

## **THE EXECUTIVE (BUDGET)**

### **Minutes of the meeting held on 16 February 2015**

**PRESENT:** Councillor Ieuan Williams (Chair)

Councillors Richard Dew, Kenneth P Hughes, H Eifion Jones,  
Alwyn Rowlands

**IN ATTENDANCE:** Chief Executive  
Director of Lifelong Learning Director of Sustainability  
Interim Head of Resources and Section 151 Officer Head of  
Economic & Community Regeneration  
Head of Planning and Public Protection Head of Adults' Services  
Interim Head of Democratic Services Programme and Business  
Planning Manager  
Acting Accountancy Services Manager (BO)  
Committee Officer (ATH)

**APOLOGIES:** Councillors Aled M Jones, J Arwel Roberts

**ALSO PRESENT:** Councillors John Griffith, Llinos Medi Huws, R. Meirion Jones, R.G.  
Parry, OBE

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

Councillor Richard Dew declared an interest in respect of item 8 on the agenda.

Councillor H. Eifion Jones declared an interest in respect of item 9 on the agenda.

Both Members withdrew from the meeting during the discussion of the respective items.

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

None received.

#### **3 2014/15 CAPITAL BUDGET MONITORING REPORT - QUARTER 3**

The report of the Interim Head of Function (Resources) and Section 151 Officer setting out the financial performance of the capital budget to the end of December, 2014 was presented for the Executive's consideration.

The Portfolio Member for Finance reported on an improving situation particularly with regard to incoming capital receipts for the third quarter which totalled £1.986m.

The overall expenditure was 51% of the total budget, with many of the larger schemes being weighted towards the year end. The Portfolio Member referred to those projects carrying the greatest level of risk as documented in section 2.3.1 of the report.

The Chair sought clarification of the position with regard to expenditure on the Vibrant and Viable Places Project given that some individual elements of the scheme had yet to commence.

The Director of Sustainability confirmed that funding for the project must be spent within the year and that carry over is not possible. No elements of the scheme are being put in place where there is a risk of slippage.

**It was resolved to note progress of expenditure and receipts against the capital budget.**

#### **4 2014/15 REVENUE BUDGET MONITORING REPORT - QUARTER 3**

The report of the Head of Function (Resources) and Section 151 Officer setting out the financial performance of the Council's services to the end of December, 2014 and the projected position for the year as a whole along with the sources of the main variances was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the revenue budget position had improved considerably in Quarter 3 with the overall projected overspend for year end standing at £154k at the end of the Quarter which equates to 0.001% of the Budget compared to the reported projected overspend of £456K at the end of Quarter 2. He referred to the financial performance of individual services and any variances therein as documented under section 3 of the report and confirmed that work to further reduce the projected year end deficit will continue into Quarter 4.

The Executive noted the improvement.

**It was resolved –**

- **To note the position set out in respect of financial performance to date.**
- **To note the projected year end deficit, and**
- **To note the actions being taken to address the projected year end deficit.**

#### **5 SCORECARD MONITORING REPORT - QUARTER 3, 2014/15**

The report of the Deputy Chief Executive setting out performance against key indicators at the end of Quarter 3 2014/15 as summarised in the Corporate Scorecard was presented for the Executive's consideration.

The Portfolio Member for Performance Transformation, Corporate Plan and Human Resources reported on the areas where the Senior Leadership Team is focussing attention to secure improvements into the future as set out in section 1.1 of the report and he expanded on the actions being taken and their expected outcomes.

The Executive noted the position and the following comments were made –

- That there needs to be better targeting for next year to enable the Council to meet its sickness absence objective of 10 days per FTE.
- That a PI measure for conducting Attendance Review meetings when an individual's level of absence has reached the Authority's trigger level be included within the Corporate Scorecard for 2015/16.
- That Professional Development Reviews need to be completed for all the Council's staff for this year.
- That as part of the strategy to reduce reliance on agency staff and associated costs the Council needs to consider the feasibility and cost effectiveness of developing a Professional Traineeship scheme.

