

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
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RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR GWAITH	THE EXECUTIVE
DYDD LLUN 15 MEHEFIN 2020 10.00 o'r gloch	MONDAY 15 JUNE 2020 10.00 am
CYFARFOD RHITHIOL	VIRTUAL MEETING
Swyddog Pwyllgor	Ann Holmes 01248 752518 Committee Officer

AELODAU/MEMBERS

Plaid Cymru/Party of Wales

Llinos Medi Huws, Carwyn Jones, R Meirion Jones, Alun W Mummery, Robert G Parry, OBE, FRAGS, Robin Wyn Williams

Annibynnol/Independent

Richard Dew, Dafydd Rhys Thomas, Ieuan Williams

COPI ER GWYBODAETH / COPY FOR INFORMATION

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

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

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

Please note that meetings of the Committee are filmed for live and subsequent broadcast on the Council's website. The Authority is a Data Controller under the Data Protection Act and data collected during this webcast will be retained in accordance with the Authority's published policy.

A G E N D A

1 DECLARATION OF INTEREST

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

2 URGENT MATTERS CERTIFIED BY THE CHIEF EXECUTIVE OR HER APPOINTED OFFICER

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

3 MINUTES (Pages 1 - 6)

To submit for confirmation, the draft minutes of the meeting of the Executive held on 23 March 2020.

4 THE EXECUTIVE'S FORWARD WORK PROGRAMME (Pages 7 - 18)

To submit a report by the Head of Democratic Services.

5 REVENUE BUDGET MONITORING, QUARTER 4 2019/20 (Pages 19 - 50)

To submit a report by the Director of Function (Resources)/Section 151 Officer.

6 CAPITAL OUTTURN 2019/20 (Pages 51 - 64)

To submit a report by the Director of Function (Resources)/Section 151 Officer.

7 HRA BUDGET MONITORING, OUTTURN 2019/20 (Pages 65 - 72)

To submit a report by the Director of Function (Resources)/Section 151 Officer.

8 HOUSING REVENUE ACCOUNT BUSINESS PLAN 2020-2050 (Pages 73 - 118)

To submit a report by the Head of Housing Services.

9 MIM - STRATEGIC PARTNERING AGREEMENT (Pages 119 - 134)

To submit a report by the Director of Function (Resources)/Section 151 Officer.

10 UPDATE OF THE COUNCIL'S RESPONSE TO DATE TO THE COVID -19 CRISIS (Pages 135 - 156)

To submit a report by the Chief Executive.

11 EXCLUSION OF THE PRESS AND PUBLIC (Pages 157 - 158)

To consider adopting the following –

Under Section 100 (A) (4) of the Local Government Act 1972, to exclude the press and public from the meeting during the discussion on the following item on the

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grounds that it may involve the disclosure of exempt information as defined in Schedule 12A of the said Act and in the attached Public Interest Test.

12 **EXTENDING AN EXISTING CONTRACT FOR A FURTHER 12 MONTHS** (Pages 159 - 164)

To submit a report by the Director of Education, Skills and Young People.

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THE EXECUTIVE

Minutes of the meeting held on 23 March, 2020

- PRESENT:** Councillor Llinos Medi (Chair)
Councillor Ieuan Williams (Vice-Chair)
- Councillors Richard Dew, Robin Williams.
- IN ATTENDANCE:** Chief Executive
Deputy Chief Executive
Director of Function (Resources) & Section 151 Officer
Director of Function (Council Business)/Monitoring Officer
Director of Education, Skills and Young People
Head of Profession (HR) and Transformation (for item 5)
Head of Children's Services
Head of Housing Services (for item 10)
Head of Democratic Services (for item 4)
Interim Head of Regulation and Economic Development
Solicitor (Corporate Governance) (for item 7)
Committee Officer (ATH)
- APOLOGIES:** Councillors Carwyn Jones, R. Meirion Jones, Alun Mummery,
R.G.Parry, OBE, FRAGS, Dafydd Rhys Thomas
- Councillor G. O.Jones (Chair of the Partnership and
regeneration Scrutiny Committee) (invitee)
- ALSO PRESENT:** Councillor Aled Morris Jones (Chair of the Corporate Scrutiny
Committee).
-

Prior to commencing the business of the meeting, the Chair thanked all the Council's staff for their efforts in what had been a very challenging week as a result of the developing situation in relation to the Covid-19 pandemic and she also expressed appreciation for the support offered by volunteers. She explained that after this meeting of the Executive, and following Government guidance about minimising social contact, the way in which the Council makes decisions will be changing with authority to take decisions to be delegated to the Leader; she emphasised however that those decisions will be focused on responding to the current crisis and on ensuring the continuity of the Council's business during this time. Taking this opportunity, she urged everyone to heed Government advice, to keep safe and to look after each other during this difficult period.

