmed	-352
Total	-1,577
Culture	
Remodelling Library Service	-95
Staff Retirements at Oriel Ynys Môn	-22
Reduction in grade and hours of an existing post after departure of a member of staff	-5
Reduce opening of South Stack Lighthouse from 7 days to 6 in line with other seasonal sites	-4
Reduction in Head of Service costs	-36
Income generation - overnight paranormal sessions at Beaumaris Gaol	-5
Cut in general promotions budget	-4
Reduce opening of Beaumaris Gaol from 7 days to 6 in line with other seasonal sites	-3
Leisure & Heritage central administration general budget reduction	-12
Reduction in Art grant distribution to outside bodies	-5
Reduce costs of Family Information Service	-2
Miscellaneous reduction from Head of Service budget and central travel	-3
General reduction in supporting budgets	-4
Total	-200
Community Total	-1,894
Total Savings Proposals	-7,416
Total Savings Target	-7,750

	Summary of Growth Bids	£'000	Comments
	Lifelong Learning		
1	Delegated School Budget for Canolfan Y Bont 2014/2015.	158	Increase to base budget - will increase the budget gap.
		158	
	Deputy Chief Executive		
2	Human Resources - Budget shortfall	20	Permanent change funded from Performance Improvement Contingency
3	Revenues & Benefits - Reduction HB Admin Grant	48	Increase to base budget - will increase the budget gap.
		68	
	Sustainable Development		
4	Planning & Public Protection - Building Regulations Fees	50	Increase to base budget - will increase the budget gap.
		50	
	Total	276	

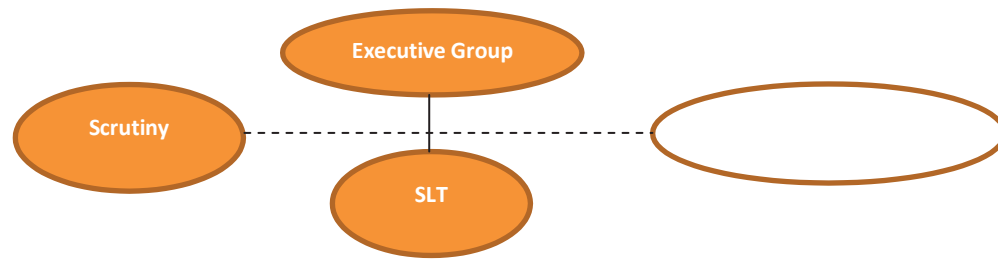
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**Governance Model:
Transformation Programme Boards**

v8

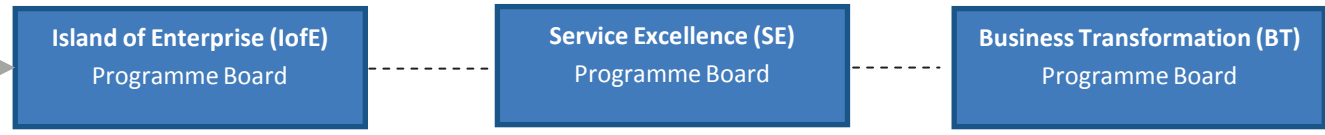
**Partnership/Collaboration
Programme Boards**
LSB, Energy Island)

Page 27



ROLE

- Overall authority and oversight
- Escalation from the Programme Boards to Scrutiny and Cabinet as per the Constitution & Scheme of Delegation



- Realise the benefits of the Transformation Plan
- Ensure programmes/projects are managed and delivered
- Allocation of funding

Corporate Programme Manager

Programme Summary Document

Programme Summary Document

Programme Summary Document

IofE Programme Manager:
Danielle Edwards (interim)

SE Programme Manager:
Gethin Morgan

BT Programme Manager:
Danielle Edwards

- Support Programme Boards
- Identify all dependencies and interdependencies
- Identify & manage risks/issues
- Manage communication
- Appropriate & timely reporting to the Boards
- Manage Programme Budgets

Y Penaethiaid
Performance Review Group

- Review proposed mandates
- Consider prioritisation
- Escalate to the appropriate Programme Board

Corporate Performance, Planning & Project Office (CPPPO)

Corporate Performance, Planning & Project Office (CPPPO)

- Maintain PM register
- Receive/keep documentation
- Support good PM practice

Programme / Project Highlight Reports

Service Delivery Plans (inc. Programme / Project Mandates)

LIVE Change Programmes and Projects within the Council (including collaborations and partnerships)

NEW Change Programmes and Projects within the Council (including collaborations and partnerships)

- Identify new programmes/projects as per the 'Process for Assigning New Change Programmes/Projects'
- Submit PM documentation, including reports

Agenda Item 5

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