

# Public Document Pack



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

Mrs Annwen Morgan  
Prif Weithredwr – Chief Executive  
CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
Swyddfeydd y Cyngor - Council Offices  
LLANGFNI  
Ynys Môn - Anglesey  
LL77 7TW

Ffôn / tel (01248) 752500  
Ffacs / fax (01248) 750839

<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>
<b>PWYLLGOR SGRIWTINI CORFFORAETHOL</b>	<b>CORPORATE SCRUTINY COMMITTEE</b>
<b>DYDD IAU, 27 CHWEFROR, 2020 am 9:30 y. b.</b>	<b>THURSDAY, 27 FEBRUARY 2020 at 9.30 am</b>
<b>YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFNI</b>	<b>COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFNI</b>
<b>Swyddog Pwyllgor</b>	<b>Ann Holmes 01248 752518</b>
	<b>Committee Officer</b>

## **AELODAU/MEMBERS**

Cynghorydd/Councillor:

## **PLAID CYMRU / THE PARTY OF WALES**

Lewis Davies, John Griffith, Dylan Rees (*Is-Gadeirydd/Vice-Chair*), Alun Roberts, Nicola Roberts

## **Y GRWP ANNIBYNNOL / THE INDEPENDENT GROUP**

Richard Griffiths, Richard O. Jones

## **PLAID LAFUR CYMRU/ WALES LABOUR PARTY**

J. Arwel Roberts

## **ANNIBYNNWYR MÔN / ANGLESEY INDEPENDENTS**

Aled Morris Jones (Democratiaid Rhyddfrydol Cymru/Welsh Liberal Democrats)(*Cadeirydd/Chair*)  
Bryan Owen

## **AELODAU CYFETHOLEDIG (Gyda hawl pleidleisio ar faterion Addysg) / CO-OPTED MEMBERS (With voting rights when dealing with Educational matters)**

Mr Keith Roberts (Yr Eglwys Gatholig / The Catholic Church)

Mrs Anest G. Frazer (Yr Eglwys yng Nghymru / The Church in Wales)

Mr Dyfed Wyn Jones (Rhiant Llywodraethwr – Sector Ysgolion Cynradd/Parent Governor-  
Primary Schools Sector)

Llio Johnson (Rhiant Llywodraethwr – Sector Ysgolion Uwchradd ac ADY/Parent  
Governor- Secondary Schools Sector and ALN)

## **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 OF THE PREVIOUS MEETINGS** (Pages 1 - 16)

To present the minutes of the previous meetings of the Corporate Scrutiny Committee held on the following dates –

- 13 January, 2020
- 14 January, 2020 (extraordinary)

**3     2020/21 BUDGET SETTING PROCESS - FINAL DRAFT REVENUE BUDGET PROPOSALS** (Pages 17 - 40)

To present the report of the Scrutiny Manager and the Director of Function (Resources)/Section 151 Officer.

**4     2020/21 BUDGET SETTING PROCESS - FINAL DRAFT CAPITAL BUDGET PROPOSALS** (Pages 41 - 62)

To present the report of the Scrutiny Manager and the Director of Function (Resources)/Section 151 Officer.

**5     ITEM FOR INFORMATION - LIBRARY SERVICE ANNUAL REPORT 2018/19**  
(Pages 63 - 98)

To present the report of the Director of Education, Skills and Young People.

## CORPORATE SCRUTINY COMMITTEE

### Minutes of the meeting held on 13 January, 2020

- PRESENT:** Councillor Aled Morris Jones (Chair)  
Councillor Dylan Rees (Vice-Chair)
- Councillors Lewis Davies, John Griffith, Richard Griffiths, Bryan Owen  
Alun Roberts.
- Co-opted Member: Mr Keith Roberts (The Catholic Church)
- Portfolio Members**
- Councillor Llinos Medi Huws (Leader and Portfolio Member for Social Services)  
Councillor Robin Williams (Portfolio Member for Finance)  
Councillor Richard Dew (Portfolio Member for Planning and Public Protection)  
Councillor R.G. Parry, OBE FRAGS (Portfolio Member for Highways, Property and Waste)
- By Invitation:** Councillor Dafydd Roberts (Chair of the Finance Scrutiny Panel), Councillors R. Llewelyn Jones, Peter Rogers
- IN ATTENDANCE:** Chief Executive  
Deputy Chief Executive  
Director of Function (Resources)/Section 151 Officer  
Director of Social Services  
Head of Children and Families' Services  
Head of Housing Services  
Head of Profession (HR) & Transformation  
Head of Democratic Services  
Legal Services Manager  
Programme, Business Planning and Performance Manager  
Scrutiny Manager (AGD)  
Committee Officer (ATH)
- APOLOGIES:** Councillors Richard O. Jones, J. Arwel Roberts, Nicola Roberts, Mrs Anest Frazer (Co-opted Member), Councillor R. Meirion Jones (Portfolio Member for Education, Libraries, Culture and Youth)
- ALSO PRESENT:** Sioned Rowe (Scrutiny Officer)

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The Chair welcomed all those present to this meeting of the Corporate Scrutiny Committee and he extended a particular welcome to Sioned Rowe as the newly appointed Scrutiny Officer, and to Councillor Peter Rogers who was returning to Council business following a period of recuperation after knee surgery.

## **1 DECLARATION OF INTEREST**

No declaration of interest was received.

## **2 MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting of the Corporate Scrutiny Committee held on 21 November, 2019 were presented and were confirmed as a correct record.

## **3 2020/21 BUDGET SETTING – REVENUE BUDGET INITIAL PROPOSALS**

The report of the Scrutiny Manager outlining the context to the 2020/21 budget setting process was presented for the Committee's consideration. The report incorporated at Appendix 1, the report of the Director of Function (Resources) and Section 151 Officer on the initial proposals for the 2020/21 Revenue Budget and the factors having an impact thereon.

The Chair clarified that the budget setting process for 2020/21 has been delayed due to the General Election in December, 2019 and consequently, the later than usual announcement of the provisional local government settlement.

The Portfolio Member for Finance summarised the situation by saying that although the budgetary position for 2020/21 is better than anticipated due to an increased provisional settlement announced by Welsh Government on 16 December, 2019 which is to be welcomed, the financial circumstances overall remain challenging. The Council's reserves have reduced having been used to meet cost pressures in areas where demand has been and continues to increase including Adult Social Care and Education which suggests that those services' base budgets may need to be reviewed and/or realigned. Welsh Government assumes a 7.1% increase in Council Tax levels, and the settlement although improved, in real terms is only on a par with the Welsh Government support received back in 2012/13. The Portfolio Member said that he therefore advised taking a prudent approach in terms of making recommendations with regard to the 2020/21 Revenue Budget.

The Director of Function (Resources)/Section 151 Officer guided the Committee through each of the sections in the report at Appendix 1 on the proposed revenue budget for 2020/21. The following main points were highlighted and elaborated upon –

- The main assumptions in the Medium Term Financial Plan approved by the Executive in September, 2019. These have been taken into account in calculating the standstill budget for 2020/21.
- The calculation of a standstill budget for 2020/21 as a starting point for the budget setting process. The standstill budget is a budget which provides resources to operate services at 2019/20 levels but updated to reflect any known changes outside of the control of the services (committed changes) and to reflect the costs in 2020/21.
- The committed changes and their impact in terms of adjustments made to the budget as set out in paragraphs 3.1 to 3.10 of the report.
- Changes made to contingency budgets (built into the budget to cover fixed term costs, potential risks or to meet unexpected events) as shown in Table 1 of Appendix 1. The improved financial position in 2020/21 allows the Council to reduce the Salary and Grading Contingency as it is not expected that significant reductions will have to be made to staffing numbers in 2020/21.
- Staffing costs and their effects on the budget. Uncertainty around the pay award for non-teaching staff as from April, 2020 and for teaching staff from September, 2020 is a risk to the budget. The budget for the Council's non-teaching staff is in the region of

£45m per annum inclusive of NI and pension contribution costs – every 1% increase in the pay award therefore equates to an additional £450k in costs.

- Budget pressures and demand led services. Increased demand for Adult Social Care means the service is expected to exceed its budget by £1.21m in 2019/20. For the purposes of the 2020/21 budget £980k has been included in the service budget as additional funding, but it may not be sufficient to meet the growing demand for services especially in light of the uncertainty over future grant funding specifically the Social Care Workforce and Sustainability Pressures Grant (confirmed for 2020/21) and the Winter Pressures Grant (unconfirmed for 2020/21).
- Delegated Schools Budget. As part of the 2019/20 budget a reduction of £800k was planned to the delegated schools budget deferred for one year and funded from the additional Teachers Pay grant and 50% of the Teachers Pensions Grant. As these grants have now been transferred into the settlement, it is open to the Executive to reverse the budget reduction decision.
- Standstill Budget. Based on all of the adjustments and assumptions made, the standstill budget for 2020/21 is £142.203m, an increase of £6.993m on the 2019/20 final budget. The provisional total Aggregate External Finance for 2020/21 is £101.005m leaving £41.198m to be funded from Council Tax. The 2019/20 Council Tax Budget adjusted for the change in the tax base is £39.370m meaning there is a funding shortfall of £1.828m before an increase in Council Tax.
- The impact of various levels of Council Tax increases on the Band D equivalent charge and on bridging the funding shortfall as shown in Table 4 of the report. An increase of 4.64% in the Council Tax would meet the budget requirement for 2020/21.
- The savings proposals identified by services that can be implemented in 2020/21 without having an unmanageable impact on services which amount to £343k (listed in Appendix 4 to the report). Whilst the better than expected settlement has reduced the need to implement those savings, implementing some or all of the savings does provide some flexibility in terms of the options available if they were implemented e.g. increase the budgets of under pressure services; increase the level of general balances; contribute towards funding 2020/21 capital expenditure; reduce the increase in Council Tax.
- The continuing uncertainty regarding the financial position in 2021/22 and beyond. The report notes that a return to austerity and a need to make further savings remain a possibility. Implementing the savings and using the funding to increase the level of general balances to fund capital expenditure in 2020/21 would leave the Council in a better financial position in 2021/22 and would not increase the revenue budget on a permanent basis nor reduce the funding available.

Councillor Dafydd Roberts, Chair of the Finance Scrutiny Panel reported from the Panel's meeting of the 9 January, 2020 where it had given detailed consideration to the initial 2020/21 revenue budget proposals. The Panel had –

- Noted that the improved settlement in effect only takes the Council back to 2012/13 funding levels;
- Acknowledged the risks in the 2020/2021 budget especially in relation to demand on services which it is difficult to predict or quantify.
- Recognised the need to increase and maintain Council reserves at an appropriate level.
- Recommended that the £800k planned reduction in the delegated schools budget deferred from 2019/20, should not be implemented.
- Recommended that Council Tax should not be increased by more than 5%.
- Recommended that the £343k savings identified be implemented in full apart from the proposed increase in parking fees specifically in urban areas on the reasoning that the public should not be discouraged from visiting town centres because of parking

charges.(The Director of Function (Resources)/Section 151 Officer clarified that the potential total savings from increasing car park fees is £83k made up of £57k from increasing the rate in town sites and £26k from increasing the rates in sites elsewhere)

- Recognised the uncertainty around future years' funding and the need for the 2020/21 budget setting process to therefore incorporate an element of flexibility.

In considering the report and proposals therein as well as the feedback from the Finance Scrutiny Panel, the Committee –

- Noted that although the provisional funding settlement is an improvement on previous years and is better than expected, in real terms the Council is only slightly better off than it was in 2012/13.
- Discussed the proposed reduction in the civic budget noting that this funding amongst other things, supports the work and visibility of the Council Chair within the community. Councillor Dafydd Roberts clarified that around £6k will still be available to the civic budget and that he felt it was more difficult to justify elements of this service in comparison with some other services and also when benchmarked against other Councils' civic activities.
- Recognised that if the Council is to achieve one of its key strategic objectives of raising standards in education then schools must be afforded the stability to allow them to address challenges in the form of introducing the new Curriculum for example. Implementing a reduction of £800k in the delegated schools budget could have a destabilising effect and could therefore undermine the work of improving standards.
- Noted that how the Council's decision to increase fees and charges across services is affecting the public also needs to be better understood and considered in the context of setting the 2020/21 revenue budget and determining the Council Tax increase.
- In recognising that the uncertainty in connection with demand led budgets – specifically Adults' Social Care and Education - is a risk to the budget, questioned whether confining the Council Tax increase to a maximum of 5% (as recommended by the Finance Scrutiny Panel) is sufficient to meet requirements. The Director of Function (Resources)/Section 151 Officer confirmed that the additional £980k allocation for the Adult Social Care budget for 2020/21 coupled with the announced increase in Social Care Workforce and Sustainability Pressures grant should be sufficient to meet the current overspend in Adults' Social Care services. However, it is uncertain how the demand for services will change in the coming financial year and what will be the resulting impact on the service budget. The Officer further clarified that a 4.64% increase in Council Tax would balance the budget; a 4.9% increase would generate an additional £101k which together with the £343k savings would amount to £444k which could be held in reserve to respond to any increase in the demand for services in the forthcoming financial year.
- Noted that no indicative funding figures are available beyond 2020/21 but that the situation in relation to the Welsh Government's budget may become clearer with the publication of the UK Government's budget in March, 2020. The budget for 2020/21 needs to have regard to this uncertainty and to therefore incorporate an element of flexibility to be able to respond to whatever the settlements for the following two financial years may bring.
- Requested that as part of the budget setting report in future, information on the Council's reserves position be also included. The Corporate Director of Function (Resources)/Section 151 Officer clarified that a report on the Council's reserves and balances and their use will be presented to the Executive at the same time as the final budget proposals at the beginning of March, 2020.

- Acknowledged and thanked the Finance Scrutiny Panel for its detailed work on the 2020/21 initial revenue budget proposals.

**Having considered the information presented both in the report and verbally at the meeting, and being mindful of the risks around the 2020/21 revenue budget in relation to workforce costs and service demand as well as the uncertainty around future years' funding, the Committee resolved to recommend to the Executive –**

- **That the increase in Council Tax for 2020/21 should not exceed 5%**
- **That the £343k savings identified by services as outlined in Appendix 4 of the report be implemented in full apart from increasing car park fees for town sites which should be given further consideration.**
- **That the £800k reduction in delegated schools budget deferred from 2019/20 be not implemented.**

**ADDITIONAL ACTION – Information on the Council's reserves and balances to be included in future budget setting reports.**

#### **4 2020/21 BUDGET SETTING – CAPITAL BUDGET INITIAL PROPOSALS**

The report of the Scrutiny Manager incorporating the report of the Director of Function (Resources)/Section 151 Officer on the initial proposals for the 2020/21 Capital Budget was presented for the Committee's consideration.

The Director of Function (Resources)/Section 151 Office in highlighting the main points and elaborating thereon –

- Referred to the limited scope to consider various options for the Capital Budget in comparison with the Revenue Budget.
- Outlined the principles of the Capital Strategy approved by the Executive in February, 2019 on which the draft Capital Budget for 2020/21 is based (paragraph 2.2 of the report refers).
- Clarified with regard to funding the capital programme (Table 1 of the report) that the draft Local Government settlement figures encompass the General Capital Grant and Supported Borrowing; whilst capital grants for specific purposes have increased, the level of funding under both these headings has remained fairly constant over a number of years thereby limiting the Council's options in terms of capital expenditure.
- Confirmed a £500k allocation from the Capital Reserve (leaving a forecast balance of £640k) to meet any emergency capital works required during the year and/or provide match funding should the need arise.
- Provided a rundown of the existing assets to be refurbished and/or replaced in line with the capital strategy approach, and the sums allocated thereto as per section 4.2 and Table 3 of the report adding that unless the Capital Grant is increased in future, the Council will find it difficult to achieve even the minimum of maintaining current assets.
- Summarised the other one-off bids for additional funding approved by the Senior Leadership Team for inclusion in the 2020/21 capital programme after assessment by the Finance Team using the Capital Strategy scoring mechanism (Table 4 of the report refers – total recommended allocation £2.174m)
- Referred to a number of other projects identified by the bidding process which do not require funding in 2020/21 but may need to be funded in 2021/22 or beyond as itemised in section 5.4 of the report.
- Clarified the position with regard to 21<sup>st</sup> Century Schools' capital programme and the Housing Revenue Account capital programme.

Councillor Dafydd Roberts, Chair of the Finance Scrutiny Panel reported from the Panel's meeting of the 9 January, 2020 where it had given detailed consideration to the initial 2020/21 capital budget proposals. The Panel had recommended that the following proposals for the 2020/21 Capital Budget be supported –

- Refurbishment/Replacement of assets £5.158m
- New one off capital projects £1.924m
- Leisure Facilities Improvement Fund £0.250m
- 21<sup>st</sup> Century Schools £9.039m
- Housing Revenue Account £17.138m

Total New Expenditure £33.609m together with slippage of £3.294m from 2019/20 bringing the total Capital Budget for 2020/21 to £36.903m.

**Having considered the report and the information presented verbally at the meeting, the Committee resolved to recommend the Capital Programme of £36.903m for 2020/21 as outlined, to the Executive.**

## **5 FINANCE SCRUTINY PANEL – PROGRESS REPORT**

A progress report on the work of the Finance Scrutiny Panel over the past 12 months to December, 2019 was presented for the Committee's consideration.

Councillor Dafydd Robert, Chair of the Finance Scrutiny Panel presented the update report to the Committee.

**Having considered the report, the Corporate Scrutiny Committee resolved to note the following –**

- **The progress made to date with the work of the Finance Scrutiny Panel, both in terms of achieving its work programme and measuring impact and added value.**
- **That processes pertaining to budget monitoring for 2019/20 appear to be fit for purpose.**
- **The ongoing financial scrutiny development programme for Panel members which is being delivered by CIPFA Wales.**
- **That the Panel has escalated to the Committee's attention, its continued concern regarding budget pressures in demand led services (social services and education) and that it continues to closely monitor the situation and has arrangements in place to ensure regular dialogue with Directors and Heads of Service to provide an explanation of the financial situation in both services and the impact of mitigation measures in place to control overspends. The Committee further notes that the Panel will continue to report back on its findings as the situation evolves.**
- **Arrangements to report to this Committee and the Executive on a 3 monthly basis on progress made by the Panel in implementing the forward work programme with more frequent reporting arrangements to be introduced if there is a specific risk to be addressed.**

## **6 FORWARD WORK PROGRAMME**

The Committee's forward work programme was presented for consideration.

**It was resolved –**

- **To agree the current version of the forward work programme for 2019/2 and**
- **To note progress thus far in implementing the forward work programme.**



**Councillor Aled Morris Jones  
Chair**

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# CORPORATE SCRUTINY COMMITTEE

## Minutes of the extraordinary meeting held on 14 January, 2020

**PRESENT:** Councillor Aled Morris Jones (Chair)  
Councillor Dylan Rees (Vice-Chair)

Councillors Lewis Davies, John Griffith, Richard Griffiths, Richard O. Jones, Bryan Owen, Alun Roberts, J. Arwel Roberts, Nicola Roberts.

Co-opted Members: Mrs Anest Frazer (The Church in Wales), Mr Dyfed Wyn Jones (Parent-Governor – Primary Schools Sector), Mr Keith Roberts (The Catholic Church)

### Portfolio Members

Councillor Llinos Medi Huws (Leader and Portfolio Member for Social Services)  
Councillor R. Meirion Jones (Portfolio Member for Education, Libraries, Culture and Youth)  
Councillor Robin Williams (Portfolio Member for Finance)  
Councillor R.G. Parry, OBE, FRAGS (Portfolio Member for Highways, Property and Waste) (*a Local Member in respect of items 2 & 3 on the agenda*)

**IN ATTENDANCE:** Chief Executive  
Deputy Chief Executive  
Director of Education, Skills and Young People  
Director of Function (Resources)/Section 151 Officer  
Legal Services Manager  
Programme, Business Planning and Performance Manager  
Programme Manager (CS)  
Scrutiny Manager (AGD)  
Committee Officer (ATH)

**APOLOGIES:** Llio Johnson (Parent Governor – Secondary Schools Sector)

**ALSO PRESENT:** Sioned Rowe (Scrutiny Officer), Mr Gareth Parry and Llinos Roberts (on behalf of Ysgol Gymuned Bodffordd (for item 2), Mr Dafydd Jones (on behalf of Ysgol Corn Hir (for item 2), Mr Islwyn Humphreys and Emma Evans (on behalf of Ysgol Talwrn (for item 3), Dr Iestyn Pierce (on behalf of Ysgol Y Graig) (for item 3)

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The Chair welcomed all those present to this extraordinary meeting of the Corporate Scrutiny Committee including parents and representatives of Ysgol Gymuned Bodffordd, Ysgol Corn Hir, Ysgol Talwrn and Ysgol Y Graig.

### 1 DECLARATION OF INTEREST

Declarations of interest were made as follows –

Councillor Dylan Rees declared a personal but not prejudicial interest with regard to item 2 on the agenda as Vice-Chair of the Governing Body of Ysgol Gymuned Bodffordd and confirmed that following legal advice, he would be speaking and voting thereon in his capacity as a Local Member.

Councillor Nicola Roberts declared a personal but not prejudicial interest in item 3 on the agenda as a member of the Governing Bodies of Ysgol Talwrn and Ysgol Y Graig and confirmed that following legal advice, she would be participating in the discussion and voting thereon.

Councillor Richard Griffiths declared a personal but not prejudicial interest in item 3 on the agenda on the basis that his prospective daughter in law is a teacher at Ysgol Y Graig and confirmed that following legal advice, he would be participating in the discussion and voting thereon.

## **2 THE COUNTY COUNCIL'S SCHOOLS' MODERNISATION PROGRAMME – LLANGEFNI AREA: YSGOL BODFFORDD AND YSGOL CORN HIR**

The report of the Director of Education, Skills and Young People with regard to the school modernisation programme in relation to the Llangefni area was presented for the Committee's consideration. The report sought the Committee's views on the proposal to *relocate and extend Ysgol Corn Hir to a different site to accommodate Ysgol Bodffordd pupils, close Ysgol Bodffordd and review the catchment areas of Ysgol Bodffordd and Ysgol Corn Hir*, in order that the Executive may consider them prior to deciding whether or not to accept the proposal and authorise the necessary statutory consultation thereon.

The Portfolio Member for Education, Libraries, Culture and Youth referred to the request by the Executive in May, 2019 to ask Officers to look afresh at the various issues in relation to schools' modernisation and the requirements under the Schools' Organisation Code 2018 in the Llangefni area and to bring an appropriate report back to the Executive in due course. The report above is in response to this request and should the proposal contained therein be approved for consultation purposes by the Executive following consideration of the views of Scrutiny, a statutory consultation process will then ensue during which all stakeholders will be afforded the opportunity to respond to and comment on the proposal. The responses received at that time would then be taken into account in coming to a final decision on whether or not to proceed with the proposal and to issue statutory notices.

The Director of Education, Skills and Young People guided the Committee through the proposal paper and outlined the key drivers for change set out in the Council's Schools' Modernisation Strategy as summarised in section 3 of the proposal paper. The application of these key drivers to education provision in the Llangefni area leads to the conclusion that any school modernisation would need to address a set of criteria which includes education standards; leadership and management; school building; sufficiency of school spaces; Welsh medium provision and community use (section 4). Eleven reasonable alternatives/options for the Llangefni area which encompass Ysgol Gyfun Llangefni, Ysgol Bodffordd, Ysgol Corn Hir, Ysgol Y Graig and Ysgol Talwrn have been considered – these are set out in section 5 of the proposal paper. A detailed analysis of each reasonable alternative has concluded that there is no viable whole Llangefni area solution. Consequently, and due to their close proximity, attention has focused on finding a possible solution for the Ysgol Bodffordd and Ysgol Corn Hir catchment areas and separately for the Ysgol Y Graig and Ysgol Talwrn catchment areas (addressed in detail under item 3) that would fulfil the drivers mindful also of the challenges facing those schools.