1. DECLARATION OF INTEREST

No declaration of interest was received.

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

None to report.

3. MINUTES

The minutes of the previous meetings of the Executive held on 17 February and 2 March, 2020 were presented for confirmation.

It was resolved that the minutes of the previous meetings of the Executive held on the following dates be approved as correct –

- **17 February, 2020**
- **2 March, 2020**

4. THE EXECUTIVE'S FORWARD WORK PROGRAMME

The report of the Head of Democratic Services incorporating the Executive's Forward Work Programme for the period from April to November, 2020 was presented for consideration

The Head of Democratic Services advised that the following were new items on the Forward Work Programme in accordance with the information published -

- Item 1 – Regulation of Investigatory Powers Act 2000 (RIPA) Policy (Corporate Portfolio Holder decision to be issued in April, 2020)
- Item 3 – Housing Revenue Account Business Plan (for the 27 April, 2020 Executive meeting)
- Item 11 – Introducing Galw Gofal – Care Connect charges for Council Housing Tenants (for the 15 June, 2020 Executive meeting)
- Item 18 – Progress Report from the Social Services Improvement Panel (for the 28 September, 2020 Executive meeting)
- Item 20 – 2020/21 Budget: finalisation of initial draft budget proposals for consultation (for the 9 November, 2020 Executive meeting)
- Items 22-25 – Performance and Financial Monitoring reports (for the 30 November, 2020 Executive meeting)
- Item 26 – Statement of Licensing Policy (for the 30 November, 2020 Executive meeting)

It was resolved to confirm the Executive's updated Forward Work Programme for the period from April to November, 2020 as presented.

5. SCORECARD MONITORING REPORT QUARTER 3 2019/20

The report of the Head of Profession (HR) and Transformation incorporating the Corporate Scorecard for Quarter 3 2019/20 was presented for the Executive's consideration.

The Chair reported that the Quarter 3 Corporate Scorecard portrays a positive picture of performance with most indicators ragged Green and only a few areas requiring attention at the end of the third quarter.

The Head of Profession (HR) and Transformation confirmed that the report overall is encouraging but is also clear about those specific areas that are not performing to target and the measures to be taken to improve their performance into Quarter 4. The points raised by Scrutiny with regard to underperforming areas have been noted and will be addressed going forwards.

Councillor Aled Morris Jones, Chair of the Corporate Scrutiny Committee reported from the Committee's 9 March meeting where the Quarter 3 Corporate Scorecard was scrutinised and discussed. The Committee had acknowledged the improvements being made across

many of the Council's services whilst noting also that aspects of performance in Housing, Planning, Leisure and Adults' Services were off-target. The Committee had further noted the areas which the Senior Leadership Team is managing to secure improvements into the future and it supported the mitigation measures introduced to improve performance in those areas which it recommended to the Executive. Councillor Aled Morris Jones said that he recognised that the Corporate Scorecard had now been overtaken by events and that actions to address and respond to the Covid-19 situation will necessarily take priority over the coming weeks.

The Chair thanked Scrutiny for the feedback and said that the Corporate Scorecard shows that the Council is in a strong position in terms of service performance thereby providing a solid foundation from which to respond to the current difficult situation.

It was resolved to note the areas which the Senior Leadership Team are managing to secure improvements into the future and to accept the mitigation measures as outlined in the report.

6. DEVELOPING LEISURE PROVISION FOR FUTURE GENERATIONS

The report of the Interim Head of Regulation and Economic Development incorporating a draft Developing Leisure Provision for Future Generations Plan was presented for the Executive's consideration.

The Chair reported that the Plan has been consulted upon at a number of levels including with Sports Wales and Betsi Cadwaladr University Health Board and in Elected Member briefing sessions. The Plan is positive in its outlook and seeks to retain the four current leisure centres whilst delivering a rolling programme of improvements over time to enable the centres to meet the future fitness, health and well-being needs of the Island's population. The draft version of the Plan was considered by the Partnership and Regeneration Scrutiny Committee at its meeting on 11 March which supported the Plan and recommended that its contents be approved by the Executive - in particular the maintenance and improvement proposals outlined therein.