**It was resolved –**

- **To note the contents of the report along with the areas in which the Senior Leadership Team is managing to secure improvements into the future as set out in section 1.1 of the report.**
- **To note the mitigation measures associated with areas of concern with the reported out-turn of progress being communicated to the Executive at its scheduled meeting in May, 2015.**

## **6 BUDGET 2015/16**

(a) The report of the Interim Head of Function and Section 151 Officer in respect of the Medium Term Financial Plan and detailed revenue budget proposals for 2015/16 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the Authority received a 3.9% reduction in its Revenue Support Grant for 2015/16 meaning that it was required to identify savings in the region of £4m. That process has been undertaken via service reviews and service challenges involving Member input with all departments working towards a savings target of 10%. Budgets have also been reviewed in terms of housekeeping efficiency. No significant budget reductions in statutory services are proposed and an element of protection is being afforded to schools. The Authority's approach is also based on eschewing the use of reserves in 2015/16 in anticipation that that cushion may be required in what are expected to be financially challenging years ahead. The public consultation exercise on the Budget proposals specifically was undertaken through a variety of means and drew 73 responses mainly around the increase in Council Tax and the savings proposal in relation to school breakfasts which is included in the efficiencies schedule subject to consultation and scrutiny. In proposing a 4.5% increase in the Council Tax, the Authority has sought to be reasonable being mindful of the number of low income families on the island; the rate of Council Tax on Anglesey still remains one of the lowest in Wales.

The Portfolio Member for Housing and Social Services referred also to reductions in grant funding to the Authority across a range of services over and above the 3.9% reduction in the RSG and the identification of £4m of savings which that has necessitated. He said that in order to obtain a clear understanding of the full

budgetary position the sum total of grant reductions needs to be known. The Interim Head of Resources and Section 151 Officer said that the relevant figures are lodged within the individual directorates, but can be extricated and circulated.

The Chief Executive said that due to the timing of the confirmation of certain grants which can extend into the new financial year, the position in full may not become clear for a few months.

**It was resolved -**

- **To note the formal consultation meetings on the budget proposals and the resulting feedback as outlined in section 2 of the report and in Appendices 1 and 2.**
- **To note the equalities implications summary on the budget proposals in section 10 of the report.**
- **To agree that within the proposed budget, schools are given an increase in budget which meets the Welsh Government's pledge for schools funding as detailed in paragraph 3.2 of the report.**
- **To agree the final details of the Council's proposed budget, investments, pressures and savings as shown in Appendices 3 and 4 to the report.**
- **To note the Section 151 Officer's recommendation that minimum General Fund Balances be maintained at £5m, the confirmation of the robustness of the estimates underlying the proposals and the adequacy of the General Reserves in the context of other earmarked reserves.**
- **To recommend a net budget for the County Council and resulting Council Tax to the Council, noting that a formal resolution including the North Wales Police and Community Council Precepts will be presented to the Council on the 26 February, 2015.**
- **To authorise the Section 151 Officer to make such changes as may be necessary before submission to the Council.**
- **To approve the inclusion of the "School Breakfast" efficiency saving as part of the efficiency saving register in Appendix 4 to the report, but to note that if this efficiency saving is not achievable or acceptable following full consultation and scrutiny (report to be brought to the Executive at the end of May, 2015) there is a specific contingency which is in place which the Executive is able to instruct the Section 151 Officer to release.**
- **To agree that any unforeseen pressures on demand led budgets during the financial year will be able to draw upon funding from the general contingencies budgets.**
- **To recommend a 4.5% Council Tax increase to full Council.**

(b) The report of the Interim Head of Democratic Services summarising the response of the Corporate Scrutiny Committee to the 2015/16 Budget proposals from its meetings held on 3rd and 10th February, 2015 was presented for the Executive's information.

Councillor R. Meirion Jones, Chair of the Corporate Scrutiny Committee reported on the Committee's views and recommendations.