The Officer summarised the process since June 2019 which had involved the consideration of alternative options for the Llangefni area in totality. Given that this had led to the conclusion that there is no viable whole Llangefni solution, consideration has

subsequently focused on identifying solutions based on the Ysgol Bodffordd/Ysgol Corn Hir and Ysgol Y Graig/ Ysgol Talwrn catchment areas having regard to the key drivers and also the challenges in those schools. A key consideration has also been the presumption against the closure of rural schools set out in the School Organisation Code 2018 and to ensure therefore that as many reasonable options as possible were explored for Ysgol Bodffordd and Ysgol Talwrn although the latter is not a designated rural school under the Code. Thirteen reasonable alternatives (inclusive of the proposal) for Ysgol Bodffordd and ten reasonable alternatives (inclusive of the proposal) for Ysgol Talwrn were considered. The majority of those options do not meet the Llangefni area drivers and are not feasible as regards long-term education provision in those schools. Legal advice on the process and the expectations of the Schools Organisation Code 2018 has been obtained.

The Officer referred to the key challenges facing Ysgol Bodffordd and Ysgol Corn Hir (section 6 of the proposal paper). Thirteen reasonable alternatives (inclusive of the proposal) for Ysgol Bodffordd and eleven reasonable alternatives (inclusive of the proposal) for Ysgol Corn Hir have been considered and analysed against the key school modernisation drivers and criteria for education provision in the Llangefni area (sections 7 and 9 of the proposal paper). Each reasonable alternative for Ysgol Bodffordd has also been assessed in relation to the likely impact on standards, the community and pupils' travelling arrangements (section 8). The assessment has shown that the proposal presented has a positive impact on standards, a neutral impact on the community and a negative impact on some pupils' travelling arrangements. It has also led to the conclusion that the Council would need to mitigate the effect of potential closure of Ysgol Bodffordd by working with the community to ensure the long-term viability of the present community centre and by providing a bus service from the village to the new Ysgol Corn Hir site for eligible pupils in line with the Authority's schools transport policy. The analysis leads the Council to put forward the proposal as presented as providing the optimum solution that addresses the key drivers for education provision in the Llangefni area and the key challenges faced by both Ysgol Bodffordd and Ysgol Corn Hir. In practice it would mean relocating Ysgol Corn Hir to a new site and the school continuing to operate into the future; the governing body of Ysgol Corn Hir would govern the new school. The Authority would seek to ensure representation on the governing body from Ysgol Bodffordd and Ysgol Bodffordd would close.

Mr Gareth Parry and Llinos Roberts were given the opportunity to present observations on the proposal paper from the perspective of Ysgol Bodffordd. Mr Gareth Parry in speaking on behalf of the Chair of Ysgol Bodffordd Governing Body and Llinos Roberts as a parent of children attending the school raised concerns in relation to –

- The ongoing uncertainty over the future of Ysgol Bodffordd due to repeated consultations on its future and the continuing threat of closure which is unsettling to staff and parents alike
- The strong community credentials of Ysgol Bodffordd and the negative impact its closure would have on community life and the village.
- The impact on the Welsh language and on local Welsh culture
- The proposal paper's reliance on outdated data and reports in evaluating standards at Ysgol Bodffordd.
- The unequal treatment of the two schools and the lack of a level playing field in the competition for jobs. The proposal means Ysgol Corn Hir will be relocated to the new school in its entirety but Ysgol Bodffordd will close. Fairer to close both schools and build a new school with a new name.

Mr Dafydd Jones, Chair of the Governing Body of Ysgol Corn Hir spoke to emphasise the pressing situation at Ysgol Corn Hir as regards school condition, over-capacity, and shortage of space and the potential effects of these shortcomings both on health and

safety and on school standards. The school is a high performing Welsh school serving a Welsh community and it has high expectations of itself; however the circumstances in which it finds itself are an obstacle to moving the school forwards and to delivering the new Curriculum. The school deserves better and could achieve so much more if it had appropriate resources. Ysgol Corn Hir fully supports the proposal and believes it needs to be implemented without further delay.

It was explained that the School Organisation Code requires that consideration be given to Estyn inspections and that the most recent inspection in the case of Ysgol Bodffordd was conducted in 2015. The proposal paper does however seek to reflect the improvement work that has been undertaken at the school since that time and recognises also that the categorisation of Ysgol Bodffordd has improved from Amber (a school that requires specific support and monitoring) to Yellow (a school that requires light support and monitoring).

The Committee considered the proposal paper and views expressed by the two schools' representatives and raised the following matters during debate –

- The timing of this meeting of the Corporate Scrutiny Committee. Councillor Nicola Roberts said that she had been approached by a number of parents who would have liked to attend but were unable to do so because the meeting was being held during working hours. The Chair said that he always sought to ensure that those who want to, can attend Corporate Scrutiny Committee meetings especially in light of the interest in school modernisation matters and that if he had known of these concerns beforehand he would have tried to address them – the reason for the early start this morning was the nature of the business to be considered with two items of substance before the Committee. The Legal Services Manager confirmed that dependent on the business to be discussed, the timing of the Committee could be changed accordingly – Councillor Nicola Roberts asked for confirmation in writing.
- Whether the legal advice obtained by the Authority with reference to the proposal paper could be published on the Council's website. The Legal Services Manager advised against as that would entail losing the privilege attached to the advice.
- That the urgency of the situation at Ysgol Corn Hir was fully understood and accepted by Committee. Members did not question that part of the proposal which puts forward a replacement school for Ysgol Corn Hir but some Members did challenge whether a new school for Ysgol Corn Hir had to be at the expense of Ysgol Bodffordd and whether that was the right path to take.
- Whether the proposal is fair and provides a balanced solution. Councillor Dylan Rees (also a Local Member) submitted that a more equitable approach would be to close both schools and open a new one – as it is, what is being proposed with a new school for Ysgol Corn Hir is the assimilation of Ysgol Bodffordd by Ysgol Corn Hir meaning the two schools are not on an equal footing and that there is no equality of opportunity for Ysgol Bodffordd staff.
- Assurances about the longevity and fitness for purpose of the proposed new school over time given that the Authority will be paying for it over the course of 50 years and given also that the current Ysgol Corn Hir has become unsuitable after only 25 years.
- That the best interests of all the children of this area need to be served. Councillor Nicola Roberts (also a Local Member) submitted that this would be best achieved by a new school which meets the needs of all and provides the highest quality in terms of school building and education standards. Whilst Ysgol Corn Hir is within a town it is nevertheless a community school and what the proposal seeks to achieve is to extend that community and to bring it closer together. It is the people who live within it not school buildings, that make a community, and it is their responsibility to ensure the community prospers. The current school buildings are unsuitable and the way resources are shared across the schools and children is unequal. A solution needs to

be found through the consultation and everyone needs to be encouraged to put their views across so that a complete and balanced picture can be built.

In noting the points made, Officers gave assurances that should the proposal be approved for statutory consultation, then all stakeholders would have an opportunity to make their views known during the consultation period; the Authority would prepare a detailed response to the consultation and the submissions received at that stage of the process.

Councillor Nicola Roberts proposed, seconded by Councillor J. Arwel Roberts that the Committee recommends to the Executive that it accepts the proposal as presented and proceeds to conduct the necessary statutory consultation.

Councillor Dylan Rees proposed an amendment to the effect that the Executive be recommended to undertake a statutory consultation on option 7.2 (build a new 21<sup>st</sup> Century school for Ysgol Bodffordd and Ysgol Corn Hir and close both schools) on the basis that this achieves parity for both schools in the reorganisation process. The proposal was not seconded.

Councillor Lewis Davies proposed a further amendment, seconded by Councillor Bryan Owen namely, that the Executive be recommended to consult on a new school for Ysgol Corn Hir and to keep Ysgol Gymuned Bodffordd open with a view to federalising it with another school.

In the subsequent vote the original proposal (made by Councillor Nicola Roberts) was carried by a majority of the Committee's members.

**Having considered the information presented both in report form and orally at the meeting, the Committee resolved to recommend to the Executive that it approves the proposal to "relocate and extend Ysgol Corn Hir to a different site to accommodate Ysgol Bodffordd pupils, close Ysgol Bodffordd and review the catchment areas of Ysgol Bodffordd and Ysgol Corn Hir" and proceeds to conduct the necessary statutory consultation thereon.**

### **3 THE COUNCIL'S SCHOOLS' MODERNISATION PROGRAMME – LLANGEFNI AREA: YSGOL TALWRN AND YSGOL Y GRAIG**

The report of the Director of Education, Skills and Young People with regard to the school modernisation programme in relation to the Llangefni area was presented for the Committee's consideration. The report sought the Committee's views on the proposal to *increase the capacity of Ysgol Y Graig to accommodate pupils from Ysgol Talwrn, close Ysgol Talwrn and review the catchment areas of Ysgol Talwrn and Ysgol Y Graig*, in order that the Executive may consider them prior to deciding whether or not to accept the proposal and authorise the necessary statutory consultation thereon.

The Portfolio Member for Education, Libraries, and Culture referred to the request by the Executive in May, 2019 to ask Officers to look afresh at the various issues in relation to schools' modernisation and the requirements under the Schools' Organisation Code 2018 in the Llangefni area and to bring an appropriate report back to the Executive in due course. The report above is in response to this request and should the proposal contained therein be approved for consultation purposes by the Executive following consideration of the views of Scrutiny, a statutory consultation process will then ensue during which all stakeholders will be afforded the opportunity to respond to and comment on the proposal. The responses received at that time would then be taken into account in coming to a final decision on whether or not to proceed with the proposal and to issue statutory notices.

The Director of Education, Skills and Young People guided the Committee through the proposal paper stating that the key drivers for change set out in the Council's Schools' Modernisation Strategy are summarised in section 3 of the proposal paper. As reported under item 2, the application of these key drivers to education provision in the wider Llangefni area leads to the conclusion that any school modernisation would need to address a set of criteria which includes education standards; leadership and management, school building; sufficiency of school spaces; Welsh medium provision and community use (section 4). Eleven reasonable alternatives/options for the Llangefni area encompassing Ysgol Gyfun Llangefni, Ysgol Bodffordd, Ysgol Corn Hir, Ysgol Y Graig and Ysgol Talwrn have been considered as set out in section 5 of the proposal paper. A detailed analysis of each reasonable alternative has concluded that there is no viable, whole Llangefni area solution. Consequently, and due to their close proximity, attention has focused on finding a possible solution for the Ysgol Bodffordd and Ysgol Corn Hir catchment areas (addressed under item 2) and separately for the Ysgol Y Graig and Ysgol Talwrn catchment areas that would fulfil the key drivers mindful also of the challenges facing those schools.

The Officer referred to the key challenges facing Ysgol Talwrn and Ysgol Y Graig (section 6) specifically and to the reasonable alternative options considered and explored with regard to each of the two schools (sections 7 and 8 of the proposal paper respectively). Ten reasonable alternatives inclusive of the proposal for Ysgol Talwrn and nine reasonable alternatives inclusive of the proposal for Ysgol Y Graig were considered and analysed against the key schools modernisation drivers. The analysis has shown that only the proposal under consideration has a positive impact on standards, the community and pupils' travelling arrangements in their totality. It has also led to the conclusion that the Council will need to mitigate the effect of potential closure on Ysgol Talwrn by providing transport for pupils attending Ysgol Talwrn to the newly expanded school. The assessment leads the Authority to put forward the proposal as presented. In practice this would mean extending Ysgol Y Graig which would continue to operate into the future; the governing body of Ysgol Y Graig would govern the extended school. The Authority would seek to ensure representation on the governing body from Ysgol Talwrn and Ysgol Talwrn would close.

Mr Islwyn Humphreys, Chair of the Governing Body of Ysgol Talwrn was given the opportunity to present observations on the proposal paper from the perspective of Ysgol Talwrn and in doing made the following points –

- That questions remain unanswered from previous consultations for example with regard to access to after school activities for Ysgol Talwrn pupils given that the road from Talwrn to Ysgol Y Graig is hazardous, and the status of the Ysgol Talwrn school building.
- The detrimental impact of the proposal on the community, on the Welsh language, on local culture and on individuals.
- That no alternative options are being offered for consultation.
- Good standards of education at Ysgol Talwrn comparable with those at Ysgol Y Graig supported by the latest data and by GwE reports with pupils across the school making sound progress and performing well and in some cases, attaining Level 6.
- Ysgol Talwrn is a flourishing school which has a good collaborative relationship with Ysgol Llanbedrgoch.
- Only 4 empty places at the school.
- The affordability of the proposal and the long-term borrowing costs for the Council on an asset that will depreciate in value.

Dr Iestyn Pierce, Chair of the Governing Body of Ysgol Y Graig spoke about the school being over capacity and the need therefore for any new extension to be able to meet the requirements in the long-term.



Councillor Nicola Roberts (also a Local Member) acknowledged that repeated consultations over the future of Ysgol Talwrn over recent years have been challenging for the school, staff, and parents and for the wider community. She recognised that whilst education standards have improved at the school in recent years, Ysgol Talwrn is let down by the school building which is unfit for purpose, a weakness it shares with Ysgol Y Graig. However, in light of the good standards at Ysgol Talwrn, and for reasons of parity she queried whether consideration should be given to a cross-over of Ysgol Talwrn staff in order to retain valuable expertise. Otherwise she believed that the proposal paper addresses all the relevant considerations and she urged all interested parties to submit their views in the event of the proposal being approved for statutory consultation.

Councillor Dylan Rees (also a Local Member) questioned whether the results of the Community Impact Assessment in projecting that the proposal would have a neutral effect on the people and community of Talwrn had been understated given the community uses of the school e.g. Pensioners' Lunch Club, which would likely be affected if the proposal was implemented.

Councillor Bryan Owen suggested that the funding might be better spent on bringing Ysgol Talwrn up to date thereby helping to safeguard the services which the school provides to the community and the viability of the community itself.

In noting the points made, Officers gave assurances that should the proposal be approved for statutory consultation, then all stakeholders would have an opportunity to make their views known during the consultation period; the Authority would prepare a detailed response to the consultation and the submissions received at that stage of the process.

Councillor J. Arwel Roberts proposed, seconded by Councillor Nicola Roberts that the Committee recommends to the Executive that it accepts the proposal as presented and proceeds to conduct the necessary statutory consultation.

Councillor Lewis Davies proposed an amendment, seconded by Councillor Bryan Owen that the Executive be recommended to consult on keeping Ysgol Talwrn open with a view to federalising it with another school (possibly Ysgol Llanbedrgoch).

In the subsequent vote the original proposal (made by Councillor J. Arwel Roberts) was carried by a majority of the Committee's members.

**Having considered the information presented both in report form and orally at the meeting, the Committee resolved to recommend to the Executive that it approves the proposal to "increase the capacity of Ysgol Y Graig to accommodate pupils from Ysgol Talwrn, close Ysgol Talwrn and review the catchment areas of Ysgol Talwrn and Ysgol Y Graig" and proceeds to conduct the necessary statutory consultation thereon.**

**Councillor Aled Morris Jones  
Chair**

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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	Corporate Scrutiny Committee
<b>Date:</b>	27 <sup>th</sup> February, 2020
<b>Subject:</b>	2020/21 Budget Setting (Revenue)
<b>Purpose of Report:</b>	Scrutiny consideration of final budget proposals for 2020/21
<b>Scrutiny Chair:</b>	Cllr Aled Morris Jones
<b>Portfolio Holder(s):</b>	Cllr Robin Williams
<b>Head of Service:</b>	Marc Jones, Director of Resources / Section 151 Officer
<b>Report Author:</b>	Anwen Davies, Scrutiny Manager
<b>Tel:</b>	01248 752578
<b>Email:</b>	AnwenDavies@ynysmon.gov.uk
<b>Local Members:</b>	Not applicable

<b>1 - Recommendation/s</b>
Agree a formal response to the Executive on the Council's proposed revenue budget for 2020/21 (using the key scrutiny questions in paragraph 4 below), taking into account the key messages from the recent public consultation exercise.

<b>2 – Link to Council Plan / Other Corporate Priorities</b>
Direct link with the Council Plan and transformation priorities. The Committee's consideration of the initial budget proposals for next year will include how the proposals enable the Executive to deliver on the Council Plan and transformation programme as well as any specific risks.

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities [ <b>focus on customer/citizen</b> ]
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [ <b>focus on value</b> ]
<b>3.3</b> A look at any risks [ <b>focus on risk</b> ]
<b>3.4</b> Scrutiny taking a performance monitoring or quality assurance role [ <b>focus on performance &amp; quality</b> ]
<b>3.5</b> Looking at plans and proposals from a perspective of:
<ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> </ul>

- Collaboration
  - Involvement
- [focus on wellbeing]**

#### **4 - Key Scrutiny Questions**

The following key questions are proposed to underpin the Committee's consideration of the 2020/21 budget proposals:

- i. Following the public consultation, is the Committee continuing to support the additional investment for the Adult Service and the protection of school budgets?
- ii. Does the Committee support all of the efficiency savings (total: £343,000) or are there any objections to any specific proposal?
- iii. Does the Committee consider that any of the efficiency proposals will have a detrimental effect on the citizens of Anglesey or any protected groups? Does the Committee consider that any further action should be taken to mitigate the impact of the savings proposals on Anglesey citizens or protected groups?
- iv. Does the Committee support an increase in the Council Tax in order to create reserves to reduce the risk of overspend in 2020/21 due to increased demand for services or an agreed pay increase above 2% (staff from April, 2020; teachers from September, 2020)
- v. If the Committee support the principle of creating a reserve following consideration of question 4, how much should that level be?
- vi. What is the Committee's view of the financial strategy going forward? Does the Committee support raising the Council Tax above 5% if necessary to protect services from the need to find significant savings in the future?

#### **5 – Background / Context**

##### **1. CONTEXT**

**1.1** Scrutiny of the budget setting process has developed and matured over recent years, laying the foundations for a better, more systematic process based on outcomes and good practice. In fact, the process allows for a more systematic approach to financial scrutiny, as an essential building block of sound financial management and governance. Our approach to financial scrutiny is emerging as a model of good practice.

**1.2** Members will be aware that finance is critical to the services the Council delivers and that there are far reaching implications to financial issues facing us as a local authority – both in terms of the services being received by our citizens and also the level of Council Tax or fees and charges being levied<sup>1</sup>. As it becomes increasingly difficult to find the necessary levels of savings through efficiencies, the Council will need to give detailed consideration to all possible options. This will inevitably require us to ask challenging questions about which services to offer to the future and the degree to which current methods of service delivery remain appropriate. Another consideration is also how best to manage expectations of local people in making the necessary changes. In the current economic climate, Members therefore need to be

<sup>1</sup> Raising the Stakes: financial scrutiny in challenging times. A guide for Welsh local authorities (Centre for Public Scrutiny June, 2014)

assured that the Council is making the most effective use of diminishing resources, in particular finances.

**1.3** In considering their response to the final budget proposals, members of the Corporate Scrutiny Committee will need to consider the proposals in terms of the longer term financial position of the Council (our Medium Term Financial Plan) and the Council's long term objectives and priorities (as set out in the Council Plan).

## **2. SETTING THE COUNCIL'S BUDGET FOR 2020/21**

2.1 Attached is the report of the Director of Function (Resources) / Section 151 Officer on the initial proposals for the 2020/21 budget (**APPENDIX 1**) which was submitted to a meeting of this Committee on 13<sup>th</sup> January, 2020. The paper provides a position statement on the following issues:

- The Executive's initial budget proposals
- Local Government initial settlement (Welsh Government)
- Initial budget position for 2020/21
- Council Tax
- Savings proposals
- Budget pressures
- Risks
- Impact on the Medium Term Financial Plan

Details of the Final Settlement for the 2020/21 budget are expected from Welsh Government on 25<sup>th</sup> February. It will therefore be necessary for the Director of Function (Resources) / Section 151 Officer to submit a verbal report to the Committee detailing the final budget proposals for the next financial year.

## **3. FINANCIAL SCRUTINY – SETTING THE 2020/21 BUDGET**

3.1 Financial scrutiny is much more than adding value to decisions taken by the Executive. It is about ensuring that there is proper scrutiny in the effective planning, delivery and follow up of key decisions impacting on taxpayers and local communities. Scrutiny should therefore:

- Provide effective challenge
- Hold decision makers to account; and
- Assist the Executive to develop a robust budget for the coming year.

## **4. FINANCE SCRUTINY PANEL**

4.1 A Finance Scrutiny Panel has been established to ensure the following key outcomes:

- Develop a model of working on finance matters focusing on a smaller group to enable Members to become more involved, develop a level of subject expertise, encourage good attendance and teamwork
- Forum to develop a group of members with the expertise and ownership to lead financial discussions at the Corporate Scrutiny Committee

4.2 The Panel considered the latest details of the budget proposals at its last meeting (20<sup>th</sup> February, 2020). A summary of the Panel's deliberations will be presented verbally at the meeting by Cllr Dafydd Roberts, chair of the Panel.

## 5. PUBLIC CONSULTATION PROCES

- 5.1 The consultation exercise built on the solid foundations set over the past few years under the direction of the Joint Engagement and Consultation Board established with 3<sup>rd</sup> Sector partners.
- 5.2 To this end and because this year is an exceptional year as regards timing of the Initial Settlement, the consultation process consisted of the following steps:
- i. Budget report for the purpose of comments via the Council website
  - ii. Town and Community Councils Forum and also extending an invitation to partners
  - iii. Children & Young People's Forum
  - iv. Schools' Finance Forum

This consultation period ran from 14<sup>th</sup> January until 7<sup>th</sup> February, 2020.

Attached is the report of the Head of Profession Human Resources and Transformation Service which summarises the main messages of the recent public consultation (**APPENDIX 2**).

## 6. KEY SCRUTINY ISSUES

- 6.1 The 2020/21 budget setting process provides an opportunity for Elected Members to consider and challenge the implications of the draft standstill budget and any efficiency proposals. Notably, the series of budget workshops convened during October, 2019 has enabled Members to give detailed consideration to each individual budget proposal across all Council services. Input has also been received via the Finance Scrutiny Panel who have given detailed consideration to the initial draft budget proposals. At this stage in the process, the Corporate Scrutiny Committee is now requested to agree a formal response to the Executive<sup>2</sup> on the Council's final proposals for the 2020/21 revenue budget (using the key scrutiny questions in paragraph 4 above).
- 6.2 In light of the 2020/21 budget setting process to date, it is therefore proposed that the Committee should:
- i. Consider the final budget proposals for 2020/21
  - ii. Examine in detail the likely impacts on citizens of the final proposals
  - iii. Come to a view about the level of the Council Tax for 2020/21.

### 6 – Equality Impact Assessment [including impacts on the Welsh Language]

Identify the need for impact assessments later in the process.