The Interim Head of Regulation and Economic Development advised that the new Leisure Plan represents an affordable and realistic solution to maintaining the existing centres over the short to medium term until the current financial situation improves.

The Executive welcomed the Plan recognising that it is important that the Council continues to provide leisure provision into the future and that it is also important that the public should know that it is the Council's strategy to retain all four centres and to invest in those facilities.

It was resolved to formally adopt the draft Developing Leisure Provision for Future Generations Plan.

7. PUBLIC SPEAKING PROTOCOL FOR SCRUTINY

The report of the Director of Function (Council Business)/Monitoring Officer incorporating a draft Public Speaking Protocol for Scrutiny was presented for the Executive's consideration.

The Chair reported that the Protocol provides a fair and organised way for members of the public to put their views across at meetings of the Scrutiny Committees.

The Solicitor for Corporate Governance advised that although public speaking at the Scrutiny Committees is possible at present, there is no definite procedure for doing so; the

draft Protocol provides an opportunity to put in place clear and formal guidance to inform both the public and Scrutiny Members of the arrangements for public speaking at the Scrutiny Committees and to ensure therefore that expectations of the process are managed. The main provisions of the Protocol are as follows –

- Officers will undertake the administrative work under the Protocol in consultation with the relevant Scrutiny Chair.
- Members of the public can request to speak at a Scrutiny Committee meeting if they have submitted a written request to the Scrutiny Officer at least 3 working days prior to the Committee meeting. The written request must be made using the relevant form from the Council's website and electronic submissions are encouraged. Any supporting written material should also be submitted 3 working days in advance of the Scrutiny Committee meeting.
- Members of the public are encouraged to review the Scrutiny Committees' Forward Work Programmes to obtain information about the matters due to be considered.

The Officer in a correction to the feedback from the Scrutiny Committees at Appendix 2 to the report clarified that the Partnership and Regeneration Scrutiny Committee had recommended that the Protocol be adopted on condition that there is an expectation in the Protocol that the Scrutiny Chairs receive advice from the Scrutiny Officer and the Monitoring Officer before permitting late requests. She advised that should the Protocol be approved by Full Council then the intention is that it be publicised via the Council's website and social media and for the Scrutiny Chairs to highlight the Protocol with the Town and Community Councils Forum. In addition, each Scrutiny Committee's Forward Work Programme as well as all public consultation documents will contain a reference to the Public Speaking at Scrutiny Protocol in order to ensure that members of the public are fully aware of the public speaking provision. The Protocol will be reviewed after a year to assess whether its use has been effective.

Councillor Aled Morris Jones, Chair of the Corporate Scrutiny Committee reported from the Committee's 9 March, 2020 meeting which had considered the Public Speaking at Scrutiny Protocol and said that it had always been his practice as Chair of the Corporate Scrutiny Committee to allow public speaking at meetings of the Committee without imposing any time constraints on public speakers. In confirming that the Corporate Scrutiny Committee had voted by a majority to accept the Protocol and to recommend it to the Executive, Councillor Aled Morris Jones requested that when circumstances allow and prior to its being adopted, there be a detailed discussion of the Protocol at Full Council.

The Executive welcomed the Protocol as providing much needed guidance on public speaking at Scrutiny thereby providing clarity to members of the public on the arrangements and expectations in relation to presenting their views at Scrutiny Committee meetings. The Executive was happy to support the Protocol as presented and was agreed that the amendment with regard to late requests proposed by the Partnership and Regeneration Scrutiny Committee be put to and debated by Full Council.

It was resolved to recommend to the Full Council that the Public Speaking at Scrutiny Protocol at Appendix 1 to the report be adopted and that it be included in the Council's Constitution.

8. SOCIAL SERVICES PROGRESS REPORT

The report of the Director of Social Services outlining the progress of improvements to date within Social Services was presented for the Executive's consideration.