**It was resolved to note the views and recommendations of the Corporate Scrutiny Committee with regard to the 2015/16 Budget proposals from its meetings held on 3rd and 10th February, 2015.**

(c) The report of the Interim Head of Resources and Section 141 Officer in respect of the capital bids for 2015/16 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that in response to the recommendation made by the Corporate Scrutiny Committee that Project 13 (rewiring of school buildings) be included within the capital programme for 2015/16 he was proposing an amendment to the recommendations of the report to allow both Project 13 and Project 19 (refurbishing school toilets) regarding which concern had also been expressed, to be accommodated within the Capital programme by increasing the capital budget by 450k to be funded from slippage on the 2014/15 Capital Programme.

The Executive endorsed the amendment.

**It was resolved -**

- **That the 2015/16 capital programme be set at £450k higher than the £14.480m shown in the report, to be funded by slippage on the 2014/15 Capital Programme and that the additional funding be used to implement the proposals relating to the rewiring of education buildings and refurbishing school toilets.**
- **To accept the recommendation in Appendix CH to the report.**

## **7 TREASURY MANAGEMENT STRATEGY STATEMENT 2015/16**

The report of the Interim Head of Resources and Section 151 Officer incorporating the Treasury Management Strategy for 2015/16 was presented for the Executive's consideration.

**It was resolved –**

- **To note the contents of the covering report.**
- **To endorse the contents of, and assumptions and proposals made within the Treasury Management Strategy Statement (including the Prudential and Treasury Management Indicators) for 2015/16 (Appendix A to the report) and**
- **To forward the Strategy to the County Council without further comment.**

## **8 CHARGES FOR NON-RESIDENTIAL SERVICES 2015/16**

The report of the Head of Adults' Services setting out recommendations with regard to charges placed on service users towards the cost of non-residential social care services was presented for the Executive's consideration.

The Portfolio Member for Housing and Social Services reported that the proposed increase in charges are in line with the corporate guidance for increasing income by

5% in 2015/16 apart from where Welsh Government statutory guidance directs otherwise.

**It was resolved to approve –**

- **Home Care charges outlined in paragraph 3.5.2 of the attached report.**
- **Charges for meals in day services outlined in paragraph 3.6.2 of the attached report.**
- **Charges for Telecare Services as outlined in paragraph 3.8.3 of the attached report.**
- **Freezing the rate for Direct Payments at £10.50/hour as outlined in paragraph 3.9.4 of the attached report.**
- **Maintaining a charge of £10.00 for the administration in relation to Blue Badge requests and replacements as per paragraph 3.10.4 of the attached report.**
- **Increasing the fee for purchasing day care services in independent residential homes to £28.92 per 6 hour session (+£4.82 for each individual hour) with the service user contributing £5.25 in addition to the provider towards the cost of refreshments.**

## **9 STANDARD CHARGE FOR COUNCIL CARE HOMES**

The report of the Head of Adults' Services setting out a recommendation for the standard charge for the Authority's care homes for older people for the 2015/16 financial year was presented for the Executive's consideration.

**It was resolved –**

- **That whilst the Council acknowledges the costs incurred within residential care, that the cost of delivery is not reflected in the charge to residents, and**
- **That the increase for those contributing towards the cost of care is consistent with the guidance for Council services set at 5% and that a standard charge of £540.26 is set.**

## **10 LEISURE FUNCTION PLAN: RESPONDING EFFECTIVELY TO THE IMMEDIATE EFFICIENCY CHALLENGES**

The report of the Head of Economic and Community Regeneration incorporating the Leisure Function Plan was presented for the Executive's consideration.

The Head of Economic and Community Regeneration reported that the Leisure Service is facing a number of challenges including a requirement within the Corporate Plan to identify reductions of 60% in running costs over the course of the next three years. The Leisure Function Plan represents a first step in addressing those challenges with the aim of ensuring the continuation of a leisure provision under the County Council and it presents high level, short-term conceptual options for modernising, improving, and safeguarding the provision on Anglesey, which although a non-statutory service, is highly valued and popular. The Leisure Plan is founded on adopting a more commercial approach and culture to underpin

modernisation and improvement in leisure provision and identifies five improvement objectives to drive the required critical changes.

**It was resolved to support and endorse the Leisure Function Plan:  
Responding Effectively to the Immediate Efficiency Challenges.**

**COUNCILLOR IEUAN WILLIAMS  
CHAIR**