### 7 – Financial Implications

This report discusses the process for setting the Council's 2020/21 budget, which includes consideration of the final budget proposals

### 8 – Appendices:

**APPENDIX 1:** report of the Director of Function (Resources) on the proposed final revenue budget for 2020/21

<sup>2</sup> Meeting of the Executive to be convened on 13<sup>th</sup> January, 2020

**APPENDIX 2:** report of the Head of Profession Human Resources and Transformation Service summarising the main messages of the recent public consultation

**9 - Background papers (please contact the author of the Report for any further information):**

Anwen Davies, Scrutiny Manager, Isle of Anglesey County Council, Council Offices, Llangefni. LL77 7TW

**Date: 20/01/20**

## ISLE OF ANGLESEY COUNTY COUNCIL

<b>REPORT TO:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>DATE:</b>	<b>13 JANUARY 2020</b>
<b>SUBJECT:</b>	<b>DRAFT REVENUE BUDGET 2020/21</b>
<b>PORTFOLIO HOLDER(S):</b>	<b>COUNCILLOR ROBIN W WILLIAMS</b>
<b>HEAD OF SERVICE:</b>	<b>MARC JONES</b>
<b>REPORT AUTHOR:</b>	<b>MARC JONES</b>
TEL:	01248 752601
E-MAIL:	rmjfi@ynysmon.gov.uk
<b>LOCAL MEMBERS:</b>	<b>n/a</b>

### **A - Recommendation/s and reason/s**

The final budget will not be approved by the full Council until 10 March 2020, however, at this point, the Executive is recommended to approve the following:-

- (i) To approve the Budget adjustments included in the Standstill Budget as set out in Paragraph 3 to 7 of the report in Appendix 1;
- (ii) To approve the standstill budget for 2020/21 of £142.203m and this should form the basis of the 2020/21 revenue budget;
- (iii) That the Executive determine the proposed increase in Council Tax for 2020/21, which will be subject to public consultation;
- (iv) After allowing for the proposed increase in Council Tax and the savings to be implemented, should any surplus funding be available, the Executive should determine how to use this surplus funding (para 10.5);
- (v) That the Executive should seek the opinion of the public on the proposed budget strategy.

The detailed report on the preparation of the 2020/21 standstill budget, the provisional settlement and funding the budget gap is attached as Appendices 1 – 4.

### **B - What other options did you consider and why did you reject them and/or opt for this option?**

N/A

### **C - Why is this a decision for the Executive?**

This matter is delegated to the Executive.

### **CH - Is this decision consistent with policy approved by the full Council?**

Yes

### **D - Is this decision within the budget approved by the Council?**

Yes



<b>DD - Who did you consult?</b>		<b>What did they say?</b>
1	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	Comments from the SLT have been incorporated into the report
2	<b>Finance / Section 151</b> (mandatory)	n/a– this is the Section 151 Officer's report
3	<b>Legal / Monitoring Officer</b> (mandatory)	TBC
4	<b>Human Resources (HR)</b>	
5	<b>Property</b>	
6	<b>Information Communication Technology (ICT)</b>	
7	<b>Scrutiny</b>	TBC
8	<b>Local Members</b>	
9	<b>Any external bodies / other/s</b>	
<b>E - Risks and any mitigation (if relevant)</b>		
1	<b>Economic</b>	
2	<b>Anti-poverty</b>	
3	<b>Crime and Disorder</b>	
4	<b>Environmental</b>	
5	<b>Equalities</b>	
6	<b>Outcome Agreements</b>	
7	<b>Other</b>	
<b>F - Appendices:</b>		
<ul style="list-style-type: none"> <li>• Appendix 1 – Report on Draft Revenue Budget 2020/21</li> <li>• Appendix 2 – Analysis of the Movement from the 2019/20 Final Revenue Budget to the 2020/21 Standstill Budget</li> <li>• Appendix 3 - 2020/21 Standstill Budget by Service</li> <li>• Appendix 4 – Potential Revenue Budget Savings for 2020/21</li> </ul>		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
<ul style="list-style-type: none"> <li>• Medium Term Financial Plan 2020/21 – 2022/23 – See Executive Meeting Agenda 16 September 2019 – Item 14</li> </ul>		

**DRAFT REVENUE BUDGET 2020/21****1. INTRODUCTION**

- 1.1. The following report sets out the Executive's provisional revenue budget for 2020/21. The budget is prepared on the basis of the assumptions set out in the Medium Term Financial Plan (MTFP) approved by the Executive in September 2019, the provisional local government settlement, which was issued by the Welsh Government on 16 December 2019, and the proposed revenue savings which have been identified by the individual services and have been discussed at the various workshops that have taken place during the summer and autumn.
- 1.2. The provisional budget approved by the Executive will then be subject to a formal public consultation process, which will run from 14 January 2020 to 7 February 2020.
- 1.3. Following receipt of the final settlement figures on 25 February 2020, the final budget proposal will be subject to a review by the Scrutiny Committee on 27 February 2020, will be recommended for approval by the Executive on 2 March 2020, with the final 2020/21 budget being approved by the Council at its meeting on 10 March 2020.

**2. MAIN ASSUMPTIONS ARISING FROM THE MEDIUM TERM FINANCIAL PLAN**

- 2.1. The Medium Term Financial Plan sets out a number of assumptions and these assumptions have been taken into account in calculating the standstill budget for 2020/21. The standstill budget is a budget which provides resources to operate services at 2019/20 levels but updated to reflect any known changes outside the control of the services (committed changes) and to reflect the costs in 2020/21.
- 2.2. These assumptions have been factored into the standstill budget along with more detailed changes (committed changes) which allow for known increases in costs e.g. contractual commitments and minor budget corrections. The draft budget also allows for additional funding, known changes to grant funding and minor budget corrections deemed necessary to ensure that the Council's budget accurately reflects the costs it faces in 2020/21.

**3. COMMITTED CHANGES**

- 3.1. Committed changes are amendments which are taken into account in drawing up the standstill budget and they reflect an increase or decrease in costs which are outside the control of the Council or the individual service. The changes can include items of one off funding required or falling out of the budget, costs arising from legislative changes, changes in costs arising as a result of a tendering exercise, capital financing costs etc. The total adjustments made to the budget total £1,667k, details of the major changes are discussed in the paragraphs below.

**3.2. Capital Financing**

The capital financing budget is made up of 3 elements:-

- minimum revenue provision (MRP), which is a sum which is charged to revenue each year and ensures that the Council has sufficient funds available to repay external loans as they become due;
- external interest, which is the sum due in interest each year on the external loans which the Council has taken out to fund capital expenditure;
- interest received, which is the sum the Council generates in interest by investing surplus cash in accordance with the Council's Treasury Management strategy.

The capital financing budget is dependent on the value of external loans and the pace of the capital programme. During 2019/20, the school modernisation programme was put on hold and this has impacted on the level of new borrowing the Council has undertaken in 2019/20. As a result, both the forecast MRP and interest charges are lower in 2020/21 than in 2019/20 and allows a reduction of £92k in the budget. In addition, the increase in interest rates and the improved investment performance allows the interest received budget to be increased by £21k.

### **3.3. Pupil Numbers**

Each year, the effect of the change in pupil numbers in the primary and secondary sectors is taken into account as part of the budget setting process. For 2020/21, this has resulted in an increase in the secondary sector of £146k but a decrease in the primary sector of £77k.

Up until 2018/19, the Council's Special School (Canolfan Addysg y Bont) funded 85 pupils. As part of the 2018/19 budget, an additional £78k was allocated in order to fund an additional 5 pupils. Since 2019/20, the budget has been changed to reflect the changes in pupil numbers. The MTFP anticipated an increase of around 15 pupils between September 2018 and September 2019, but the actual change only saw an increase of 1 pupil. The budget has been increased by £13k to reflect the change in pupil numbers.

### **3.4. Council Tax Reduction Scheme**

Up until 2013/14, taxpayers eligible to receive a reduction in their Council Tax bills received this through the benefits system in the form of Council Tax Benefit, which was funded by the Department of Work and Pensions. In 2013/14, Council Tax Benefit was replaced by the Council Tax Reduction Scheme, with the funding for the scheme being transferred into the Revenue Support Grant. Initially, the scheme was fully funded but, as the level of Council Tax has risen and the number of claimants changed since 2013/14, it has been necessary for the Council to provide additional funding to meet the cost of the scheme (in addition to the sum provided in the Revenue Support Grant).

For 2019/20, the budget requirement was reassessed, taking into account the current level of expenditure, the trend in the caseload and an increase in the Council Tax for 2019/20 of 9.5%. This resulted in a decrease in the budget of £360k, to bring the overall budget to £5.389m.

During 2019/20, there has been an upturn in the caseload, which may be as a result of increased publicity for the scheme by Welsh Government and the increase in budgetary support which recipients of Universal Credit receive, which makes them more aware that they may have an entitlement to help with paying their Council Tax. The current forecast is that expenditure will exceed the budget by £341k and, as a result, the standstill budget has been increased by this amount in addition to an increase of £286k to reflect the potential increase in Council Tax (based on a 5% increase). This takes the overall standstill budget to £6.016m, although this budget will be reviewed further to take account of any further changes in the caseload and the final increase in Council Tax for 2020/21.

### **3.5. North Wales Fire & Rescue Service Levy**

The Fire Service raises a levy each year which is allocated across the six North Wales Authorities based on population numbers, which vary each year between the 6 authorities. For 2020/21, an increase of 2% has been allowed for in the levy, which results in an increase in the budget of £71k, which takes the standstill budget to £3.596m. This budget will be adjusted once the final levy request is received from the Fire & Rescue Service.

### **3.6. Teachers Pensions**

The Teachers' Pension fund was subject to its five year revaluation in 2019, with the new employer contribution rates being set for the 2019/20 financial year onwards at 23.6%, compared to the previous rate of 16.48%. The change was effective from 1 September 2019 and the 2019/20 budget was increased by £900k to reflect the 7 months of the financial year where the increased contribution rate applied. It will be necessary to include an additional £564k to reflect the full year effect of the change in the contribution rate. The Welsh Government have included an additional £0.87m in the settlement to assist with the funding of this additional cost. This was the value of the grant received in 2019/20, but does not cover the additional cost for a full financial year.

### **3.7. Parking Income**

The Council will lose 2 car parking areas in 2020/21: Beaumaris Coach Park which transfers to Beaumaris Town Council as part of the agreement to transfer the Gaol and Courthouse, and Coed Cynrol Car Park in Menai Bridge, where the lease has ended and responsibility for the car park reverts back to Menai Bridge Town Council. The reduction in the number of car parks will have an impact on the income collected by the Council. This will require the car park income budget to be reduced by £58k to £520k.

### **3.8. Historic Pension Costs**

The Council makes annual payments to the Local Government Pension Scheme and Teachers Pension Scheme arising from the early retirement of staff dating back to the 1970s, 1980s and 1990s. The numbers of pensioners to which the payment relates reduces each year as the former staff members pass away. This budget is, therefore, reduced to reflect the falling numbers of pensioners and, for 2020/21, the reduction is £112k.

### **3.9. I.T. Licensing Costs**

In previous years, these costs had been treated as capital costs and funded from the capital budget. However, this treatment does not comply with the updated accounting code and the costs should be treated as a revenue cost. This increases the revenue budget by £250k but does release capital funding.

### **3.10. Others**

A number of other budgets have been adjusted to reflect changes that have taken place during the year which are outside the control of the service, these include income budgets where the Service can no longer charge the income. The total net value of these adjustments amount to £240k.

## **4. CONTINGENCIES**

**4.1.** As part of the budgeting process, a number of contingency budgets are built into the budget to cover fixed term costs, potential risks that may require funding during the year or as a general contingency which is utilised during the year as additional budget pressures arise or as unexpected events occur. The changes made to the contingency budgets are shown in Table 1 below:-

<b>Table 1</b>					
<b>Movement in Contingency Budgets between 2019/20 and 2020/21</b>					
		<b>End Date</b>	<b>2019/20 Budget £'000</b>	<b>Proposed 2020/21 Budget £'000</b>	<b>Change £'000</b>
Stem Regional Project	Earmarked	2021/22	38	38	-
Regional Growth Bid	Earmarked	TBC	50	50	-
Demand Risk	Earmarked	Ongoing	235	235	-
Salary and Grading	Earmarked	Ongoing	400	150	(250)
NDR Discretionary Rate Relief		Ongoing	60	70	10
General Contingency		Ongoing	399	400	1
<b>TOTAL</b>			<b>1,182</b>	<b>943</b>	<b>(239)</b>

- 4.2. The Salary & Grading Contingency has been included in the Council's budget for a number of years to meet the cost of early retirements and redundancies, as the Council and schools reduced the workforce in response to the reduction in funding. The improved financial position in 2020/21 allows the Council to reduce this budget, as it is not expected that it will be necessary to make significant reductions in staffing numbers in 2020/21.

## 5. STAFFING COSTS

- 5.1. Pay costs will change annually to reflect the changes in staff over the year (new staff being appointed to a different point on the pay scale), staff receiving annual increments and the pay award. The effect of each on the budget is detailed below:-
- 5.2. Staff increments and changes in posts has increased costs by £392k.
- 5.3. The Teachers pay award for the academic year commencing September 2019 was 2.75%, with a higher increase for newly qualified teachers, and this figure was higher than the sum allowed for in the 2019/20 budget. In 2019/20, Welsh Government awarded an additional grant to help meet this additional cost pressure. An additional £406k has been included in the standstill budget to adjust for the under provision for the pay award in the 2019/20 budget.
- 5.4. The pay award for non teaching staff from April 2020 and for teaching staff from September 2020 is unknown at this point and, therefore, the general rate of inflation of 2% has been allowed for. This adds an additional £1.257m to the overall pay budget.
- 5.5. The triennial valuation of the Local Government Pension Scheme was completed in November 2019, with the new employer contribution rates payable from 1 April 2020. At present, the contribution rate (primary rate) is 18.6% with an additional annual deficit payment of £1.294m, this is equivalent to an additional 4% contribution (secondary rate), giving a combined employer contribution rate of 22.6%. From April 2020, the primary rate will increase to 19.3% but the secondary rate will fall to 2.1%, giving a combined employer contribution rate of 21.4%. The reduction of 1.2% in the contribution rate will generate £362k in budget savings.

## **6. NON PAY INFLATION**

- 6.1.** The Medium Term Financial Plan allowed for a level of general price inflation of 2.1%. The Consumer Prices Index (CPI), which is now widely recognised as the best measure of inflation, is currently 1.5% (as at November 2019) and is forecast to remain on or around 2% in 2020. However, the impact of Brexit is unknown and may result in an increase in inflation should the UK leave the EU with no deal agreed. It is, therefore, considered that an inflation rate of 2.1% is reasonable and this rate has been applied to all general supplies and services budgets. Where specific contracts have specific methods to determine the inflation to be applied, then that specific rate will have been applied to the appropriate budget.
- 6.2.** Over the last 3 years, a general 3% increase has been applied to non-statutory fees and charges budgets and this figure has again been applied in 2020/21, although services have the discretion to increase individual fees and charges by more or less than this figure, provided that their overall income rises by 3%
- 6.3.** The net increase of the adjustments for non pay inflation and non statutory income is £1.594m.

## **7. BUDGET PRESSURES AND DEMAND LED SERVICES**

- 7.1.** The standstill budget is the budget required to provide the same level of service as in 2019/20, after adjusting for any known changes (as set out in paragraphs 3 and 4 above) and after adjusting for staffing changes and pay and price inflation (as set out in paragraph 5 and 6). However, in order to ensure that the budget provides a realistic level of funding, additional changes are required to reflect the current demand and any additional known budget pressures. The proposed changes are set out in the paragraphs below.

### **7.2. Adult Social Care**

Members will be aware of the increased demand for Adult Social Care, with rising numbers of clients across all service types and, for 2019/20, the Service is expected to exceed its budget by £1.21m. In 2019/20, the Welsh Government provided the Council with 2 specific grants to help with the increasing costs, namely:-

Social Care Workforce and Sustainability Pressures Grant - £30m across Wales, £670k for Anglesey. This grant is increased to £40m in the provisional settlement, which will increase Anglesey's allocation by a further £234k.

Winter Pressures Grant - £371k was received by the Council in 2019/20 late in the financial year from the additional £17m allocated to Wales. Although this grant has been received previously, there is no indication that it will be received again in 2020/21.

As these grants are outside the local government settlement, it cannot be guaranteed that they will continue. It is also uncertain how the demand for services will change in the coming year. After allowing for the Social Care Workforce and Sustainability Pressures Grant, the underlying position is for an additional budget requirement. For the purposes of the 2020/21 revenue budget, £980k has been included in the service budget as additional funding but this may not be sufficient to meet the increasing demand for services and given the uncertainty over future grant funding.

### **7.3. School Transport**

The costs of school transport (taxis and minibuses) has exceeded the allocated budget for a number of years, due to an increased demand for services. The Education Service has implemented a number of actions to try and reduce the cost, including rationalizing and retendering of routes, reviewing the policy and applying the policy more strictly, and these changes have reduced costs. However, the costs still exceed the budget by £250k and, without a correction of the budget in 2020/21, this budget will almost certainly overspend in 2020/21.

### **7.4. Secondary School Integration**

This is a budget where the demand continues to grow. This budget is currently held centrally and not delegated to the 5 secondary schools. This can be considered as a weakness in the control and accountability surrounding this budget, as spending decisions are not taken by the budget holder. An additional £200k of funding would correct the budget position and would increase the possibility of reaching an agreement with the Secondary schools to delegate this budget to them.

### **7.5. Delegated Schools Budget**

As part of the 2019/20 budget, a reduction of £800k was planned to the delegated schools budget, but this was deferred for one year and funded from the additional Teachers Pay Grant and 50% of the Teachers Pensions Grant. These grants have now been transferred into the settlement and would allow the Executive to reverse the budget reduction decision, if it chooses to do so.

### **7.6. NHS Funding Grant**

A recent decision required local authorities to contribute to the cost of social care undertaken by nursing staff in Nursing homes. The additional cost was funded in 2019/20 by means of an additional grant from the Welsh Government. This grant has now been incorporated into the settlement and the additional £48k in funding has been incorporated into the Adult Services budget.

## **8. STANDSTILL BUDGET 2020/21**

**8.1.** Based on all of the adjustments and assumptions detailed above, the standstill budget for 2020/21 totals £142.203m, an increase of £6.993m on the 2019/20 final budget. A summary of the changes made is attached as Appendix 2. A breakdown of the standstill budget by Service is attached as Appendix 3.

## **9. PROVISIONAL SETTLEMENT**

**9.1.** The provisional settlement for Local Government in Wales, announced on 16 December 2019, shows an increase of £237m in the overall level of funding for Wales, which is equivalent to a 5.6% increase in cash terms. However, £53.2m relates to grants transferred in and, when the effect of these changes are adjusted for, the true figure shows an increase in funding of £183.8m, which is a 4.3% increase. The details are shown in Table 2 below:-

<b>Table 2 2020/21 Provisional Settlement</b>		
	<b>Anglesey</b>	<b>Wales</b>
	<b>£'m</b>	<b>£'m</b>
2019/20 AEF	95.791	4,237.431
Adjustment for the Change in the Taxbase	0.325	0.000
<b>Previous Years Grants Transferred In / (Out)</b>		
Teachers Pensions	0.887	39.112
Coastal Risk Management	0.000	0.151
NHS Funding - Nursing	0.048	1.900
Teachers Pay	0.273	12.018
<b>2019/20 Adjusted AEF</b>	<b>97.324</b>	<b>4,290.612</b>
<b>Provisional AEF 2020/21</b>	<b>101.005</b>	<b>4,474.444</b>
<b>Increase in comparison to 2019/20 AEF</b>	<b>5.214</b>	<b>237.013</b>
<b>% Increase in comparison to 2019/20 AEF</b>	<b>+ 5.44%</b>	<b>+ 5.59%</b>
<b>Increase in comparison to 2019/20 Adjusted AEF</b>	<b>3.681</b>	<b>183.832</b>
<b>% Increase in comparison to 2019/20 Adjusted AEF</b>	<b>+ 3.78%</b>	<b>+ 4.28%</b>

- 9.2. The population statistics used in the funding formula have been updated and Anglesey have seen a reduction in the AEF due to this change because the revised population figures for Anglesey were lower than the previous forecast. Some authorities have gained from this change, in particular Newport, and this explains why their allocation increased by 5.4%
- 9.3. The provisional settlement also includes details of a number of grants, although the individual allocations per Authority are not listed. The grants include the Social Care Workforce and Sustainability Pressures Grant which has increased from £30m to £40m. Anglesey will receive an additional £234k (approximate) from the increase in this grant (see paragraph 7.2 above).

## 10. THE FUNDING GAP

- 10.1. Based on a standstill budget of £142.203m and an AEF level of £101.005m, the net expenditure to be funded from Council Tax is shown in Table 3 below:-



<b>Table 3</b>		
<b>Budget Funding Gap 2020/21</b>		
<b>Standstill Budget</b>	<b>£'m</b>	<b>£'m</b>
Funded By:		<b>142.203</b>
Revenue Support Grant (RSG)	76.692	
Share of Non Domestic Rates Pool	24.313	
<b>Total Aggregate External Finance</b>		<b>101.005</b>
Total Net Expenditure to be Funded from Council Tax		<b>41.198</b>
2019/20 Council Tax Budget (adjusted for the change in the taxbase)		(39.370)
<b>Funding Shortfall (before an increase in Council Tax)</b>		<b>1.828</b>

10.2. The impact of various levels of Council Tax increase and on the Band D equivalent charge (currently £1,248.57 in 2019/20) is shown in Table 4 below:-

<b>Table 4</b>				
<b>Impact of Various Council Tax Increases on the Funding Shortfall</b>				
<b>% Increase</b>	<b>Council Tax</b>	<b>Funding Shortfall / (Surplus)</b>	<b>Weekly Effect on Band D</b>	<b>Total Increase in Band D</b>
	<b>£'m</b>	<b>£'m</b>	<b>£</b>	<b>£</b>
1.0	39.765	1.433	0.24	12.51
1.5	39.961	1.1.237	0.36	18.72
2.0	40.157	1.041	0.48	24.93
2.5	40.355	0.843	0.60	31.23
3.0	40.551	0.647	0.72	37.44
3.5	40.750	0.448	0.84	43.74
4.0	40.946	0.252	0.96	49.95
4.5	41.141	0.057	1.08	56.16
4.64	41.198	0.000	1.11	57.93
5.0	41.340	(0.142)	1.20	62.46
5.5	41.536	(0.338)	1.32	68.67
6.0	41.732	(0.534)	1.44	74.88

10.3. The Medium Term Financial Plan estimated that the funding gap prior to increasing the Council Tax was £3.8m and, with a 5% increase in Council Tax, the funding gap would reduce to £1.8m. Services were, therefore, requested to identify potential savings over the next 3 years, if their budget fell by 2%, 5% or 10%. The majority of services were able to identify savings which would meet the 2% budget reduction target, but they had difficulty in reaching the 5% target without significant reduction in the level of services provided. Achieving a 10% cut would require major service reductions or ending some discretionary service provision.

10.4. The savings proposals were discussed by Members at a number of workshops during the early autumn, and this work identified around £343k of savings which could be implemented in 2020/21 without having an unmanageable impact on services. These are set out in Appendix 4.

**10.5.** The better than expected settlement has reduced the need to implement the savings. As is shown in Table 4 above, the budget requirement for 2020/21 could be funded with a 4.64% rise in the Council Tax. However, implementing some or all of the savings identified does provide some flexibility and the following options are available if the savings were implemented. The options available include:-

- Increasing revenue budgets of the services which are under pressure;
- Increasing the level of general balances;
- Using the surplus revenue budget to fund capital expenditure in 2020/21;
- Reduce the increase in Council Tax.

**10.6.** The financial position for 2021/22 is still unclear, and we may see a return to austerity and the need to make further savings. If the savings were implemented and the funding used to increase the level of general balances or to fund capital expenditure in 2020/21, then this would leave the Council in a better financial position in 2021/22, as implementing either of these options does not increase the revenue budget on a permanent basis nor reduces the funding available.

## **11. REVISED MEDIUM TERM FINANCIAL PLAN**

**11.1** The Medium Term Financial Plan estimates that the Council's net revenue budget will need to increase by £5m in 2021/22 and £3.6m in 2022/23, simply to meet the costs of pay and price inflation, increased costs on tendered contracts and the continued increase in demand for services, particularly in Social Care.

**11.2** The 2020/21 provisional settlement gives no indication as to what the funding position will be in the following 2 years. Much will depend on the new Conservative government and their plans for public spending which will be set out in the Chancellor's budget in March 2020. It should be noted that any additional funding announced for England will result in additional funding for Wales, but it is for the Welsh Government to decide how this additional funding is spent. It does not automatically follow that any additional funding announced for Schools or Local Government in England translates to additional funding for Schools and Local Government in Wales.

**11.3** If the settlement in 2021/22 and 2022/23 showed an increase to match inflation i.e. around 2%, the Council will be faced with making further budget reductions and increasing Council Tax by more than inflation in those years.

## **12. MATTERS FOR DECISION**

**12.1** The final budget will not be approved by the full Council until 10 March 2020, however, at this point, the Executive is recommended to approve the following:-

- i. To approve the Budget adjustments included in the Standstill Budget as set out in Paragraphs 4 to 7;
- ii. To approve the standstill budget for 2020/21 of £142.203m and this should form the basis of the 2020/21 revenue budget (para 8.1);
- iii. That the Executive determines the proposed increase in Council Tax for 2020/21 which will be subject to public consultation (para 10.2);
- iv. After allowing for the proposed increase in Council Tax and the savings to be implemented, should any surplus funding be available, the Executive should determine how to use this surplus funding (para 10.5);
- v. That the Executive should seek the opinion of the public on the proposed budget strategy.

**ANALYSIS OF THE MOVEMENT FROM THE 2019/20 FINAL BUDGET  
TO THE 2020/21 STANDSTILL BUDGET**

	Standstill Budget		Report Ref
	£'m	£'m	
<b>2019/20 Budget</b>		<b>135.210</b>	
<b>Committed Changes</b>			
Capital Financing	(0.113)		Para 3.2
Pupil Numbers	0.082		Para 3.3
Council Tax Reduction Scheme	0.627		Para 3.4
Fire Service Levy	0.071		Para 3.5
Teachers Pensions Employer Contributions	0.564		Para 3.6
Car Park Income	0.058		Para 3.7
Historic Pension Contributions	(0.112)		Para 3.8
I.T. Licensing	0.250		Para 3.9
Other Committed Changes	0.240		Para 3.10
		<b>1.667</b>	
Contingencies		<b>(0.239)</b>	Para 4
<b>Staffing Costs</b>			
Increments	0.392		Para 5.2
Teachers Pay Award	0.406		Para 5.3
Non Teaching Staff Pay Award	1.257		Para 5.4
LGPS Contributions	(0.362)		Para 5.5
		<b>1.693</b>	
Non Pay Inflation		<b>1.594</b>	Para 6.3
<b>Demand Led Budget Pressures</b>			
Adult Services	0.980		Para 7.2
School Transport	0.250		Para 7.3
Secondary Integration	0.200		Para 7.4
Delegated Schools Budget	0.800		Para 7.5
NHS Nursing Grant Transferred In	0.048		Para 7.6
		<b>2.278</b>	
<b>STANDSTILL BUDGET 2020/21</b>		<b>142.203</b>	

<b>STANDSTILL BUDGET 2020/21 BY SERVICE</b>				
<b>Budget</b>	<b>2019/20 Budget</b>	<b>2020/21 Standstill Budget</b>	<b>Movement</b>	<b>% Change</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>%</b>
<b>Lifelong Learning</b>				
Schools	38.659	41.374	+ 2.715	+ 7.02
Central Education	10.589	11.404	+ 0.815	+ 7.70
Culture	1.213	1.244	+ 0.031	+ 2.56
<b>Total Lifelong Learning</b>	<b>50.461</b>	<b>54.022</b>	<b>+ 3.561</b>	<b>+ 7.06</b>
<b>Highways, Waste &amp; Property</b>				
Highways	6.037	6.339	+ 0.302	+ 5.00
Property	0.848	0.898	+ 0.050	+5.90
Waste	7.718	8.029	+ 0.311	+ 4.03
<b>Total Highways, Waste &amp; Property</b>	<b>14.603</b>	<b>15.266</b>	<b>+ 0.663</b>	<b>+ 4.54</b>
<b>Regulation &amp; Economic Development</b>				
Economic Development & Maritime	1.076	1.254	+ 0.178	+ 16.54
Planning & Public Protection	2.042	2.153	+ 0.111	+ 5.44
Leisure	0.647	0.668	+ 0.021	+ 3.25
<b>Total Reg &amp; Economic Development</b>	<b>3.765</b>	<b>4.075</b>	<b>+ 0.310</b>	<b>+ 8.23</b>
<b>Adult Services</b>	<b>25.131</b>	<b>26.859</b>	<b>+ 1.728</b>	<b>+ 6.88</b>
<b>Children Services</b>	<b>10.273</b>	<b>10.543</b>	<b>+ 0.270</b>	<b>+ 2.62</b>
<b>Corporate Transformation</b>				
Human Resources	1.258	1.297	+ 0.039	+ 3.10
ICT	2.386	2.800	+ 0.414	+ 17.35
Transformation	0.827	0.902	+ 0.075	+ 9.07
<b>Total Corporate Transformation</b>	<b>4.471</b>	<b>4.999</b>	<b>+ 0.528</b>	<b>+ 11.81</b>
<b>Housing</b>	<b>1.211</b>	<b>1.267</b>	<b>+ 0.056</b>	<b>+ 4.62</b>
<b>Resources</b>	<b>3.048</b>	<b>3.141</b>	<b>+ 0.093</b>	<b>+ 3.05</b>
<b>Council Business</b>	<b>1.625</b>	<b>1.669</b>	<b>+ 0.044</b>	<b>+ 2.71</b>
<b>Total Service Budgets</b>	<b>114.588</b>	<b>121.841</b>	<b>+ 7.253</b>	<b>+ 6.33</b>
<b>Corporate Budgets</b>				
Corporate Management	0.686	0.626	- 0.060	- 8.87
Levies	3.527	3.599	+ 0.072	+ 2.04
Corporate & Democratic	3.352	2.807	- 0.545	- 16.26
Capital Financing Costs	7.052	6.939	- 0.113	- 1.60
Benefits Granted	0.112	0.112	0.000	0.00
HRA Recharges	(0.678)	(0.700)	- 0.022	- 3.24
Council Tax Reduction Scheme	5.389	6.016	+ 0.627	+ 11.63
Contingencies	1.122	0.893	- 0.229	- 20.40
Discretionary Rate Relief	0.060	0.070	0.010	+ 16.67
<b>Total Corporate Budgets</b>	<b>20.622</b>	<b>20.362</b>	<b>- 0.260</b>	<b>- 1.26</b>
<b>TOTAL STANDSTILL BUDGET 2020/21</b>	<b>135.210</b>	<b>142.203</b>	<b>+ 6.993</b>	<b>+ 5.17</b>

## POTENTIAL BUDGET SAVINGS 2020/21

<b>Proposed Saving</b>	<b>Service</b>	<b>Potential Savings £'000</b>
Reduce the cost of running the Council's vehicle fleet by investing in more fuel efficient vehicles (electricity and LPG) and by improving administrative procedures to reduce vehicle down time.	Highways, Waste & Property	10
Rearrange the out of hours rota of the Property repairs team in order to reduce the cost of the current service provision.	Highways, Waste & Property	11
Increase Car Park Fees - Coastal Sites increase current £3.50 rate to £4.00, the current £4.50 rate to £6.00 and the current £6.00 rate to £8.00. Town Sites - Abolish 50p rate making the minimum payment £1, increase the current £1.50 rate to £1.80, the current £2.00 rate to £2.50 and the current £3.00 rate to £4.00.	Highways, Waste & Property	83
Delete the budgets for low usage telephone lines and mobile phones.	Transformation	5
Reduce the cost of holding specific Civic events.	Council Business	8
Reduce postage budgets as a result of investments in the Payroll and Housing Benefits systems which has allowed the transfer of information electronically rather than posting paper documents.	Resources	10
Reduce Corporate Procurement Budgets – a corporate approach to the purchase of some goods and services has generated savings which can now be released.	Resources	50
Increased income from Breakwater County Park.	Regulation	1
Delete the remainder of the Outdoor Facilities budget following the transfer of the assets from the Council's control.	Regulation	37
Increase maritime fees ending the current moratorium on increases.	Regulation	5
Reduce the Development Control Team's administrative capacity. The recent investment in the planning system allows this reduction to be implemented.	Regulation	22
Delete the post of Strategic Development Officer – the post is currently vacant.	Housing	27
Reduce the cost of administrative support to the Head of Housing.	Housing	4
Capitalise the staffing costs relating to the delivery of Disabled Facilities grants.	Housing	36
Adjust the charges to the Housing Revenue Account to reflect the increase in costs.	Housing	19
Delete un-utilised budgets identified following a service budget review.	Housing	15
<b>Total Potential Savings to be Implemented</b>		<b>343</b>

## Response to the Executive Committee's Initial Budget Proposals – 2020/21

### ISLE OF ANGLESEY COUNTY COUNCIL

February 2020

Author – Gethin Morgan, Business Planning, Programme and Performance Manager

Head of Service – Carys Edwards, Head of Human Resources & Corporate Transformation

#### **1. Introduction**

- 1.1. The Council recently undertook a consultation exercise on the initial budget proposals agreed for consultation by the Executive Committee between 15<sup>th</sup> January and 7<sup>th</sup> February, 2020. The 3 week consultation period focused on proposals from across Council services.
- 1.2. These proposals were the result of the annual budgetary process and were consulted upon in order to gain the views of the public and ensure the Executive can (as the process draws to a close) make recommendations from a fully informed position. They were presented by the services during the autumn where they were also challenged and agreed upon for the purposes of consultation by the Elected Members of every political group in the Council.
- 1.3. Consideration was given to a broad range of savings where the internal challenge and consensus had led to proposals that varied from matters such as increasing Council Tax levels by between 4-5% to the deletion of certain vacant posts to increasing car parking costs at coastal sites and towns by differing rates.
- 1.4. These proposals were publicised in various ways;
  - 1.4.1. Statements and articles in the press
  - 1.4.2. The proposals were published on the Council's website (homepage)
  - 1.4.3. Extensive use of social media – Twitter, Facebook to promote the proposals to a broader range of residents
  - 1.4.4. An interview by the Portfolio Holder Robin Williams on MônFM promoting the consultation and its contents

Each of the channels above were aimed at publicising and creating enthusiasm amongst citizens and staff to engage and respond to the initial proposals.



- 1.5. Citizens, partners and staff were asked to respond to the consultation through different means, including:
  - An on-line survey on our website
  - E-mail or
  - Writing to us in the traditional way by posting a letter
- 1.6. As well as the above, the Council held further engagement exercises with :

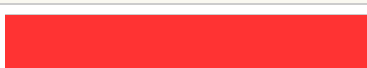

- Town & Community Council forum together with partners in the Council Chamber
- Sessions with young people via the Young Farmers and Urdd forums.
- A session with the Head teachers and Senior Managers of schools on the Island



The consultation this year followed a similar pattern to previous consultation events that have been held in recent years, but wasn't as extensive as past years due to the shortened timescale enforced upon the Council by Welsh Government. The emphasis this year was placed on gaining an electronic response through our extensive use of social media.



85 responses were received via electronic means, 3 e-mails and 2 letters were received via e-mail.

The results / findings are as follows –

Do you agree that the Council should continue to invest in Adult Services as a response to an increase in demand?							Response Percent	Response Total
1	Yes						80.72%	67
2	No						19.28%	16
<b>Analysis</b>	Mean:	1.19	Std. Deviation:	0.39	Satisfaction Rate:	19.28	answered	83
	Variance:	0.16	Std. Error:	0.04			skipped	2

Do you agree with the Executive's proposal to protect the School's budget by not implementing the £800k cut that was postponed in 2019/20?							Response Percent	Response Total
1	Yes						73.49%	61
2	No						26.51%	22
<b>Analysis</b>	Mean:	1.27	Std. Deviation:	0.44	Satisfaction Rate:	26.51	answered	83
	Variance:	0.19	Std. Error:	0.05			skipped	2

Do you think it is reasonable that we raise the Council Tax between 4.5% and 5%? (When considering the level of the settlement and the need to fund the increase in financial demand within Adult Services and Schools)							Response Percent	Response Total
1	Yes						30.12%	25
2	No						69.88%	58
<b>Analysis</b>	Mean:	1.7	Std. Deviation:	0.46	Satisfaction Rate:	69.88	answered	83
	Variance:	0.21	Std. Error:	0.05			skipped	2

Do you agree with the proposals in Appendix 4 of the Revenue Budget Report?							Response Percent	Response Total
1	Yes						58.90%	43
2	No						41.10%	30
<b>Analysis</b>	Mean:	1.41	Std. Deviation:	0.49	Satisfaction Rate:	41.1	answered	73
	Variance:	0.24	Std. Error:	0.06			skipped	12



The result above demonstrates an outcome in favour of the proposals put forward for savings during 2020/21. Having said this, there are some views which question certain proposals and the Council received seventeen such views. These vary from questioning the value of increasing car parking charges to challenging why such an increase in Council tax is required.

The point re: increasing car-parking costs at coastal location is a point of concern for two e-mailed responses (one of which is from Red Wharf Sailing and Water-sports Club) which outline the impact such a change could have if increases are implemented and whether this could have further far-reaching effects to individual health and well-being opportunities into the future.

Others question the validity of increasing Council Tax year on year with some highlighting the fact that the rise is normally at a rate above inflation which means their disposable income is decreasing year on year. One comment stated that Welsh Government should increase funding levels for Councils and three comments pointed to the view that second home owners should pay a greater tax for their second home on Anglesey.



A single comment questioned the value of the reducing the civic events budget, questioning its impact on tourism, social inclusion and intergenerational activities and a response from a community council noted that the 3 week consultation period wasn't sufficient for them to reply.

Do you agree with our proposals in our full capital programme for 2020/21 provided in the Capital budget report?							Response Percent	Response Total
1	Yes						53.42%	39
2	No						46.58%	34
<b>Analysis</b>	Mean:	1.47	Std. Deviation:	0.5	Satisfaction Rate:	46.58	answered	73
	Variance:	0.25	Std. Error:	0.06			skipped	12

The responses to the capital budget proposals were more evenly matched with 53% in agreement with the proposals and 47% not in favour of them.

Seventeen comments were received, one of which questioned why there was no public facing documents used for consultation and that failure to do so inferred a 'tokenistic' consultation process. A couple of comments pointed to the fact that the government should be lobbied to a greater degree in order to realise corporation tax from large organisations.

Others questioned the relevance of the following –

- Why protect the education budget?
- Why increase council tax?
- Travellers site
- The purchasing of new gritters

One response questioned whether there should be an investment into Ysgol Syr Thomas Jones, Amlwch as part of the school modernisation programme as it is believed it is a 'money pit'. Another questioned whether an investment into Ysgol Gyfun Llangefni should be realised due to the condition of the current school and a further comment pleaded with the Council to build the new Corn Hir school with a 50% increase in capacity due to increasing number of families that will make Llangefni their home over the forthcoming years.

Other responses noted that old Council buildings should be sold off and the number of Council staff should be reduced together with the stern questioning of whether Mon Community Transport is an unnecessary luxury that has become unaffordable when there are other alternative transport options for customers to use.

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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	Corporate Scrutiny Committee
<b>Date:</b>	27 <sup>th</sup> February, 2020
<b>Subject:</b>	2020/21 Budget Setting (Capital)
<b>Purpose of Report:</b>	Scrutiny consideration of final budget proposals for 2020/21
<b>Scrutiny Chair:</b>	Cllr Aled Morris Jones
<b>Portfolio Holder(s):</b>	Cllr Robin Williams
<b>Head of Service:</b>	Marc Jones, Director of Resources / Section 151 Officer
<b>Report Author:</b>	Anwen Davies, Scrutiny Manager
<b>Tel:</b>	01248 752578
<b>Email:</b>	AnwenDavies@ynysmon.gov.uk
<b>Local Members:</b>	Not applicable

<b>1 - Recommendation/s</b>
The Corporate Scrutiny Committee is requested to agree a formal response to the Executive on the Council’s final proposals for the 2020/21 capital budget (using the key scrutiny questions in paragraph 4 below), taking into account views from the Finance Scrutiny Panel.

<b>2 – Link to Council Plan / Other Corporate Priorities</b>
Direct link with the Council Plan and transformation priorities. The Committee’s consideration of the initial capital proposals for next year will include how the proposals enable the Executive to deliver on the Council Plan and transformation priorities as well as any specific risks.

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities [ <b>focus on customer/citizen</b> ]
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [ <b>focus on value</b> ]
<b>3.3</b> A look at any risks [ <b>focus on risk</b> ]
<b>3.4</b> Scrutiny taking a performance monitoring or quality assurance role [ <b>focus on performance &amp; quality</b> ]
<b>3.5</b> Looking at plans and proposals from a perspective of: <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> </ul>

- Collaboration
  - Involvement
- [focus on wellbeing]**

#### **4 - Key Scrutiny Questions**

The following key questions are proposed to underpin the Committee's consideration of the 2020/21 capital budget proposals:

- i. Given the limited capital resources available, does the Committee consider that the proposed capital programme makes the most effective use of funding sources?
- ii. How do the 2020/21 capital proposals enable the Executive to deliver on the Council Plan and the transformation programme in the medium term whilst balancing short term priorities?
- iii. How has the Council prepared over recent years for diminishing capital funding? What are the risks in moving forward?
- iv. Does the draft budget enable the Council to take advantage of possible grant opportunities in support of our strategic objectives?

#### **5 – Background / Context**

##### **1. CONTEXT**

**1.1** Scrutiny of the budget setting process has developed and matured over recent years, laying the foundations for a better, more systematic process based on outcomes and good practice. In fact, the process allows for a more systematic approach to financial scrutiny, as an essential building block of sound financial management and governance. Our approach to financial scrutiny is emerging as a model of good practice.

##### **1.2 Capital Strategy 2019/20 – 2021/22**

The revised CIPFA Prudential Code<sup>1</sup> requires local authorities to produce a capital strategy in order to:

- Set out the long term context within which capital expenditure and investment decisions should be made
- As a means of ensuring that Councils take capital and investment decisions in line with service objectives and priorities
- Ensure that local authorities properly take into account stewardship, value for money, prudence, sustainability and affordability when setting its capital programme.

The Authority's capital strategy and capital programme 2019/20 – 2021/22 was adopted by Full Council in May, 2019<sup>2</sup>. It sets out the objectives, principles and governance framework to ensure that the Authority takes capital expenditure and investment decisions in line with the Council Plan and local transformation priorities. A fundamental principle of the Strategy is to focus capital expenditure on projects which assist the Council meet the following key objectives of the Council Plan and help the Council meet its statutory responsibilities:

<sup>1</sup> Revised Prudential Code (CIPFA) dated September, 2017

<sup>2</sup> Meeting of Full Council convened on 14<sup>th</sup> May, 2019

- i. Ensure that the people of Anglesey can thrive and realise their long term potential
- ii. Support vulnerable adults and families to keep them safe, healthy and as independent as possible
- iii. Work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment

The Strategy also identifies the potential future capital expenditure, assesses the impact on the capital financing element of the revenue account and determines the funding available to finance new capital schemes for the period 2019/20 – 2021/22. Also, the strategy sets out the long term principles underpinning capital planning to the future.

### **1.3 Principles of the Capital Strategy**

The Capital Strategy discusses a number of long term principles which should underpin the Council's capital programme:

- The annual capital programme should focus capital expenditure on projects which contribute most to the key priorities of the Council Plan 2017/2022
- Capital funding should be allocated each year to ensure investment in existing assets
- The Council will maximise external capital funding wherever possible and affordable
- Capital funding will also be prioritised on assets required to help the Council deliver its statutory responsibilities
- Continued commitment to the 21<sup>st</sup> Century Schools Programme and to fully utilise external funding available

### **1.4 Capital Budget Funding Sources**

The Council's annual capital programme is funded through a number of funding sources:

- Capital Receipts
- Contribution from Revenue
- Supported Borrowing
- Unsupported Borrowing
- General Capital Grant
- External Grants
- Major Repair Allowance

**1.5** In considering their response to the final capital budget proposals, members of the Corporate Scrutiny Committee will need to consider the proposals in terms of the longer term financial position of the Council (our Medium Term Financial Plan and Capital Strategy & Capital Programme 2019/20 – 2021/22) and the Council's long term objectives and priorities (as set out in the Council Plan).

## **2. SETTING THE COUNCIL'S CAPITAL BUDGET FOR 2020/21**

2.1 Attached is the report of the Director of Function (Resources) / Section 151 Officer on the initial capital proposals for the 2020/21 budget (**APPENDIX 1**) which was submitted to a meeting of this Committee on 13<sup>th</sup> January, 2020. The paper provides a position statement on the following issues:

- The Executive's initial capital budget position for 2020/21
- Level of capital expenditure
- Borrowing impacts on the revenue budget due to capital financing costs

- Ongoing revenue costs (such as maintenance)
- Budget pressures
- Risks
- Impact on the Medium Term Financial Plan and Council Plan

Details of the Final Settlement for the 2020/21 budget are expected from Welsh Government on 25<sup>th</sup> February. It will therefore be necessary for the Director of Function (Resources) / Section 151 Officer to submit a verbal report to the Committee detailing the final budget proposals for the next financial year.

### **3. FINANCIAL SCRUTINY – SETTING THE 2020/21 BUDGET**

3.1 Financial scrutiny is much more than adding value to decisions taken by the Executive. It is about ensuring that there is proper scrutiny in the effective planning, delivery and follow up of key decisions impacting on taxpayers and local communities. Scrutiny should therefore:

- Provide effective challenge
- Hold decision makers to account; and
- Assist the Executive to develop a robust capital budget for the coming year.

### **4. FINANCE SCRUTINY PANEL**

4.1 The Finance Scrutiny Panel considered the latest details of the budget proposals at its last meeting (convened on 20<sup>th</sup> February, 2020). A summary of the Panel's deliberations will be presented verbally at the meeting by Cllr Dafydd Roberts, chair of the Panel.

### **5. PUBLIC CONSULTATION PROCES**

5.1 The consultation exercise built on the solid foundations set over the past few years under the direction of the Joint Engagement and Consultation Board established with 3<sup>rd</sup> Sector partners.

5.2 To this end and because this year is an exceptional year as regards timing of the Initial Settlement, the consultation process consisted of the following steps:

- i. Budget report for the purpose of comments via the Council website
- ii. Town and Community Councils Forum and also extending an invitation to partners
- iii. Children & Young People's Forum
- iv. Schools' Finance Forum

The consultation period ran from 14<sup>th</sup> January until 7<sup>th</sup> February, 2020.

Attached is the report of the Head of Profession Human Resources and Transformation Service which summarises the main messages of the recent public consultation (**ATODIAD 2**).

### **6. KEY SCRUTINY ISSUES**

6.1 The 2020/21 budget setting process provides an opportunity for Elected Members to consider and challenge the implications of the draft capital budget and any risks. Input has also been received via the Finance Scrutiny Panel who have given detailed consideration to the draft budget proposals. At this stage in the process, the Corporate Scrutiny Committee is now requested to agree a formal

response to the Executive<sup>3</sup> on the Council's final proposals for the 2020/21 capital budget (using the key scrutiny questions in paragraph 4 above).

#### **6 – Equality Impact Assessment** [including impacts on the Welsh Language]

Identify the need for impact assessments later in the process.

#### **7 – Financial Implications**

This report discusses the process for setting the Council's 2020/21 budget, which includes consideration of the final capital budget proposals

#### **8 – Appendices:**

**APPENDIX 1:** report of the Director of Function (Resources) on the proposed capital budgets for 2020/21

**ATODIAD 2:** report of the Head of Profession Human Resources and Transformation Service summarising the main messages of the recent public consultation

#### **9 - Background papers (please contact the author of the Report for any further information):**

Anwen Davies, Scrutiny Manager, Isle of Anglesey County Council, Council Offices, Llangefni. LL77 7TW

**Date: 20/02/20**

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<sup>3</sup> Meeting of the Executive to be convened on 13<sup>th</sup> January, 2020

## ISLE OF ANGLESEY COUNTY COUNCIL

<b>REPORT TO:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>DATE:</b>	<b>13 JANUARY 2020</b>
<b>SUBJECT:</b>	<b>INITIAL CAPITAL BUDGET 2020/21</b>
<b>PORTFOLIO HOLDER(S):</b>	<b>COUNCILLOR R WILLIAMS</b>
<b>HEAD OF SERVICE:</b>	<b>MARC JONES (EXT. 2601)</b>
<b>REPORT AUTHOR:</b> TEL: E-MAIL:	<b>MARC JONES</b> <b>EXT. 2601</b> <b>rmjfi@ynysmon.gov.uk</b>
<b>LOCAL MEMBERS:</b>	<b>n/a</b>

### A - Recommendation/s and reason/s

#### 1. PURPOSE OF THE REPORT

- 1.1 The Executive is required to propose a capital budget for 2020/21, which will be presented to full Council for approval at its meeting on 10 March 2020.

#### 2. RECOMMENDATIONS

- To recommend to the full Council the following capital programme for 2020/21:-

	Ref	£'000
2019/20 Schemes Brought Forward	Para 4.1 & Table 2	3,294
Refurbishment / Replacement of Assets	Para 4.2.2 & Table 3	5,158
New One Off Capital Projects	Para 5.2 & Table 4	2,174
Smallholdings funded from capital receipts	Para 5.7	100
21 <sup>st</sup> Century Schools	Para 6	9,039
Housing Revenue Account	Para 7	17,138
<b>Total Recommended Capital Programme 2020/21</b>		<b>36,903</b>
<b>Funded By:</b>		
General Capital Grant		2,165
Supported Borrowing General		2,364
Capital Receipts		245
Capital Reserve		500
21 <sup>st</sup> Century Schools Supported Borrowing		2,680
21 <sup>st</sup> Century Schools Unsupported Borrowing		3,679
HRA Reserve & In Year Surplus		14,228
HRA Unsupported Borrowing		250
External Grants		7,572
2019/20 Funding Brought Forward		3,219
<b>2020/21 Total Capital Funding</b>		<b>36,903</b>



<ul style="list-style-type: none"> <li>• That the use of the VAT Leisure reserve and any potential capital receipts from the proposed sale of the golf course are considered by the Executive when the draft Developing Leisure Provision for Future Generations Plan is presented to the Executive. The remaining £32k is carried forward as funding to be used in 2021/22.</li> <li>• To note the potential future funding requirements for 2021/22 onwards (Appendix 1 Table 3 and paragraph 5.5).</li> </ul>	
<b>B - What other options did you consider and why did you reject them and/or opt for this option?</b>	
A number of additional schemes are to be considered in the capital programme with the main driving factor in funding being affordability and the maximisation of external grant funding. The proposed capital programme and the additional Capital schemes, if supported, do not commit the Council to a level of borrowing which increases minimum revenue provision or interest payments to an unaffordable level.	
<b>C - Why is this decision for the Executive?</b>	
The matter is delegated to the Executive to propose the capital budget.	
<b>CH - Is this decision consistent with policy approved by the full Council?</b>	
Yes	
<b>D - Is this decision within the budget approved by the Council?</b>	
N/A	
<b>DD - Who did you consult? <span style="float: right;">What did they say?</span></b>	
<b>1</b>	<b>Chief Executive / Strategic Leadership Team (SLT) (mandatory)</b> Comments from the SLT have been incorporated into the report
<b>2</b>	<b>Finance / Section 151 (mandatory)</b> n/a – this is the Section 151 Officer's report
<b>3</b>	<b>Legal / Monitoring Officer (mandatory)</b>
<b>4</b>	<b>Human Resources (HR)</b>
<b>5</b>	<b>Property</b>
<b>6</b>	<b>Information Communication Technology (ICT)</b>
<b>7</b>	<b>Scrutiny</b>
<b>8</b>	<b>Local Members</b>
<b>9</b>	<b>Any external bodies / other/s</b>
<b>E - Risks and any mitigation (if relevant)</b>	
<b>1</b>	<b>Economic</b>
<b>2</b>	<b>Anti-poverty</b>
<b>3</b>	<b>Crime and Disorder</b>
<b>4</b>	<b>Environmental</b>
<b>5</b>	<b>Equalities</b>
<b>6</b>	<b>Outcome Agreements</b>
<b>7</b>	<b>Other</b>
<b>F - Appendices:</b>	
Appendix 1 – Report on the Capital Budget 2020/21 Appendix 2 – Proposed Capital Budget 2020/21	
<b>FF - Background papers (please contact the author of the Report for any further information):</b>	
Capital Strategy Report – Executive Committee 30 October 2017 Capital Budget 2019/20 – Full Council 27 February 2019	

**DRAFT CAPITAL BUDGET 2020/21****1. INTRODUCTION**

1.1. The draft Capital Budget for 2020/21, set out below, takes into account the principles set out in the Capital Strategy which was approved by the Executive in February 2019 and the full Council in May 2019.

**2. PRINCIPLES OF THE CAPITAL STRATEGY**

2.1. The Capital Strategy for 2019/20 was approved by the Executive and full Council and will be updated for 2020/21 to reflect the new funding levels, any changes in the Council's priorities and any changes set out in the Council's Treasury Management Strategy for 2020/21, which will be approved by the Executive and full Council in March 2020.

2.2. The current Capital Strategy sets out the following principles for the Council in determining its capital programme:-

- Each year capital funding will be allocated to ensure an investment in existing assets.
- The Council will maximise external capital funding wherever possible and affordable.
- Capital funding will also be prioritised on assets required to help the Council deliver its statutory responsibilities.
- The Council remains committed to the 21<sup>st</sup> Century Schools Programme and will continue to fully utilise 21<sup>st</sup> Century Schools external funding.

2.3. The strategy then went on to provide a little more information on how these principles would be delivered and included the following key points:-

- That the 21<sup>st</sup> Century Schools programme is considered separately from the remainder of the general capital programme.
- That the replacement of existing and obsolete assets has the benefit of reducing revenue costs and that the capital programme will allocate funding to replace or improve existing I.T. equipment, vehicles and Council buildings.
- It is a statutory requirement to offer disabled facilities grants and that the capital programme will allocate funding annually to comply with this requirement.
- A sum will be allocated annually to fund road improvement works. The sum will depend on the amount required to achieve any minimum contract values, the level of external and internal funding available and an assessment of the state of repair of the Authority's roads.
- Projects that require match funding will be assessed on a case by case basis, with any decision to allocate funding being based on how the project fits into the Council's corporate priorities, any ongoing revenue implications and the ratio of Council funding to external funding.
- Projects funded from unsupported borrowing will only be undertaken if the reduction in revenue costs or increased income generated is sufficient to meet any additional capital financing costs.

2.4. The Capital Strategy also sets out how any new bid should be scored as follows:-

- How closely the project will contribute to the priorities of the Corporate Plan – score out of 20;
- Whether the project attracts significant external funding – score out of 10;
- Whether the project will lead to revenue savings – score out of 10;
- Whether the project will help mitigate a corporate risk – score out of 10.

### 3. FUNDING THE CAPITAL PROGRAMME 2020/21

3.1. The funds available to finance the capital programme for 2020/21 are shown in Table 1 below. It should be noted that the figure for the General Capital Grant and Supported Borrowing are based on the provisional Local Government settlement figures. The final figure will not be known until the final settlement figures are announced on 25 February 2020. The level of funding under both headings have remained fairly constant over a number of years and are not anticipated to change significantly between the provisional and final settlement.

**Table 1**  
**Anticipated Capital Funding Available for 2020/21**

Source of Funding	£'m	£'m
<b>General Fund Capital Programme</b>		
Funding brought forward from 2019/20	3.219	
General Capital Grant	2.165	
Supported Borrowing (including unutilised in 2019/20)	2.364	
Capital Receipts	0.828	
Capital Reserve	0.500	
Leisure VAT Reserve	0.750	
External Grants and Contributions	2.232	
<b>Funding for the General Capital Programme (Council Fund)</b>		<b>12.058</b>
<b>21st Century Schools</b>		
Supported Borrowing	2.680	
Unsupported Borrowing	3.679	
Welsh Government Grant	2.680	
<b>Funding for 21st Century Schools</b>		<b>9.039</b>
<b>Housing Revenue Account (HRA)</b>		
HRA Reserve	5.240	
HRA - In-year Surplus	8.988	
Welsh Government Major Repairs Allowance	2.660	
Unsupported Borrowing	0.250	
<b>Funding for HRA</b>		<b>17.138</b>
<b>Total Capital Funding 2020/21</b>		<b>38.235</b>

- 3.2. The value of the capital receipts identified includes an estimate sum of £550k generated from the potential sale of the Golf Course and an indication has been given by the Executive to use any capital receipts from the sale of the Golf Course to fund improvements to other leisure facilities. It also includes £100k from the sale of smallholdings, which has been previously earmarked to improve the existing smallholding properties.
- 3.3. £500k has been allocated from the Capital Reserve, which would leave a forecast balance of £640k, which is available to fund any emergency capital works which may arise during the year or to provide match funding if the offer of significant grant funding was received during the year which required a small amount of match funding.
- 3.4. The HRA funding is earmarked for HRA projects only and cannot be used for any other projects. The plan allows for the use of £5.24m in 2020/21, leaving £1m as the ongoing reserve balance. This is in accordance with the HRA Business Plan which has been previously approved by the Council.

#### 4. DRAFT CAPITAL PROGRAMME (Committed Schemes)

##### 4.1. 2019/20 Schemes Carried Forward

The following schemes will not be completed in 2019/20 and will carry forward to 2020/21.

**Table 2**

##### **2019/20 Schemes Brought Forward**

<b>2019/20 Schemes Brought Forward</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
Gypsy and Traveller Site – Star	670	-	-
Tourism Gateway	1,345	-	-
Holyhead Strategic Infrastructure	379	-	-
Holyhead Regeneration (THI Phase II)	900	1,500	460
<b>Total Schemes Brought Forward</b>	<b>3,294</b>	<b>1,500</b>	<b>460</b>

4.1.1 Temporary Gypsy & Traveller Site at Star – Following the purchase of the site and the initial design costs, £670k of the allocated budget remains unutilised and will not be spent before the end of the financial year. The final specification for the scheme is currently being drawn up and the tendering process will commence in early 2020.

4.1.2 Tourism Gateway – This is an EU grant funded scheme and no additional Council funding will be required in 2020/21.

4.1.3 Holyhead Strategic Infrastructure – This is a scheme funded under a Joint Venture agreement between the Council and Welsh Government to build new business premises with additional external grant funding. No additional Council funding will be required in 2020/21 to complete the scheme.

4.1.4 Holyhead Regeneration (THI Phase II) - £825k of the £900k required will be grant funded through the Heritage Lottery Fund, but an additional £75k match funding will be required. Given the level of grant compared to the Council's contribution, it is recommended that this scheme is included in the 2020/21 capital programme.

## 4.2. Refurbishing/Replacing Existing Assets

4.2.1 Each year, sums are allocated in the capital programme in order to maintain, upgrade or replace existing assets. The sums allocated have been reviewed by the Finance Team in consultation with the relevant service and the following sums are recommended for 2020/21:-

- **Disabled Facilities Grant (DFGs)** – In previous years, £750k has been allocated and this was supplemented in 2018/19 and 2019/20 by the use of Intermediate Care Fund grants. The Housing Service, who is responsible for the awarding of DFG grants, have indicated that £600k will be sufficient funding for 2020/21. However, as part of the Revenue Budget proposals, the cost of delivering DFG work will also be capitalised, with £36k being transferred from the revenue budget to the capital budget. This takes the total allocation to £636k. It will be necessary to increase the funding back to £750k in 2021/22 onwards.
- **Disabled Access in Education Buildings** - £300k has been allocated to meet the cost of these adaptations in previous years. Property Services have identified £978k required in 5 secondary schools and has programmed this work to take place over the next 3 years. As a result, the allocation of £300k is recommended again for 2020/21.
- **Refurbishment of Schools** – The backlog maintenance in schools is significant and cannot be funded in the short to medium term. The Property Services Team have identified the most urgent work to utilise the usual allocation of £1m.
- **Refurbishment of Non School Buildings** – Again, a backlog of work has been identified in the Council's offices, residential homes, day care facilities, libraries and leisure centres and there is insufficient funding to undertake this work in any one year. £600k has been allocated in previous years and this level of funding will be sufficient to meet the cost of the majority of the priority work required to be undertaken. This could be a potential area the Council could capitalise on new environmental and carbon reduction grants during the year.
- **Highways Resurfacing** – Highways have assessed that, as a minimum, £2.2m needs to be spent on the Council's highways in order to maintain the current standard. To bring all the Council's roads up to standard again would take an investment in the region of £15m to £30m. Welsh Government has allocated £20m to assist Councils with a Highways refurbishment programme. Anglesey's allocation of this grant funding for 2020/21 is £599k, which leaves £1.25m to be funded from the Council's core capital funding.
- **Vehicles** – A sum of £150k has been allocated in previous years to allow for the replacement of obsolete vehicles and to purchase more fuel efficient/ carbon neutral vehicles e.g. electric cars. However, in addition to the routine replacement of vehicles, 2 sets of vehicles are reaching the end of their useful life and need to be replaced, namely gritting lorries and Môn Community Transport minibuses. In both cases, the repair costs are increasing and there is an increasing risk that vehicles may not be available when they are needed. It is recommended that the vehicles are replaced over the next 3 years, with £300k being allocated for the purchase of new gritters each year for the next 3 years. The Fleet Manager intends to purchase 2 new MCT minibuses in 2020/21, funding one from the £150k allocated for the purchase of new vehicles, with an additional £30k being allocated in 2020/21.

- **I.T. Assets** – Continued investment is required to maintain the Council's core infrastructure and the replacement of devices used by staff to access systems. £171k has been identified as a sum required to maintain the core infrastructure with £121k required for desktop devices. In previous years, licensing costs were funded from capital funding but, as the pressure on the revenue budget has eased slightly, these costs have been transferred to the revenue budget, which releases some capital funding.

4.2.2 The recommended core funding allocations above are summarised in Table 3 below:-

**Table 3**  
**Recommended Allocation of Funding for Refurbishment / Replacement of Existing Assets 2020/21 – 2022/23**

Refurbishing / Replacing Existing Assets	2020/21 £'000	2021/22 £'000	2022/23 £'000
Disabled Facilities Grants	636	750	750
Disabled Access in Education Buildings	300	300	300
Refurbishment of Schools	1,000	1,000	1,000
Refurbishment of Non School Buildings	600	600	600
Highways Resurfacing (£599k funded from WG Grant)	1,850	1,850	1,850
Vehicles	480	480	480
I.T. Assets	292	292	292
<b>Total</b>	<b>5,158</b>	<b>5,272</b>	<b>5,272</b>

4.2.3 The General Capital Funding received from Welsh Government for 2020/21 totals £4.324m. There has been little increase in the general capital allocation received from Welsh Government for a number of years as additional capital funding has been directed to specific projects e.g. 21<sup>st</sup> Century Schools. If this level of funding continues in 2021/22 and beyond, the Council's capital programme will either be limited to the refurbishment and replacement of existing assets or the allocations shown above will have to be reduced in order to free up funding to meet other commitments.

## 5. OTHER BIDS FOR ADDITIONAL FUNDING

- 5.1. Services were requested to put forward bids for capital funding. These bids were assessed by the Finance Team, using the scoring mechanism set out in the Capital Strategy, and then prioritised by the Senior Leadership Team. Excluding the 21<sup>st</sup> Century Schools programme, the Housing Revenue Account, the Leisure VAT reserve, any capital receipts which may be generated from the sale of the golf course (if the Executive decides to move ahead with the sale) and smallholdings, the total general core funding available for 2020/21 totalled £5.207m, of which £4.634m is allocated above (Table 2 & 3), leaving £0.573m surplus funding to fund new projects in 2020/21.
- 5.2. Having scored the projects (as per the methodology set out in paragraph 2.4) and following the review by the Senior Leadership Team, the following projects are recommended to be included in the 2020/21 capital programme (see Table 4 below):-

**Table 4**

**Recommended One Off Capital Projects to be Funded in 2020/21**

<b>Project Title</b>	<b>Description</b>	<b>Sum Recommended £'000</b>	<b>Core Funding £'000</b>	<b>External Grant £'000</b>
Economic Development and Environmental well being projects	Project development and match funding to be used as and when grant funding becomes available.	95	95	0
Porth y Wrach Slipway	Installation of vehicle recognition/ CCTV cameras at the slipway to monitor health and safety and to assist in the collection of launching fees.	30	30	0
Plas Mona	To upgrade facilities at the Residential Home.	80	80	0
Leisure Facilities Improvement Fund	To provide initial funding to begin the implementation of the "Developing Leisure Provision for Future Generations Plan." The plan will be presented to the Executive in due course which will detail the exact projects to be progressed using this funding and any potential external grants which the Council can secure.	250	250	0
Flood Relief Schemes	To fund the design of major schemes and to provide match funding (15%) to draw down Welsh Government grant funding for smaller schemes. WG grant would total £487k.	573	86	487
Holyhead Landscape Partnership	This will be fully funded from external grants.	1,146	0	1,146
<b>TOTAL RECOMMENDED FUNDING TO BE ALLOCATED IN 2020/21</b>		<b>2,174</b>	<b>541</b>	<b>1,633</b>

**5.3** The Council has identified the need for flood relief works in a number of areas including Menai Bridge, Llanfair, Red Wharf Bay, Valley, Amlwch and Holyhead. The total cost of all of these schemes is estimated at between £10m and £12m. Even with 85% grant funding from Welsh Government, it would require the Council to allocate significant core capital funding to complete these schemes. At present, that funding is not available, however, the sum allocated above will allow the projects to be designed and be ready to implement as and when funding becomes available.

**5.4** The bidding process also identified a number of projects which do not require funding in 2020/21 but may need to be funded in 2021/22 or beyond. These include the following:-

- ICT in Schools – The Council will receive grant funding to upgrade IT facilities within schools but the grant is conditional on the Council making a commitment to renew and upgrade these facilities in the future. This will require the release of an estimated £2m of funding in 5 years' time. By setting aside an annual sum e.g. £500k per annum, it is possible to build up a reserve that will be available to fund the future replacement costs.
- Flood mitigation on the B5109 at Fryars Bay. As no properties are at risk from the flooding in this area, the scheme does not attract grant funding from the Welsh Government under its current scheme. Should grant funding become available, the Council may need to consider releasing match funding in order to complete the mitigation works.
- The provision of learning disability day services is currently under review. The outcome of that review may recommend a capital investment in one or more centre in order to modernise the service. It is not clear at this point how much capital funding would be required but it is likely to be a significant sum.
- The Council is currently producing a "Developing Leisure Facilities for Future Generations" plan, designed to identify what will be required to maintain and improve the leisure facilities at the Council's 3 main leisure centres and other key locations. Around £750k is held in a leisure specific reserve and the funding available could be increased through the potential sale of the golf course, if the Council reaches that conclusion. However, the funding requirement is considerably higher and will require additional external funding to implement. Any additional investment to prepare for the Island Games would also require external grant funding support.
- The current Anglesey Connected equipment is nearing the end of its useful life and, in order to maintain the connections to the establishments currently served by Anglesey Connected, the equipment will need to be replaced or the connections need to be transferred to PSBA. It is estimated that, over a 3 year period, £180k will be required to complete the transition. However, moving away from Anglesey Connected would allow the masts to be sold, which would generate a capital receipt.
- The Council has invested sums over recent years in modernising its business processes by investing in back office systems and implementing the Customer Relationship Management (CRM) system. The next step is to begin to develop automated response systems to deal with customer queries (ChatBots). Although the Council is not in a position to implement the technology at the present time, the need to invest in such technology was identified as a future capital bid.
- In order to extend the areas where it is possible to generate fees from car parking or modernise the way motorists pay parking fees, it will be necessary to replace and/or increase the number of pay and display machines. This will require future capital investment.
- The Council is developing a corporate strategy to improve environmental performance and reduce carbon emissions. Whilst a number of existing or planned activities are funded, it is expected that the Council will need to allocate additional capital and revenue funding in the future to ensure it plays its part fully.



## **5.5 Smallholdings**

Two bids were received for the upgrade of 2 smallholdings at a combined cost of £160k. Given the limited funding, it is recommended that the upgrade of smallholdings is funded from any capital receipts generated from the sale of land or buildings or from the sum allocated for repairs and maintenance in the revenue budget. It is expected that capital receipts of £100k will be received in 2020/21.

## **6 21<sup>ST</sup> CENTURY SCHOOLS**

**6.1** Due to the significant amount of Welsh Government funding the schemes will attract and the need to modernise the existing school estate, the Council is committed to funding these schemes through the use of unsupported borrowing and the capital receipts from the sale of old school sites. The 2020/21 Capital Programme allows for the completion of Band A projects and the commencement of Band B projects. It is for the Executive to decide what those projects will be and when they will be commenced.

**6.2** The estimated cost of the programme in 2020/21 is £9.039m (net of any capital receipts), which will be funded from £2.68m Welsh Government grant, £2.68m supported borrowing and £3.679m unsupported borrowing.

## **7 HOUSING REVENUE ACCOUNT**

**7.1** The Housing Revenue Account is a ring fenced account in terms of both revenue and capital expenditure. The proposed programme for 2020/21 will see the continued investment in the existing stock to ensure continued compliance with the WHQS standards, with £6.645m being invested. A further £10.493m will be spent on developing new properties and in re-purchasing former right to buy properties.

**7.2.** The programme will be funded from: the HRA Reserve (£5.24m), the revenue surplus generated in 2020/21 (£8.988m), Welsh Government grants (£2.66m) and new unsupported borrowing (£0.25m).

## **8. SUMMARY RECOMMENDED CAPITAL PROGRAMME 2020/21**

**8.1.** The recommended capital programme for 2020/21 is summarised in Table 5 below and analysed in further detail in Appendix 2.

**Table 5**

**Summary Recommended Capital Programme 2020/21**

	<b>Ref</b>	<b>£'000</b>
2019/20 Schemes Brought Forward	Para 4.1 & Table 2	3,294
Refurbishment / Replacement of Assets	Para 4.2.2 & Table 3	5,158
New One Off Capital Projects	Para 5.2 & Table 4	2,174
Smallholdings funded from capital receipts	Para 5.7	100
21 <sup>st</sup> Century Schools	Para 6	9,039
Housing Revenue Account	Para 7	17,138
<b>Total Recommended Capital Programme 2020/21</b>		<b>36,903</b>
<b>Funded By:</b>		
General Capital Grant		2,165
Supported Borrowing General		2,364
Capital Receipts		245
Capital Reserve		500
21 <sup>st</sup> Century Schools Supported Borrowing		2,680
21 <sup>st</sup> Century Schools Unsupported Borrowing		3,679
HRA Reserve & In Year Surplus		14,228
HRA Unsupported Borrowing		250
External Grants		7,572
2019/20 Funding Brought Forward		3,219
<b>2020/21 Total Capital Funding</b>		<b>36,903</b>

**8.2** The total funding available for 2020/21, as set out in Table 1, is £38.235m. It is recommended that £36.903m is utilised, leaving an unused balance of £1.332m. This is made up of £750k VAT Leisure reserve, £550k estimated capital receipts from the potential sale of the Llangefni Golf Course and £32k of unallocated capital receipts.

It is recommended that the use of the VAT Leisure reserve and any potential capital receipts from the sale of the golf course are considered by the Executive when the draft Developing Leisure Provision for Future Generations Plan is presented to the Executive. The remaining £32k is carried forward as funding to be used in 2021/22.

## Proposed Capital Programme 2020/21

Scheme Name	Budget 2020/21 £	Funded By								Total Funding £'000
		2019/20 B/F	General Capital Grant	Supported Borrowing	Capital Receipts	Capital Reserve	Unsupported Borrowing	External Grants	Reserves	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>2019/20 Schemes Brought Forward</b>										
Star Gypsy and Traveller Site	670	670								670
Tourism Gateway	1,345	1,345								1,345
Holyhead Strategic Infrastructure	379	379								379
Holyhead Regeneration (THI Phase II)	900	825			75					900
<b>Total 2019/20 Schemes Brought Forward</b>	<b>3,294</b>	<b>3,219</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,294</b>
<b>Refurbishment / Replacing Existing Assets – Building, Vehicles, IT &amp; Highways</b>										
Disabled Facilities Grants	636		636							636
Disabled Access in Education Buildings	300			300						300
Refurbish Schools	1,000			1,000						1,000
Refurbish – Non School Buildings	600			379	71	150				600
Highways Resurfacing	1,850		726	524		1		599		1,850
Purchase of New Vehicles	480		480							480
Upgrading / Replacing IT Equipment	292		292							292
<b>Total Refurbishment / Replacing Existing Assets</b>	<b>5,158</b>	<b>-</b>	<b>2,134</b>	<b>2,203</b>	<b>71</b>	<b>151</b>	<b>-</b>	<b>599</b>	<b>-</b>	<b>5,158</b>
<b>New Capital Projects 2020/21</b>										
Economic Development and Environmental Well Being	95			95						95
Porth Wrach Slipway – Enforcement Cameras	30			30						30
Refurbishment of Plas Mona Residential Home	80		31	36		13				80
Match Funding for Flood Relief Schemes	573					86		487		573
Leisure Improvements	250					250				250
Smallholding Refurbishments	100				100					100
Holyhead Landscape Partnership	1,146							1,146		1,146
<b>Total New Capital Projects 2020/21</b>	<b>2,274</b>	<b>-</b>	<b>31</b>	<b>161</b>	<b>100</b>	<b>349</b>	<b>-</b>	<b>1,633</b>	<b>-</b>	<b>2,274</b>

Scheme Name	Budget 2020/21 £	Funded By								Total Funding £'000	
		2019/20 B/F	General Capital Grant	Supported Borrowing	Capital Receipts	Capital Reserve	Unsupported Borrowing	External Grants	Reserves		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
<b>21<sup>st</sup> Century Schools / School Modernisation</b>											
Completion of Band A Programme	5,297			1,355				2,587	1,355		5,297
Commencement of Band B Programme	3,742			1,325				1,092	1,325		3,742
<b>Total 21<sup>st</sup> Century Schools / School Modernisation</b>	<b>9,039</b>	<b>-</b>	<b>-</b>	<b>2,680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,679</b>	<b>2,680</b>	<b>-</b>	<b>9,039</b>
<b>TOTAL GENERAL FUND</b>	<b>19,765</b>	<b>3,219</b>	<b>2,165</b>	<b>5,044</b>	<b>246</b>	<b>500</b>	<b>-</b>	<b>3,679</b>	<b>4,912</b>	<b>-</b>	<b>19,765</b>
<b>Housing Revenue Account</b>											
Planned Maintenance and WHQS Improvements	6,645								2,660	3,985	6,645
New Developments and re-purchase of RTB properties	10,493							250		10,243	10,493
<b>Total Housing Revenue Account</b>	<b>17,138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>2,660</b>	<b>14,228</b>	<b>17,138</b>
<b>TOTAL CAPITAL PROGRAMME 2020/21</b>	<b>36,903</b>	<b>3,219</b>	<b>2,165</b>	<b>5,044</b>	<b>246</b>	<b>500</b>	<b>-</b>	<b>3,929</b>	<b>7,572</b>	<b>14,228</b>	<b>36,903</b>

## Response to the Executive Committee's Initial Budget Proposals – 2020/21

### ISLE OF ANGLESEY COUNTY COUNCIL

February 2020

Author – Gethin Morgan, Business Planning, Programme and Performance Manager

Head of Service – Carys Edwards, Head of Human Resources & Corporate Transformation

#### **1. Introduction**

- 1.1. The Council recently undertook a consultation exercise on the initial budget proposals agreed for consultation by the Executive Committee between 15<sup>th</sup> January and 7<sup>th</sup> February, 2020. The 3 week consultation period focused on proposals from across Council services.
- 1.2. These proposals were the result of the annual budgetary process and were consulted upon in order to gain the views of the public and ensure the Executive can (as the process draws to a close) make recommendations from a fully informed position. They were presented by the services during the autumn where they were also challenged and agreed upon for the purposes of consultation by the Elected Members of every political group in the Council.
- 1.3. Consideration was given to a broad range of savings where the internal challenge and consensus had led to proposals that varied from matters such as increasing Council Tax levels by between 4-5% to the deletion of certain vacant posts to increasing car parking costs at coastal sites and towns by differing rates.
- 1.4. These proposals were publicised in various ways;
  - 1.4.1. Statements and articles in the press
  - 1.4.2. The proposals were published on the Council's website (homepage)
  - 1.4.3. Extensive use of social media – Twitter, Facebook to promote the proposals to a broader range of residents
  - 1.4.4. An interview by the Portfolio Holder Robin Williams on MônFM promoting the consultation and its contents

Each of the channels above were aimed at publicising and creating enthusiasm amongst citizens and staff to engage and respond to the initial proposals.



- 1.5. Citizens, partners and staff were asked to respond to the consultation through different means, including:
  - An on-line survey on our website
  - E-mail or
  - Writing to us in the traditional way by posting a letter
- 1.6. As well as the above, the Council held further engagement exercises with :



- Town & Community Council forum together with partners in the Council Chamber
- Sessions with young people via the Young Farmers and Urdd forums.
- A session with the Head teachers and Senior Managers of schools on the Island



The consultation this year followed a similar pattern to previous consultation events that have been held in recent years, but wasn't as extensive as past years due to the shortened timescale enforced upon the Council by Welsh Government. The emphasis this year was placed on gaining an electronic response through our extensive use of social media.



85 responses were received via electronic means, 3 e-mails and 2 letters were received via e-mail.

The results / findings are as follows –

Do you agree that the Council should continue to invest in Adult Services as a response to an increase in demand?							Response Percent	Response Total
1	Yes						80.72%	67
2	No						19.28%	16
<b>Analysis</b>	Mean:	1.19	Std. Deviation:	0.39	Satisfaction Rate:	19.28	answered	83
	Variance:	0.16	Std. Error:	0.04			skipped	2

Do you agree with the Executive's proposal to protect the School's budget by not implementing the £800k cut that was postponed in 2019/20?							Response Percent	Response Total
1	Yes						73.49%	61
2	No						26.51%	22
<b>Analysis</b>	Mean:	1.27	Std. Deviation:	0.44	Satisfaction Rate:	26.51	answered	83
	Variance:	0.19	Std. Error:	0.05			skipped	2

Do you think it is reasonable that we raise the Council Tax between 4.5% and 5%? (When considering the level of the settlement and the need to fund the increase in financial demand within Adult Services and Schools)							Response Percent	Response Total
1	Yes						30.12%	25
2	No						69.88%	58
<b>Analysis</b>	Mean:	1.7	Std. Deviation:	0.46	Satisfaction Rate:	69.88	answered	83
	Variance:	0.21	Std. Error:	0.05			skipped	2



Do you agree with the proposals in Appendix 4 of the Revenue Budget Report?							Response Percent	Response Total
1	Yes						58.90%	43
2	No						41.10%	30
<b>Analysis</b>	Mean:	1.41	Std. Deviation:	0.49	Satisfaction Rate:	41.1	answered	73
	Variance:	0.24	Std. Error:	0.06			skipped	12

The result above demonstrates an outcome in favour of the proposals put forward for savings during 2020/21. Having said this, there are some views which question certain proposals and the Council received seventeen such views. These vary from questioning the value of increasing car parking charges to challenging why such an increase in Council tax is required.

The point re: increasing car-parking costs at coastal location is a point of concern for two e-mailed responses (one of which is from Red Wharf Sailing and Water-sports Club) which outline the impact such a change could have if increases are implemented and whether this could have further far-reaching effects to individual health and well-being opportunities into the future.

Others question the validity of increasing Council Tax year on year with some highlighting the fact that the rise is normally at a rate above inflation which means their disposable income is decreasing year on year. One comment stated that Welsh Government should increase funding levels for Councils and three comments pointed to the view that second home owners should pay a greater tax for their second home on Anglesey.

A single comment questioned the value of the reducing the civic events budget, questioning its impact on tourism, social inclusion and intergenerational activities and a response from a community council noted that the 3 week consultation period wasn't sufficient for them to reply.

Do you agree with our proposals in our full capital programme for 2020/21 provided in the Capital budget report?							Response Percent	Response Total
1	Yes						53.42%	39
2	No						46.58%	34
<b>Analysis</b>	Mean:	1.47	Std. Deviation:	0.5	Satisfaction Rate:	46.58	answered	73
	Variance:	0.25	Std. Error:	0.06			skipped	12

The responses to the capital budget proposals were more evenly matched with 53% in agreement with the proposals and 47% not in favour of them.

Seventeen comments were received, one of which questioned why there was no public facing documents used for consultation and that failure to do so inferred a 'tokenistic' consultation process. A couple of comments pointed to the fact that the government should be lobbied to a greater degree in order to realise corporation tax from large organisations.

Others questioned the relevance of the following –

- Why protect the education budget?
- Why increase council tax?
- Travellers site
- The purchasing of new gritters

One response questioned whether there should be an investment into Ysgol Syr Thomas Jones, Amlwch as part of the school modernisation programme as it is believed it is a 'money pit'. Another questioned whether an investment into Ysgol Gyfun Llangefni should be realised due to the condition of the current school and a further comment pleaded with the Council to build the new Corn Hir school with a 50% increase in capacity due to increasing number of families that will make Llangefni their home over the forthcoming years.

Other responses noted that old Council buildings should be sold off and the number of Council staff should be reduced together with the stern questioning of whether Mon Community Transport is an unnecessary luxury that has become unaffordable when there are other alternative transport options for customers to use.



<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	Corporate Scrutiny Committee
<b>Date:</b>	27 February 2020
<b>Subject:</b>	<u>Connected and Ambitious Libraries</u> : The sixth quality framework of Welsh Libraries 2017-20, Isle of Anglesey Annual Return 2018/2019.
<b>Purpose of Report:</b>	<ul style="list-style-type: none"> <li>To report on the Welsh Government’s (MALD) assessment of the Library Services 2018/19 Annual Library Report, and the issues arising.</li> </ul> <p>To identify the relative strengths and weaknesses of the Library and Information Service as identified in the 2018/2019 annual report.</p>
<b>Scrutiny Chair:</b>	Cllr Aled Morris Jones
<b>Portfolio Holder(s):</b>	Cllr R Meirion Jones
<b>Head of Service:</b>	Rhys H. Hughes
<b>Report Author:</b>	Rachel Rowlands : Library Service Manager
<b>Tel:</b>	01248 752094
<b>Email:</b>	rflh@ynysmon.gov.uk
<b>Local Members:</b>	

<b>1 - Recommendation/s</b>
<ul style="list-style-type: none"> <li>That the Corporate Scrutiny Committee suggests that the Portfolio Holder approves the Welsh Public Library Standards Annual Report for 2018/19</li> <li>That the Corporate Scrutiny Committee note the Welsh Government’s (MALD) assessment of the Library Services 2018/19 Annual Library Report, and the issues arising.</li> </ul>

<b>2 – Link to Council Plan / Other Corporate Priorities</b>

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities <b>[focus on customer/citizen]</b>
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality <b>[focus on value]</b>

**3.3 A look at any risks [focus on risk]****3.4 Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]****3.5 Looking at plans and proposals from a perspective of:**

- Long term
- Prevention
- Integration
- Collaboration
- Involvement

**[focus on wellbeing]****4 - Key Scrutiny Questions****5 – Background / Context**

**Welsh Public Library Standards April 2018 – March 2019  
Library Service Manager Report**

**1. EXECUTIVE SUMMARY**

- 1.1 The Welsh Government (WG) via its policy division MALD (Museums, Archives and Libraries Division) requires that the Council submits an Annual Report on performance towards the Public Library Standards for Wales.
- 1.2 The Annual Report contains a summary of Library and Information Service performance during 2018/19 and has been submitted to MALD in draft form due to the assessment timetable. **The Annual Report is attached as Appendix 1.**
- 1.3 The Assessment shows the service to be performing well and met 11 core entitlements in full and meets 1 partially. Of the 10 quality indicators the Isle of Anglesey achieved 7 in full and 1 in part and failed to achieve 2; a slight reduction on the previous reporting year, however a change in the reporting / assessment process by MALD has resulted in this change not a reduction in performance. **The assessment is attached as Appendix 2.**
- 1.4 Performance is broadly maintained in this year of the sixth framework, with improvements in some areas and reductions in others. We retain a strong focus on children's services and support for the Welsh language, and evidence a useful partnership ethos, working both with other services in North Wales and local providers.

- 1.5 The Assessment notes that the service continues to perform well in other areas covered by the entitlements, especially given limitations in resources and staff capacity. Working in partnership with lifelong learning staff, and other colleagues and agencies helps maximise the range of services that can be provided, with well-being a particular focus for this work.

## **2 BACKGROUND INFORMATION**

- 2.1 Statutory Public Library Standards were introduced by the Welsh Assembly Government (WAG) in April 2002 to indicate minimum levels of library provision and are intended to provide comparative performance measurements to guide service improvements. The 1964 Public Libraries and Museums Act requires that each local authority “provide a comprehensive and efficient library service for all persons desiring to make use thereof”. As the terms “comprehensive and efficient” are not defined in the Act, WAG introduced the Public Library Standards to define levels of service and to assist the relevant Minister “to superintend, and promote the improvement of, the public library service”.
- 2.2 In 2017 local authorities began recording their performance against the indicators in the new framework “Connected and Ambitious Libraries: The sixth quality framework of Welsh Libraries 2017-20”. This framework has been developed in partnership with local authorities and is based substantially on the 5th framework. It also includes the guidance on community managed libraries which was also available in a separate document.

### **Benefits of the framework**

The framework encourages local authorities to ensure that the public can benefit from:

- the provision of suitable and appropriate access to public library service points
- a suitable and appropriate range of materials and activities available
- access to adequate levels of staffing and a skilled workforce
- adequate capital investment in buildings, effective ICT and efficient managements systems for their library service.

## **3 Library Service Annual Report 2018 – 2019: Report Summary**

### **3.1 Areas of strength**

- 3.1.1 11 out of 12 core entitlements are met in full and 1 is partially met. While a Library Service Strategy 2017-2022 is in place, it is not easily available online for public access and CE12 is partially met as a result; once the strategy is made available through the library service web pages this entitlement will be fully met.
- 3.1.2 All libraries provide the full range of support for individual development, and an extended range of health and well-being services an improvement on 17/18.

- 3.1.3 Anglesey has extended its program of events and activities in 2018/19, despite continuing limitations on staff capacity.
- 3.1.4 Acquisition budgets have been maintained, and the service continues to perform well in terms of expenditure on children's stock, and support for Welsh language provision.
- 3.1.5 Total revenue expenditure has increased slightly on 2017/18, with expenditure per capita above the median level.
- 3.1.6 92% of our population live within easy reach of a service point.
- 3.1.7 Welsh language issues per capita is amongst the highest in Wales
- 3.1.8 The Isle of Anglesey has the second highest usage rate of public access ICT facilities.

### 3.2 **Areas of weakness**

- 3.2.1 The level of attendance at pre-arranged formal training is the lowest in Wales, however, informal training has increased and is ranked 6/22.
- 3.2.2 Visitor numbers have continued to fall, as have book issues; improvements are expected as new mobile provision and transformed service delivery is embedded
- 3.2.3 Neither staffing target is met, with consequent issues for service capacity.
- 3.2.4 Visits have fallen slightly however we are above the Welsh median and 12 / 22 in Rank. Virtual visits are high and Anglesey is ranked 2/22
- 3.2.5 Events /activities for users with special requirements are only provided in 7 out of 8 libraries, with provision targeted to where there is demand or an identified need  
This is however an improvement on 17/18

## 4 **MALD Assessment (Please see: Appendix 2.)**

- 4.1 The Assessment shows the service to be performing well and meeting 11 core entitlements in full and 1 partially. Of the 10 quality indicators the Isle of Anglesey achieved 7 in full and 1 in part and failed to achieve 2 a slight reduction on the previous reporting year, however a change in the reporting / assessment process by MALD has resulted in this change not a reduction in performance.
- 4.2 The core entitlements and quality indicators can be divided into four key areas: MALD comments are summarized below.

### 4.2.1 **Meeting Customer Need (QI 1-5)**

The impact of planned changes to service infrastructure can be seen in provision for individual development, with the closure of two service points enabling the redistribution of staff and resources; as a result the full range of skills sessions is now provided at all libraries and QI 1 is fully met. The restructure has also allowed the service to extend its provision for health and well-being, with all service points now delivering dementia friendly services. Formal and informal training levels have continued to increase, although attendance at pre-arranged training sessions remains the lowest per capita in Wales. Demand for informal help, accessing online services, remains particularly high.

#### **4.2.2 Access and Use (QI 6-8)**

Changes to service infrastructure in 2018/19 have seen a small reduction in the percentage of households within an accessible distance of a library service point, but the target here is still met. Anglesey has extended its program of events and activities in 2018/19, despite continuing limitations on staff capacity; attendance levels have risen as a result. Delivery of events and activities for users with special requirements has also improved, with targeted provision at 7 out of the 8 main library service points, although the standard here (QI 6) is still not met. Visitor numbers have continued to fall, as have book issues; this is largely attributed to a reduction in visits to the mobile library, and the service expects to reverse this trend in 2019/20 as its new mobile library, timetable and marketing take hold. Electronic downloads have increased further, a trend seen across Wales, and library membership has also risen, although per capita performance here is still very low.

#### **4.2.3 Facilities and services (QI 9-12)**

Materials budget was maintained at 2017/18 levels, but a change to the assessment of acquisitions per capita (QI 9) means that the target here is no longer met. Spending on resources for children remains strong, and the service has increased its investment in Welsh language resources, in line with local demand, with Welsh language issues still high. PC provision has been maintained, and while usage levels have fallen (to 57% from 67%), this reflects the higher PC capacity at some libraries following the redistribution of equipment from closed sites, with usage remaining among the very highest in Wales. The service continues to meet the targets for supply of requests, reporting figures for requests satisfied within the authority.

#### **4.2.4 Expertise and capacity (QI 13-16)**

A new staffing structure was implemented in 2018/19, a number of posts within this remained vacant (including one professional post), and as such Anglesey reports a small drop in overall staff levels, with neither staffing target met. The service notes that recruitment is ongoing and that posts should be filled in 2019/20, and anticipates that this should enable the service to meet the target for numbers of professional staff, although achieving the overall staffing requirement will not be possible. Qualified leadership is in place, and the service continues to invest in professional development. Total revenue expenditure has increased slightly on 2017/18, with expenditure per capita still above the median level. Aggregate annual opening hours have fallen, following the closure of two service points, but the requirements here are still met, and there were no unplanned interruptions to service delivery.

**4.3 The assessment concludes that:** *The Isle of Anglesey library service has seen some changes to performance levels in 2018/19, with completion of its transformation process reshaping the infrastructure within which the service operates. Two of its smallest library service points have closed, enabling the redistribution of staff and resources, and a new staffing structure is in place, which once recruitment has been completed should deliver improved capacity. Staff*

*have nevertheless delivered an extended training, events and activities offer in 2017/18 although most other key indicators of library use have continued to fall. Improvements are anticipated as the new mobile library, timetable and marketing take hold. The authority's return for 2019/20 should therefore provide a clearer picture of how the implementation of its Library Service Strategy 2017-2022 and recent changes to branches are impacting on performance under the framework.*

#### **6 – Equality Impact Assessment [including impacts on the Welsh Language]**

N/A

#### **7 – Financial Implications**

N/A

#### **8 – Appendices:**

Appendix 1. Isle of Anglesey Welsh Public Library Standards Annual Report for 2018/19  
Appendix 2. Isle of Anglesey Annual Report 2018-19 Assessment

#### **9 - Background papers (please contact the author of the Report for any further information):**

MALD : Museum, Archives and Libraries Division – Connected and Ambitious Libraries:  
The sixth quality framework of Welsh Libraries 2017-20

<https://gov.wales/docs/drah/publications/170331-connected-and-ambitious-libraries-en.pdf>



## Annual return pro-forma: Year ending 31 March 2019

### Guidance notes

The return is to be made over three worksheets, together with a Word document. Authorities should take note of the following:

The *Definitions and guidelines for data collection and reporting* document provides guidance for completing the return.

Where data are included in the annual public library actuals return to CIPFA, the same figure should be used for this return.

Only those cells where data are required can be selected; other areas of the return are shaded. The tab key can be used to move to the next available cell.

MALD reserves the right to request evidence of the information provided in the return to assist with the assessment process.

### Context

This sheet requires some descriptive details for the authority, and contact details for the person to whom any queries should be addressed.

### Core entitlements

This sheet deals with the 12 core entitlements for the public. Authorities should select their (self-assessed) level of compliance from the drop-down box, and provide further information in the space provided.

### Quality indicators

This sheet covers the 16 public library standard quality indicators. For some indicators authorities are required to enter the raw data from which quantitative standards are derived; calculation will then take place automatically.

For those standards with quantitative targets, values are compared to the target set, and an indication given of whether or not that standard has been met. Space has been provided for comment; authorities failing to meet targets will be prompted to use this space to detail any mitigating circumstances, and plans for future improvement.

A comparative figure for the year ending 31 March 2018 should be provided for each annually reported PI. Space is provided for authorities to comment on any decline in their performance over the previous year.

The most recent figures available should be given for those PIs which are required only once in the three year period, and the date of data collection given in the space provided.

### Submission

When completed, the return should be submitted via email to MALD:

[mald@gov.wales](mailto:mald@gov.wales)

Closing date for receipt of returns:

**Friday 21st June 2019**

For more information please contact:

Carys Dawson

[Carys.Dawson2@gov.wales](mailto:Carys.Dawson2@gov.wales)

0300 062 2095 (direct line)

0300 062 2112 (MALD main number)

## Contextual data

Year ending 31 March 2019

	Isle of Anglesey
Authority	
Resident population	69,794
Percentage of population aged under 16	17.2%
Percentage of population able to speak and read Welsh (see notes)	57.2%
No. of static service points open 10+ hours per week	8
No. of static service points open for less than 10 hours per week	0
No. of Mobiles	1
In addition, community libraries open 10+ hours per week	
<i>No. of community managed libraries</i>	0
<i>No. of community supported libraries</i>	3
<i>No. of commissioned libraries</i>	0
in addition, community libraries open for less than 10 hours per week	
<i>No. of community managed libraries</i>	0
<i>No. of community supported libraries</i>	0
<i>No. of commissioned libraries</i>	0
How many, if any, of these community libraries are included in this return (see notes)?	3
No. of Independent Community Libraries	0
<u>Contact details for queries regarding this return</u>	
	Name Rachel Rowlands
	Telephone 01248 752094
	Email <a href="mailto:fxlh@ynysmon.gov.uk">fxlh@ynysmon.gov.uk</a>
Has this Annual Return been approved by the authority prior to its submission to MALD?	No
When is approval expected?	Late Autumn 2019
When will the definitive version be submitted to MALD?	Late Autumn 2019



Entitlement	Compliance (please select)	Authority comments
1 Free to join, and open to all.	Fully met	<p>Anglesey Library Service is free to join for those who live or work on the island. We also have a visitor membership category which is free. Cross Authority co-operation and the joint LMS mean that library members of the 6 North Wales Authorities may use our resources for free. All Libraries are child friendly and have dedicated spaces.</p> <p>Social and demographic information is analysed regularly to ensure a relevant service and a lot of work has been conducted in this area to shape the Library Service Strategy. Travellers and homeless people were consulted as part of the consultation and their responses taken into consideration.</p>
2 Ensure friendly, knowledgeable and qualified staff are on hand to help.	Fully met	<p>Customer care continues to be a priority within the Authority and the Service and staff receive regular refresher training in customer care and training in areas such as the Welsh Language Standards and our responsibilities as front line staff; mystery shopper exercises are undertaken and any action points implemented. As a small team, knowledge sharing continues to be vital and an effort is made to cascade knowledge and experiences throughout the staffing structure. WPLS13 has been met which reflects our commitment to training and CPD, co-operation between North Wales Libraries and partners help us to achieve this standard. The service does not have a dedicated training budget; training needs are identified during the appraisal process which feeds into the departmental and corporate training budget where funds are allocated for the year.</p>
3 Provide access to a range of services, activities and resources to support lifelong learning, personal well-being and development, community participation, and culture & recreation.	Fully met	<p>Anglesey Library Service delivers a full range of activities to meet the needs of our population; digital skills, adult and child activities and reader development activities enrich and expand the library service offer, with targeted activities taking place for example 3 listening reading groups for those who are partially sighted. That this is achieved with limited resources and staff capacity is a credit to our staff. Activities for children and young people are a focus for the service and our integrated schools library service adds significant value to the offer. Our lifelong-learning staff add invaluable knowledge and experience to this area, coordinating training and activities, working in partnership with other colleagues and agencies. Well-being is a service priority and activities, services and resources link in with this priority. New information services/sources and resources are fed into our training programmes where appropriate and disseminated to all staff. Services and resources are promoted to the public both internally and externally. Social media is used as much as possible. The local studies collection has been the focus of a number of cross generational activities over the last few years, increasing knowledge of the collection to the wider community and strengthening partnership relationships.</p>

Entitlement	Compliance (please select)	Authority comments
4 Provide appropriate services, facilities and information resources for individuals and groups with special requirements.	Fully met	A full range resources in all formats are purchased for all groups of people. All libraries provide public access pc's with predictive text software. Aids such as trackerball mouse and assistive keyboards are available. We offer a service to housebound customers and to other special groups, for example partially sighted individuals and those with special needs. The county special needs school regularly visits the library and activities take place during the year. All our libraries provide a safe attractive environment with design and layout to promote this. our last user survey showed that 97% of our users see the library as an enjoyable safe and inclusive place.
5 Provide a safe, attractive and accessible physical space with suitable staffed opening hours.	Fully met	Consultation feedback gathered as part of the Library Transformation process has identified that opening hours suit local needs, however 15% of non-users stated that different opening times may encourage them to use the Service, this has been fed into the library service strategy. The library service has buildings that are in excellent physical condition with the exception of Holyhead Library. The Market Hall project for Holyhead is due to open in early 2019 and will provide a Strategic 21st Century library for Holyhead and the surrounding area. All our bulidings are accessible and comply with the DDA Act 1995. All our libraries provide a safe attractive environment with design and layout to promote this. Our library design enable us to change to layouts if necessary. Property Services monitor the environment and take necessary action if required. There is a programme of modernisation and refurbishment in all our libraries.
6 Lend books for free, and deliver free access to information, including online information resources available 24 hours a day.	Fully met	Books, Audio books and language courses are lent for free. There is a hire charge for CD's and DVD's. There is free access to online resourses and e-books and e-audio. Requests for stock are free within Wales, with an appropriate charge made for requests for items not available in Wales. The service is in a regional ILL scheme and provides access to Access to Research. Online information resources are easy to find on the website.
7 Provide free use of the Internet and computers, including Wi-Fi.	Fully met	Use of the internet and computers is free for all residents and visitors with a home library card. A small charge is made for non-residents (visitors) who use our computers. There is no limit to the length of session available for free. The only limiting factor is times of high demand, when in busy periods only an hour is guaranteed, however further slots are usually available. WI-FI is free for all to use and is available in all our libraries. ICT Facilites and courses and promoted outside of the library and use/ attendance is high.

Entitlement	Compliance (please select)	Authority comments
<p>8 Provide access to services, cultural activities and high quality resources in the Welsh language.</p>	<p>Fully met</p>	<p>The library service ensures that its resources budget is used to provide high quality resources in a wide range of formats. The vast majority of published Welsh language material is purchased. The All Wales book purchasing consortia enable the service to achieve greater savings than if we were operating alone. The North Wales Bibliographic partnership also brings savings in this area. Welsh stock is actively promoted both as part of general displays and promotions but also as stand alone promotions. The Service supports and assists several Welsh language reading groups.</p>
<p>9 Work in partnership to share catalogues and facilitate access to the resources of all Welsh libraries.</p>	<p>Fully met</p>	<p>The move to the All Wales LMS has strengthened catalogue sharing, and the new catalogue has enhanced features such as cover images and reviews. The staff training in this area during the change over period has improved promotion of the catalogue. Our statistics indicate that use of the catalogue is increasing, and we expect this to continue to increase following the redesign of the corporate website.</p>
<p>10 Work with a range of partners to promote and deliver services to new and diverse audiences, enabling more people to benefit from their services.</p>	<p>Fully met</p>	<p>The service has no marketing budget, and staffing capacity in the service can limit reach. However the corporate communications team actively promotes and assists in this area, ensuring a regular presence on the Authority social media pages and issuing press releases to good effect. Good news stories are promoted regularly over the year attracting non-users, and effectively marketing the offer. Activities and events are promoted outside library premises in locations in the community. Social media is used, we use Twitter and Facebook mainly; one example of an activity that is effectively promoted using social media are our Community Code Clubs, we put messages on Twitter and Facebook, it achieves a high retweet/repost including schools and 3rd sector partners, attendance is high with a good proportion saying that they heard about it from social media.</p>

Entitlement	Compliance (please select)	Authority comments
<p>11 Regularly consult users to gather their views on the service and information about their changing needs.</p>	<p>Fully met</p>	<p>User surveys are conducted on a three year rota, with the last in February 2017. These results have fed into the standards report and also into the transformation process and Library Service Strategy. The Service also conducted an extensive consultations during the period 2014-18 as part of the Transformation Process, the consultations set out to answer several questions:</p> <ul style="list-style-type: none"> <li>• What do Anglesey’s citizens and partners need from their library service?</li> <li>• To collect opinion on a long list of possible options.</li> <li>• What ideas do citizens and partners have for improving the service?</li> <li>• To design and implement the Library Service Strategy</li> </ul> <p>Responses have informed the Service and transformation process. User panels are set up on occasions, for example there is a user panel taking part in the planning for the new library in Holyhead, consisting of users of all ages but also non-users.</p>
<p>12 Provide access to the library service’s strategy, policies, objectives and vision, in print and online, in a range of languages appropriate for the community.</p>	<p>Fully met</p>	<p>Library Service's strategies, policies and vision are fully available in print and are bilingual in Welsh and English.</p>

WPLSQI 1 Making a difference	Framework 6	Framework 5
Percentage of adults who think that using the library has helped them develop new skills	n/a	67%
Percentage of adults who have found helpful information for health and well-being at the library	n/a	51%
Percentage of adults who experience the library as an enjoyable safe and inclusive place	n/a	97%
Percentage of adults who think that the library has made a difference to their lives	n/a	84%
Survey dates (month & year)	n/a	Survey date Feb-17
Authority comment: Survey will take place in 2019/20		

Percentage of children aged 7-16 who think that the library helps them learn and find things out	n/a	90%
Survey dates (month & year)	n/a	Survey date Feb-17
Authority comment: Survey will take place in 2019/20		

WPLSQI 2 Customer satisfaction	Framework 6	Framework 5
Percentage of adults who think that the choice of books is 'very good' or 'good'	n/a	94%
Percentage of adults who think that the standard of customer care is 'very good' or 'good'	n/a	99%
Percentage of adults who think that the IT facilities provided are 'very good' or 'good'	n/a	n/a
Percentage of adults who think that the library is 'very good' or 'good' overall	n/a	97%
Survey dates (month & year)	n/a	Survey date Feb-17
Authority comment: Survey will take place in 2019/20		

Average overall rating out of ten awarded by users aged 7-16 for the library they use	n/a	9%
Survey dates (month & year)	n/a	Feb-17
Authority comment: Survey will take place in 2019/20		

WPLSQI 3 Support for individual development	2018-19	% of total	2017-18 % of total
Number of static service points open for 10 hours per week or more providing:			
Basic support in the use of ICT infrastructure provided (including Wi-Fi) and in accessing the range of electronic information resources available.	8	73%	100%
Training to improve literacy, numeracy, information literacy and digital skills.	8	73%	78%
Support for users to access local and national e-government resources.	8	73%	100%
Reader development programmes/activities for both adults and children	8	73%	100%

**This target has not been met. Please add any comments below:**

Performance has improved in this area with all targets now being met at 100%. This is in part due to our 2 smallest libraries closing during 2018 as a result of our Transformation Process. The new structure has enabled us to consolidate staffing and resources and distribute them to the remaining libraries more effectively

WPLSQI 4 Support for health & wellbeing	2018-19	% of total	2017-18 % of total
Number of static service points open for 10 hours per week or more providing:			
Books Prescription Wales scheme	8	73%	100%
Better with Books scheme	8	73%	100%
Designated health & wellbeing collection	8	73%	100%
Information about healthy lifestyles & behaviours	8	73%	100%
Signposting to health & wellbeing services	8	73%	100%
This target has not been met. Please add any comments below:			

		2017-18
Number of static service points open for 10 hours per week or more providing:		
Shared Reading groups	2	1
Book clubs	4	4
Health information partnerships	6	6
Dementia friendly champions and services	8	4
Mental health awareness activities	8	9

Authority comment:  
 The number of libraries open for 10 hours a week or more reduced during 2018 from 9 to 8. Work in the field of Dementia Friendly Champions and Services has improved performance in this area with every service point providing this element. Health information is available in all libraries and Services visit all libraries at some point in the year for various activities however we have only included here those Services that are repeated as per the guidelines.

WPLSQI 5 User training	2018-19	Per 1,000 pop'n	2017-18
Total number of attendances at pre-arranged user training sessions organised by the library	936	13	10
Percentage of attendees who said that attendance helped them to achieve their goals	99%		98%
Please indicate the method used to calculate this figure			
Approximate number of feedback forms distributed	100		
Number of feedback forms included in the calculation	92		
Number of customers helped by means of informal training during the year	21,365	306	
Authority comment (including note on the method used to calculate the results):			

Pre-arranged user training sessions have increased slightly on the previous reporting period with visits from local colleges being included this year. Informal sessions remain high, Help is varied and wide-ranging however, help with e-mails, using e-resources, using social media, using WiFi account for a large proportion of this figure, information literacy skills and local history resources are also important with demand increasing in this area. Demand continues to increase in informal help with completing online forms, scanning documents and job searching. CIPFA sampling procedures are followed with a count in October for % who said training helped achieve their goals. The other figures are full counts.

WPLSQI 6 User attendances at library events	2018-19	per 1000 pop'n	2017-18
Total number of attendances at events and activities organised by the library	15,465	222	188
Number of static service points open for 10 hours per week or more providing events or activities for users with special requirements	7	64%	
This target has not been met. Please add any comments below:			
Authority comment, including examples of events:			

Events and activities held around the year are numerous for example; Lego Clubs, Code clubs, Weekly Job Clubs, Listening reading groups, Author visits, Book launches, Reading groups, Rhannu Rhigwm, Parent and Child sessions, childrens activities, summer reading scheme activities. The number of events has increased this year, an achievement for our staff in the context of the implementation of the library service strategy and a vacant professional post limiting capacity.

Specific events and activities for users with special requirements have been provided where there has been a demand or an identified need, resources in this area have been targeted and provided in 7 out of 8 libraries (an increase on the previous reporting period). Events were Story times / Activities for Canolfan Addysg y Bont (Pupils with Special needs), Information Literacy for ABE (Basic Skills), Information and awareness sessions, Listening reading groups, activities e.g. job clubs for long term unemployed. Information and advice sessions in partnership with North Wales Deaf Association and North Wales society for the Blind.

WPLSQI 7 Location of service points	2018-19	2017-18
Population density (persons per hectare)	1.0	
% of households within 3 miles (or 15 minutes travelling time by public transport) of a static service point, or within ¼ mile of a mobile library stop	<b>92%</b>	% 97%
<b>This target has been met.</b>		

63.94% of the population of Anglesey live within 3 miles of a static library. This figure is derived from the GIS system and is statistically robust. This figure is calculated using distance by road network. 28.31% of households within .25 of a mobile stop. There has been a slight reduction on 17/18 however the Transformation process ensured that we continued to reach this target.

WPLSQI 8 Library use	2018-19	Per 1,000 pop'n	2017-18 Per 1,000 pop'n
Total number of visits to library premises during the year	275,423	3,946	4,107
Please indicate the method used for calculation	A combination of these methods		
Total number of external visits to the library's web site during the year	119,232	1,708	1,728
Total number of active borrowers during the year	7,498	107	110
Total number of library members	15,474	222	190
Total number of adult book issues	161,416	2,313	2,429
Total number of children's book issues	74,937	1,074	1,138
Total number of audio-visual issues	7,416	106	104
Total number of electronic downloads	18,249	261	190

Authority comment (include names of any shared service points with shared counting mechanisms and date of last membership data cleanse; please also provide a note of any statistics collected on social media use, and how this data is counted):

Visits to library premises have fallen slightly this reporting period. When broken down to library level our larger libraries have maintained visitor numbers. The mobile library has seen a reduction in visits however we are expecting a reverse in this as our new mobile library, timetable and marketing take hold.

Issues are also slightly down on last year and the same pattern is seen as with visitor numbers. Virtual visits remain high and electronic downloads remain strong.

WPLSQI 9 Up-to-date and appropriate reading material	2018-19	Per 1,000 pop'n	2017-18 Per 1,000 pop'n
Total number of items acquired	36,793	527	244
Total materials expenditure (from WPLSQI 14)	£114,093	£1,635	£1,641
<b>This target has been met.</b>			

no. of print and non-book media items: 13,328

no. of items from authority purchased electronic sources: 0

no. of items from centrally purchased subscriptions: Bolinda - 23,465 (as per previous years e-zines and e-comics have not been included)

Total expenditure on material purchased for children	£32,856
Does this figure include expenditure on a Schools Library Service?	Yes

Please indicate the amount included	£11,327		
Percentage of materials expenditure for children	29%	%	31%
Authority comment			

The service is considers this an appropriate level of expenditure on stock purchased for children and young adults, it includes the schools library service which provides project/curriculum based packs for primary schools and also the schools library van which visits primary schools throughout the year. Schools library stock is not ring-fenced and is available for branch libraries to use.

WPLSQI 10 Welsh language resources	2018-19	Per 1,000 pop'n	2017-18
Total expenditure on materials in the Welsh language	£16,085		
Percentage of materials expenditure on materials in the Welsh language	14%	%	12%
Spend per 1,000 Welsh-speaking resident population		£	£330
This target has been met.			

Total number of issues of Welsh language material	33,990	487	
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Authority comment

Expenditure on weisn language materials has increased, a reflection of the number of published materials this year. All relevant copies of weisn language materials are purchased in multiple copies. The service considers this provision appropriate for the Welsh language stock demand on the Island. Current purchasing levels would need to be doubled to achieve the Spend per 1,000 Welsh speaking population, this would result in surplus stock and would impact other resources.

WPLSQI 11 Online access	2018-19	Per 10,000 pop'n	2017-18
Do all libraries provide a minimum of one device giving public access to the Internet and networked digital content?	No		
If relevant, record the number of static sites without access	0		
If relevant, record the number of mobile libraries without access	1		

This target has been met.

The mobile library does not have a dedicated device for public access to the Internet and networked digital content however our staff devices are Internet enabled (through a mobile MiFi) and we do assist our customers accessing the Internet using these devices however corporate policies do not allow private use on these devices. All static libraries provide devices giving access to the Internet and Networked digital content.

Do all static service points provide Wi-Fi access for the public using their own devices?	Yes
---	-----

This target has been met.

WiFi hours are currently not recorded; it was hoped that changes in the IT network would enable us to report this figure for this reporting period however it is still not possible. The service is pushing for a solution, as usage is known to be high.

Total number of devices giving public access to the Internet:	69	9.89	per 10,000 pop'n	10
Available in static libraries	69			
Available in mobile libraries	0			

Authority comment:

All static libraries provide public access to the Internet and networked digital content. The Mobile library does have access to the Internet but it does not have a public device. The Library Assistant will look up information for users if they require.

Number of hours available for use of public access ICT facilities during the year	57,232		
Number of hours recorded for use of public access ICT facilities during the year	32,452	57%	% 67%

Authority comment:

These figures have been worked out on a pro rata basis for the 2 libraries which closed during the reporting period. IT equipment was redistributed around the service which has resulted in extra capacity in some branches. Providing a better service to the customer but reducing the figure for % of available time used by the public.



WPLSQI 12 Supply of requests	2018-19	%	2017-18 %
Total number of requests for specific items made during the year	6,898		
Number of requests which are notified to the user as being available within 7 calendar days of the request being made	5,310	77%	73%
This target has been met.			

Number of requests which are notified to the user as being available within 15 calendar days of the request being made	6,317	92%	88%
This target has been met.			

Inter-library lending and sharing a catalog across the six North Wales authorities mean that there are additional challenges to obtaining books upon request to the reader within a specific time. The 7-day target is challenging in terms of transport and logistics,

Since the implementation of the all-Wales Library Management System, reservations are travelling across North Wales to satisfy customer demands and this can be challenging for the distribution network. To ensure consistency with other Welsh authorities, from 2017/18 North Wales Library authorities have recorded the number of reservations satisfied within the county. This change in reporting has led to a reduced number of reservations being counted, but the number of requests satisfied within 7 calendar days is high at 77% an increase from 17/18 and above the WPLS target.

The cross-county figure for Anglesey, including requests satisfied from all the 6 north Wales authorities is 59.99% for 7 days and 84.26 for 15 days.

WPLSQI 13 Staffing levels & qualifications	2018-19	Per 10,000 pop'n	2017-18
Total number of staff (FTE)	18.1	2.59	2.8
This target has not been met. Please add any comments below:			
Authority comment (including information about shared staff):			
This total includes shared staff in the TalNET bibliographical unit (at a 22% of their total staffing level). This total does not include vacant posts (posts that are on the library service staffing structure but were vacant as at March 2018)			

18/19 saw the implementation of a new staffing structure for the library service. Staffing levels have reduced slightly during this reporting period and we had 3 vacant posts, 1 of which was a professional post, for the full year. These posts have been excluded from these figures in line with the guidance as they were vacant. 1 of these posts has now been filled (although just outside this reporting period) and the other is in the process of being advertised. Anglesey Library Service remains below the total staffing level standard which inevitably has a knock on effect on the Service.

Total FTE including the vacant posts is 19.95 which is still below the target. Achieving this target was not possible as part of the transformation process.

Number of staff holding recognised library related qualifications (FTE) (including cognate areas)	3.9	0.56	0.6
This target has not been met. Please add any comments below:			
The FTE figure 3.9 does not include the vacant post. But it does include cognate areas. Our Staffing structure if fully staffed is 4.9 which is above the target. We expect to achieve this level in 2019 reporting period provided the vacant professional post is successfully filled.			

Number of staff holding qualifications in cognate areas (FTE)	0.5		
Number of posts which require a library qualification	4.4		
Number of staff with library qualifications in posts which do not require a library qualification (FTE)	0.8		

Authority comment:

The posts which require a library qualification includes the vacant professional post. The staff member holding cognate area qualification is our Lifelong Learning Officer who holds a teaching degree. We have two members of staff who are in posts that do not require a library qualification even though they hold librarian qualifications (they are not reported here as per the guidance), those individuals currently do

Does the designated operational manager of library services hold a formal qualification in librarianship or information science or information management?	Yes	Yes
Please give details of current qualifications held:	Postgraduate Diploma in Information and Library Studies, CILIP	

Yes

Please give details of training undertaken

N/A

This target has been met.

Where does this post sit within the local authority management structure?

Reports directly to Head of Service : Education

What is the post held by the most senior professional librarian (if different from the above)?

n/a as above

Where does the post held by the most senior professional librarian sit within the local authority management structure (if different from the above)?

n/a as above

Total staff working hours during the year

30,800

Number of staff hours spent in training & personal/professional development

1,562

% of time spent in training & personal/professional development

5.1%

2017-18

4.40%

This target has been met.

Total number of volunteers active during the year

3

2017-18

3

Total number of volunteer working hours during the year

90

2017-18

53

Do you have Investors in Volunteers accreditation relating to the NOS?

N/A

Briefly describe the training and support offered to volunteers.

Volunteer hours reported here are work experience hours with training and support provided on an individual basis relevant to the tasks being undertaken.

Authority comment:

As yet our 2 Community Libraries do not have a volunteer model up and running however we are working in one area to establish elements of volunteer support which is extra to the statutory core library service.

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#### WPLSQI 14 Operational expenditure

	2018-19	% of total	2017-18	% of total
Expenditure on staff	£478,356	54%		64%
Total materials expenditure	£114,093	13%		13%
Expenditure on maintenance, repair & replacement of equipment & buildings	£26,861	3%		3%
Total other operational costs	£272,605	31%		20%
Total revenue expenditure	£891,915	100%		
Total revenue expenditure per 1,000 population	£12,779		£12,728	
Total capital expenditure	£121,017			
Total capital expenditure per 1,000 population	£1,734		£2,042	

Authority comment:

The staffing figure reported in the 17/18 return was incorrect. The budgeted staffing figure rather than the actual figure was reported. The correct figure should have been £473,664 which would have changed the "Other operational expenses" figure to £272,665. These figures mean that the % totals for the two years are comparable.

#### WPLSQI 15 Cost per visit

	2018-19	Ratio	2017-18
Total revenue expenditure on staff & materials	£ 592,449.00		

Total income generated	£74,610.00		<b>Income</b>	£75,372.00
Total number of visits to library premises during the year	275,423			
Total number of external visits to the library's web site during the year	119,232	<b>£1.31</b>	<b>Cost per visit</b>	£1.50
Authority comment:				

<b>WPLSQI 16 Opening hours</b>	<b>2018-19</b>	<b>Per 1,000 pop'n</b>	<b>2017-18 Per 1,000 pop'n</b>
Aggregate annual opening hours for all service points	9,287	<b>133</b>	150
<b>This target has been met.</b>			
Performance in this area has reduced due to the library closures which took place in 2018. The Library Service still however meets this target; continuing to meet this target was an important factor in our transformation work			
Total number of unstaffed opening hours for all service points	0		
Authority comment:			

		<b>% of total</b>	<b>2017-18 % of total</b>
Total hours of unplanned and emergency closure of static service points as a result of building failure or staff unavailability	0		
Total planned opening hours of all static service points	9,287	<b>0.00%</b>	0.00%
Total number of missed mobile library stops and home deliveries as a result of vehicle failure or staff unavailability	0		
Total planned mobile library stops and home deliveries	1,560	<b>0.00%</b>	1.00%
Authority comment:			

1. The impact, which the library has had on an individual, or on a group of individuals, during the year. Describe the use made of the service, and the difference that use made to the individual or group concerned. Up to four case studies may be provided (indicative length: 500 words each).

Please indicate if permission for the Welsh Government to re-use and/or publish the case studies has been obtained or not: No – not obtained

a) **Digital inclusion / IT help**

Our libraries report case studies on a regular basis linked back to the importance of IT help and assistance. The impact of this area of work can be significant reaching across many agendas. Staff will help customers but the ability to refer to one to one help or It sessions is an important factor of out IT support. Listed below are a few of the impact statements received during the reporting period.

- Lady who wished to attach a video taken on her phone of some work that needed doing on her Council Property. She wanted to send it to the Housing Maintenance department but did not know how to do this; she had been struggling at home until she thought about the library and whether we could help. A member of staff sat with her and explained what she needed to do. She returned a few weeks later to thank us and to say that the repair had been done. She said that it was easy when you knew how. It was suggested that she might like to attend one of our IT sessions, which she did; she says that the library is great because you can get help and advice but also you get to meet people and have a nice chat.
- 60 year old gentleman used his home computer to contact family in South Africa via email, but he had logged herself out of his email and couldn't remember his email. He had mentioned this in passing while he was borrowing some books. The member of staff offered to help and they proceeded to the Public Access Computers. Library staff were able to show him how to recover his password and suggested that he could learn how to use Skype or Instant Messaging to be able to 'video call' his family. He signed up for IT help and learnt how to use Skype; he still prefers to email but he reports that he will video call on special occasions and it's nice to see their faces.
- A lady enrolled on a creative writing course that took place in the library, Her IT skills were very poor and she had not used word processing before. She was encouraged to use word processing as part of the course and began a programme of teaching herself using the library computers with library staff helping when needed for printing problems or formatting verse. |She still does not own a computer herself but she has become very IT savvy now. She recently told us she submitted a piece of work to a local competition and her creative writing will be published through the college. |

b) **Health and Wellbeing**

This case study illustrates the clear benefit of the Books of Prescription scheme. It is one story of many we could record here. Each library has a similar story to tell. The

impact is clear and consistent.

*Mrs Williams (not real name)* is a 45-year-old woman who thanked library staff for their help last Autumn. She was asked if she would mind providing a short anonymous statement for library use, which she was happy to do.

“I have always been anxious but it had got out of control and I ended up being signed off work by my Doctor, I really didn’t want to take medication but there was a wait for talking therapy. My doctor told me about the Books on Prescription scheme and gave me a prescription for some books he thought might help. I took a big breath and went to the library to collect the books. I hadn’t been in the library for a good few years and I was somehow surprised at how friendly it was. My anxiety subsided and I’m now receiving help. I am back at work. That step back into the library reminded me about how much I used to enjoy reading and visiting the library as a child. I don’t know why I stopped I think life just got too busy. I find that I am enjoying reading again, it helps me relax and helps me sleep. The prescription book not only helped with my health troubles it re-opened to door to the library and reminded me of something I had lost. My trips to the library are a source of great pleasure to me now and it helps that the staff are so friendly and helpful. They even keep books on one side for me. It makes me feel special, even though I know they do it for everyone! |

2. Please provide a narrative that demonstrates how the library service is contributing towards wider Welsh Government priorities and strategic goals (indicative length: 500 - 1,000 words).

### **Anglesey Library Service: Contributing to towards wider Welsh Government priorities and strategic goals.**

**Learning** – Anglesey library service support both informal study and learning and those completing formal qualifications. Anglesey library service supports learning throughout all life stages from books for babies and rhyme time to IT sessions targeted at an older generation. Formal and informal learning opportunities within and outside of the library setting provide accessible friendly opportunities for a wide variety of learning outcomes. Working in partnership is a strong aspect of this area of work.

**Reading and literacy** – Anglesey Library Service provides access to a wealth of literature, stories, and information that engages and excites, we stock books targeted at children, young people and adults with poor literacy levels and work with our partners to deliver sessions in basic skills. Anglesey School library Service promotes reading for pleasure to our primary school age children and supports teachers with multiple copy packs and themed collections to support the curriculum. Listening Story groups are very popular and are enabling blind and partially sighted residents to engage with books and socialise in a supportive environment.

**Community wellbeing** –Libraries are at the centre of Anglesey communities providing a meeting place for local groups, provision of community information and a

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wide range of activities for all ages. Libraries are a neutral space in the community and are open to all.

**Skills and economic regeneration** – Our libraries help to stimulate the local economy by providing opportunities for skills and workforce development, providing business information and advice and drawing residents into the towns and villages to make use of local shops and businesses. Partnership working means that Anglesey library Service contributes to skill development especially in the area of digital inclusion and digital literacy. Libraries also act as a hub for tourist information and access to the internet through our PC's and Wi-Fi.

**Digital inclusion and participation** – Anglesey Libraries support residents to get online through access to free Internet access in their buildings. IT courses and one to one sessions are run. All libraries have Public Access PC's, mobile devices and Wi-Fi facilities.

**Health and Well Being** – Anglesey Library Service contributes to this agenda in many ways – from working with health professionals to deliver Books on Prescription, offering special collections aimed at people living with dementia, therapeutic shared reading groups and reading aloud reading groups for blind and partially sighted residents. We also are a portal to health and wellbeing information. The housebound service is a core example of the benefits reading and the general library service can make individuals. Partners also contribute to this agenda by using our facilities for example Health Visitors use many of our libraries to hold their weekly weigh-in and contact sessions.

**Cultural identity** – Anglesey library has an extensive local history collection, linking place and language. We also place a high emphasis on our Welsh language stock and run or facilitate several Welsh language and Welsh learners reading groups. Events and activities throughout the year link to this theme and promote the resources of the library service.

**Poverty**– Anglesey Library Service plays a key role in helping those who are in poverty or at risk of being in poverty, promoting literacy; providing free access to books and resources, free access to IT and the internet, and free access to digital skills courses.

3. Please provide a short statement about the future direction and plans for the library service (indicative length 200 words).

The 2018/19 reporting period saw the implementation of the Executive's decision to adopt the Library Service Strategy 2017-2022. The changes actioned were:

- Closure of Moelfre Library and Newborough Library (July 2018) increasing mobile provision in these areas.
- Developed a collaborative model with Canolfan Beaumaris in respect of Beaumaris Library and Llanfaelog Community Council in respect of Rhosneigr library. The Authority achieved financial savings by working in partnership with these communities whereby the Community Council in respect of Rhosneigr and the Canolfan Beaumaris Social Enterprise in respect of Beaumaris have taken on the buildings (long lease). In both instances, the Authority retains a statutory library service fully resourced, supported and staffed for 11 hours a week. It is hoped that a volunteer model will be established to provide additional support outside of these core statutory hours. These libraries are included in his return as Community supported libraries.
- Friends of Cemaes library secured funding to keep Cemaes library open for 1 year. A statutory library service was provided for 11 hours a week.
- A new staffing structure was implemented.

**The Library Service Strategy 2017-2022** has been developed to respond to the challenges and needs. The strategy outlines a vision for Anglesey Library Service and sets out a delivery framework that has the potential to meet the needs of the Library Standards, and respond to the needs of our customers. This strategy will shape our provision going forward.

# Welsh Public Library Standards 2017-2020: Isle of Anglesey

## Annual Assessment Report 2018/19

This report has been prepared based on information provided in the Isle of Anglesey's annual return, case studies and narrative report submitted to the Museums, Archives and Libraries Division of the Welsh Government.

### 1 Executive summary

Anglesey now meets 11 of the 12 core entitlements in full, and partially meets 1.

Of the 10 quality indicators which have targets, Anglesey achieved 7 in full, 1 in part and did not achieve 2.

The Isle of Anglesey library service has seen some changes to performance levels in 2018/19, with completion of its transformation process reshaping the infrastructure within which the service operates. Two of its smallest library service points have closed, enabling the redistribution of staff and resources, and a new staffing structure is in place, which once recruitment has been completed should deliver improved capacity. Staff have nevertheless delivered an extended training, events and activities offer in 2017/18 although most other key indicators of library use have continued to fall. Improvements are anticipated as the new mobile library, timetable and marketing take hold. The authority's return for 2019/20 should therefore provide a clearer picture of how the implementation of its Library Service Strategy 2017-2022 and recent changes to branches are impacting on performance under the framework.

- All libraries are now able to provide the full range of support for individual development, and an extended range of health and well-being services.
- Take-up of formal and informal training opportunities has continued to increase, although attendance at pre-arranged training sessions remains the lowest in Wales.
- Anglesey has extended its programme of events and activities in 2018/19, despite continuing limitations on staff capacity; the service is still only able to provide activities / events for those with special requirements at certain libraries.
- Visitor numbers have continued to fall, as have book issues, in part due to reduced mobile library use; improvements are expected as new mobile provision is embedded.
- Acquisition budgets have been maintained, and the service continues to perform well in terms of expenditure on children's stock, and support for Welsh language provision.
- A new staffing structure is in place, with recruitment to vacant posts ongoing. In the meantime neither staffing target is met, with consequent issues for service capacity.
- Total revenue expenditure has increased slightly on 2017/18, with expenditure per capita above the median level.

### 2 Performance against the standards

The standards framework comprises of core entitlements, quality indicators with targets, quality indicators with benchmarks and impact measures. Section 2 summarises achievements against these areas. A narrative assessment of the authority's performance is provided in Section 3.



## 2.1 Core entitlements

Anglesey now meets 11 of the 12 core entitlements in full, and partially meets 1. While a Library Service Strategy 2017-2022 is in place, it is not easily available online for public access and CE12 is partially met as a result; once the strategy is made available through the library service web pages this entitlement will be fully met. The service continues to perform well in other areas covered by the entitlements, especially given limitations in resources and staff capacity. Working in partnership with lifelong learning staff, and other colleagues and agencies helps maximise the range of services that can be provided, with well-being a particular focus for this work. Consultation with local communities and previous user surveys have fed directly into the plans for service transformation, and the development of the library service strategy.

## 2.2 Quality indicators with targets

There are 16 quality indicators (QIs), of which ten have constituent targets. Of these, the Isle of Anglesey is achieving 7 in full, 1 in part and does not achieve 2 of the indicators.

Quality Indicator	Met?
QI 3 Support for individual development:	Met in full
a) ICT support	✓
b) Information literacy and skills training	✓
c) E-government support	✓
d) Reader development	✓
QI 4 (a) Support for health and well-being	Met in full
i) Book Prescription Wales scheme	✓
ii) Better with Books scheme	✓
iii) Designated health & well-being collection	✓
iv) Information about healthy lifestyles and behaviours	✓
v) Signposting to health & well-being services	✓
QI 6 all static service points offer events/activities for users with special requirements	x Not met
QI 7 Location of service points	✓ Met in full
QI 9 Up-to-date and appropriate reading material	Not met
Acquisitions per capita	x
or Materials spend per capita	x
QI 10 Welsh Language Resources	Met in full
% of material budget spent on Welsh	✓
or Spend on Welsh per capita	x
QI 11 Online access:	Met in full
a) i) Public access to Internet	✓
ii) Wi-Fi provision	✓
QI 12 Supply of requests	Met in full
a) % of requests satisfied within 7 days	✓
b) % of requests satisfied within 15 days	✓
QI 13 Staffing levels and qualifications:	Partially met
i) Staff per capita	x
ii) Qualified staff per capita	x

iii) Head of service qualification/training	✓	
iv) CPD percentage	✓	
QI 16 Opening hours per capita	✓	Met in full

There have been some changes in performance compared with 2017/18. With full support for individual development provided at all main service points QI 3 is now fully met. However, in 2018/19, to ensure consistency between authorities and to reflect individual service performance, centrally procured e-resources were excluded from reporting against acquisitions for QI 9 at the assessment stage. This has impacted on Anglesey's performance in this area and the standard here is no longer achieved.

## 2.3 Impact measures

The framework includes three indicators aimed at assessing the impact of library use on people's lives. These indicators do not have targets, and authorities are only required to carry out user surveys for QI 1 once over the three-year period of the framework. The summary figures (lowest, median and highest) are therefore based on those authorities indicating they completed their user survey during 2017/18 or 2018/19. Rankings reflect the numbers of respondents, where 1 is the highest scoring authority.

Anglesey has yet to complete its user surveys which are planned for 2019/20. While a figure is reported for QI 5 b) below, the sample surveyed did not meet the minimum required to be statistically accurate.

Performance indicator		Rank	Lowest	Median	Highest
QI 1 Making a difference					
b) % of young people who think that the library helps them learn and find things out:	n/a		60%	94%	97%
e) % of adults who think that the library has made a difference to their lives:	n/a		38%	88%	95%
QI 5 b) % of attendees of training sessions who said that the training had helped them achieve their goals:	99%	=4/20	80%	97%	100%

Authorities are also asked to provide up to four case studies describing the impact which the library service has had on an individual or on a group of individuals during the year. The Isle of Anglesey provided two such case studies:

- Digital Inclusion – impact statements demonstrating the value and importance of the IT support provided through the library service; enabling local people to access council services, develop and maintain connections with family online, and improve their IT skills and access wider learning opportunities.
- Health and Well-being – individual testimony of the importance of access to the Books on Prescription scheme, in supporting someone suffering with severe anxiety. The prescribed book not only helped with her health problems, but reconnected her to the library, and reading for pleasure.

## 2.4 Quality indicators and benchmarks

The remaining indicators do not have targets, but allow services to monitor and benchmark their performance over time, in comparison with other authorities. The following table summarises Anglesey's position for 2018/19. Ranks are included out of 22, where 1 is the

highest, and 22 the lowest scoring authority, unless stated otherwise. Indicators where fewer than 22 authorities supplied data are those where relevant data was not available to some authorities. Figures from the first year of the sixth framework or relevant previous surveys have also been included for comparison. Indicators 'per capita' are calculated per 1,000 population unless otherwise noted.

Performance indicator	Rank	Lowest	Median	Highest	2017/18	
QI 1 Making a difference					[Framework 5]	
a) % of adults who think that using the library has helped them develop new skills	n/a	24%	82%	96%	67%	
c) health and well-being	n/a	33%	62%	94%	51%	
d) enjoyable, safe and inclusive	n/a	90%	97%	100%	97%	
QI 2 Customer satisfaction					[Framework 5]	
a) 'very good' or 'good' choice of books	n/a	81%	91%	98%	94%	
b) 'very good' or 'good' customer care	n/a	93%	99%	100%	99%	
c) 'very good' or 'good' IT facilities	n/a	65%	91%	95%		
d) 'very good' or 'good' overall	n/a	93%	97%	99%	97%	
e) users aged 16 & under rating out of ten	n/a	8.5	9.3	9.5	8.6	
QI 5 User training						
a) attendances per capita	13	22/22	13	30	208	10
c) informal training per capita	306	6/22	15	199	433	289
QI 6 attendances at events per capita	222	15/22	91	295	689	188
QI 8 Library use <sup>1</sup>						
a) visits per capita	3,946	12/22	2,596	3,969	7,170*	4,107
b) virtual visits per capita	1,708	2/22	345	885	2,205	1,728
c) active borrowers per capita	107	18/22	58	150	251	110
QI 10 Welsh issues per capita <sup>2</sup>	976	5/22	95	602	1,424	877
QI 11 Online access						
b) Computers per capita <sup>3</sup>	10	11/22	5	10	14	10
c) % of available time used by the public	57%	2/22	14%	25%	63%	67%
QI 13 Staffing levels and qualifications						
(v) a) total volunteers	3	21/21	3	30	214	3
b) total volunteer hours	90	21/21	90	1,477	9,806	53
QI 14 Operational expenditure						
a) total expenditure per capita	£12,779	9/22	£7,181	£12,145	£19,449	£12,728
b) % on staff,	54%	17/22	47%	62%	78%	64%
% on information resources	13%	12/22	8%	13%	21%	13%
% on equipment and buildings	3%	14/22	0.4%	4%	25%	3%
% on other operational costs	31%	5/22	0.3%	16%	37%	20%
c) capital expenditure per capita	£1,734	7/22	£0	£467	£8,829	£2,042
QI 15 Net cost per visit	£1.31	19/22	£1.18	£1.82	£2.52	£1.50
QI 16 Opening hours <sup>4</sup>						
(iii) a) % hours unplanned closure of static service points	0.00%	=1/22	0.00%	0.00%	0.25%	0.04%
b) % mobile stops / home deliveries missed	0.00%	=1/20	0.00%	0.28%	7.99%	0.00%

<sup>1</sup> figures for co-located services are marked with an asterisk; performances for these services are likely to reflect higher footfall, and will not therefore be directly comparable with stand-alone library provision

<sup>2</sup> per 1,000 Welsh speaking resident population; figures from 2017/18 reports corrected following a calculation error

<sup>3</sup> per 10,000 resident population <sup>4</sup> Rankings here have been reversed, so that 1 is the lowest scoring (best performing) authority

### **3 Analysis of performance**

The core entitlements and quality indicators can be divided into four key areas. This section of the report outlines performance under these areas, and compares this performance with the first year of the sixth framework (2017/18).

#### **3.1 Meeting customer needs (QI 1-5)**

Anglesey has yet to conduct its user surveys, which it is noted are planned to take place in 2019/20. The impact of planned changes to service infrastructure can be seen in provision for individual development, with the closure of two service points enabling the redistribution of staff and resources; as a result the full range of skills sessions is now provided at all libraries and QI 1 is fully met. The restructure has also allowed the service to extend its provision for health and well-being, with all service points now delivering dementia friendly services. Formal and informal training levels have continued to increase, although attendance at pre-arranged training sessions remains the lowest per capita in Wales. Demand for informal help, accessing online services, remains particularly high.

#### **3.2 Access and use (QI 6-8)**

Changes to service infrastructure in 2018/19 have seen a small reduction in the percentage of households within an accessible distance of a library service point, but the target here is still met, and by some margin. Anglesey has extended its programme of events and activities in 2018/19, despite continuing limitations on staff capacity; attendance levels have risen as a result, but remain below the median level. Delivery of events and activities for users with special requirements has also improved, with targeted provision at 7 out of the 8 main library service points, although the standard here (QI 6) is still not met. Visitor numbers have continued to fall, as have book issues; this is largely attributed to a reduction in visits to the mobile library, and the service expects to reverse this trend in 2019/20 as its new mobile library, timetable and marketing take hold. Electronic downloads have increased further, a trend seen across Wales, and library membership has also risen, although per capita performance here is still very low.

#### **3.3 Facilities and services (QI 9-12)<sup>i</sup>**

Anglesey maintained its materials budget at 2017/18 levels, but a change to the assessment of acquisitions per capita (QI 9) means that the target here is no longer met. Spending on resources for children remains strong, and the service has increased its investment in Welsh language resources, in line with local demand, with Welsh language issues still high. PC provision has been maintained, and while usage levels have fallen (to 57% from 67%), this reflects the higher PC capacity at some libraries following the redistribution of equipment from closed sites, with usage remaining among the very highest in Wales. The service continues to meet the targets for supply of requests, reporting figures for requests satisfied within the authority.

#### **3.4 Expertise and capacity (QI 13-16)**

A new staffing structure was implemented in 2018/19, but a number of posts within this remained vacant (including one professional post), and as such Anglesey reports a small drop in overall staff levels, with neither staffing target met. The service notes that recruitment is ongoing and that posts should be filled in 2019/20, and anticipates that this should enable the service to meet the target for numbers of professional staff, although

achieving the overall staffing requirement will not be possible. Qualified leadership is in place, and the service continues to invest in professional development. Volunteer input, as in previous years, relates only to work experience placements, with work continuing to develop a volunteer model for the service's community libraries.

Total revenue expenditure has increased slightly on 2017/18, with expenditure per capita still above the median level. Aggregate annual opening hours have fallen, following the closure of two service points, but the requirements here are still met, and there were no unplanned interruptions to service delivery.

#### **4 Strategic context**

As part of the return authorities are asked to report on how the library service is contributing to wider Welsh Government priorities and strategic goals. The Isle of Anglesey continues to report on its support across a range of agendas, including learning, community well-being, skills and economic regeneration, and poverty. Partnerships are noted as a strong aspect to many of these areas of work, with libraries providing the space and facilities for a wide range of activities and services. Some further reflection within the commentary on how developments and delivery in 2018/19 support these areas would have been appropriate.

#### **5 Future direction**

Reporting on the authority's future direction and plans for the library service over the following year, Anglesey notes that the delivery of the service will be shaped by its Library Service Strategy 2017-2022, although no specific initiatives or development are otherwise identified. Work under the Strategy in 2018/19 is instead outlined, with the implementation of a new staffing structure, the closure of two service points, and the development of collaborative models at two further libraries, working with local communities. A greater focus on plans for the service going forward would strengthen this element of the return.

#### **6 Conclusion**

The Isle of Anglesey library service has seen some changes to performance levels in 2018/19, with completion of its transformation process reshaping the infrastructure within which the service operates. Two of its smallest library service points have closed, enabling the redistribution of staff and resources, and a new staffing structure is in place, which once recruitment has been completed should deliver improved capacity. Staff have nevertheless delivered an extended training, events and activities offer in 2017/18 although most other key indicators of library use have continued to fall. Improvements are anticipated as the new mobile library, timetable and marketing take hold. The authority's return for 2019/20 should therefore provide a clearer picture of how the implementation of its Library Service Strategy 2017-2022 and recent changes to branches are impacting on performance under the framework.

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<sup>i</sup> E-resources purchased through centrally-funded subscriptions have been excluded from acquisitions figures for Q1 9 in 2018/19 to ensure that the standard accurately reflects individual authority strategy, investment and performance. In some cases this has impacted on achievement against the standard in comparison with 2017/18. CIPFA Statistics Returns continue to include figures for centrally-procured resources.

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