The Head of Children and Families' Services reported that there are four elements to the update as follows –

- Care Inspectorate Wales (CIW) Local Authority Performance Review – the Council received its Annual CIW Local Authority Performance Review Letter during late October, 2019; the letter provided feedback on inspection and performance evaluation activity completed during the year as well as on progress the local authority has made in implementing recommendations from inspections and/or child and adult practice reviews and it also outlined the Inspectorate's forward work programme. The report sets out the key messages from the review letter across both Adults and Children's Services under the four principles of the Social Services and Wellbeing (Wales) Act 2014 – Wellbeing; People - Voices and Choice; Prevention, and Partnerships along with the Service's response to the issues raised.
- Care Inspectorate Wales feedback on 2 days monitoring in IoACC Children's Services Letter dated 25 October, 2019 which included evaluating case files and interviewing Operational Team Managers and Independent Reviewing Officers – the feedback letter states that CIW's findings indicate a service on a positive journey of improvement underpinned by leaders and managers who are taking responsibility for driving improvements. The letter further highlights good pieces of work as well as areas requiring improvement which are detailed in the report.
- Collaboration with Voices from Care Wales (an all Wales voluntary agency which works with looked after children on promoting their rights and improving services provided for them) – the report provides an update on the progress made with Voices from Care Wales in establishing a monthly participation group for looked after children and young people aged 14 to 22 to support Ynys Môn in developing a Looked After Children and Care Leavers' Strategy.
- Quality Assurance – the report provides an update on the work of the Safeguarding and Improvement Unit including the implementation of the Quality Improvement Framework.

Councillor Aled Morris Jones, Chair of the Corporate Scrutiny Committee reported that the Committee in considering the progress report at its meeting on 9 March, 2020 had confirmed that it was satisfied with the pace of progress and improvements to date in Social Services and had acknowledged the work being done.

The Executive in considering the information presented noted that it makes reference to the Improvement Cycle being strengthened and it sought clarification of how this is evidenced and whether the Service is satisfied with the progress being made in this respect. The Head of Children and Families' Services said that the Service has consolidated the informal quality assurance arrangements that were in place three years ago into a formal framework which sets out the approach to improvement and to evidencing that in practice. The improvement cycle has been further strengthened by learning from complaints, by increased involvement of social care workers as well as managers in quality assurance with quality assurance activity e.g. audits undertaken "with" rather than "to" staff. The involvement of partners also makes quality assurance more holistic. The Quality Assurance document is not fixed – it evolves as the service moves forwards and is regularly adapted to ensure that it continues to drive service improvement. Many of the Services' practice standards are assessed against the Quality Assurance document.

The Executive accepted the clarification further noting that lessons learnt from the findings of audit work need to be captured in an action plan and supported by appropriate mitigation measures which then become an integral part of future work. It would be helpful if the Executive was to be provided on a half yearly or yearly basis with an update to show what has been learnt and how the learning has then been embedded and evidenced in social work practice.

It was resolved to confirm that the Executive is satisfied with the pace of progress and improvements made to date within both Adults' Services and the Children and Families' Services.

9. EXCLUSION OF THE PRESS AND PUBLIC

It was resolved –

“Under Section 100 (A) (4) of the Local Government Act 1972, to exclude the press and public from the meeting during the discussion on the following item on the grounds that it involved the disclosure of exempt information as defined in Schedule 12A of the said Act and in the Public Interest Test as presented.”

10. PROPOSED COMPULSORY PURCHASE ORDER BEAUMARIS SPORTS AND SOCIAL CLUB

The report of the Head of Housing Services with regard to the proposed compulsory purchase of the former Beaumaris Sport and Social Club, Steeple Lane, Beaumaris was presented for the Executive's consideration.

The Executive was advised that the Council's purpose in seeking to acquire the former Sports and Social Club building is to re-develop the site to provide affordable housing to meet unmet demand in Beaumaris. The building has been redundant as a social club for many years and is in a state of disrepair. The proposed re-development provides an alternative use for the site, which will have a marked positive impact on the site and locality, preserving and enhancing the character of the Conservation Area and following local and national policy. The report details the issues for consideration in relation to the proposed course of action and sets out the justification for compulsory purchase order.

It was resolved –

- **To authorise the compulsory purchase of the former Sport and Social Club, Steeple Lane, Beaumaris as identified in the plan under Appendix 1 to the report under Section 17 of the Housing Act 1985 (Acquisition of Land for housing purposes) for the purpose of providing an affordable housing scheme.**
- **To delegate authority to the Head of Housing Services to take all steps necessary to secure a confirmed compulsory purchase order and title vested in the Council.**
- **To delegate to the Head of Housing Services in consultation with the Legal Services Manager authority to settle all compensation payable in consequence of the order.**
- **To authorise the development of affordable housing on the site upon acquisition subject to the appropriate planning consents and project viability.**

**Councillor Llinos Medi
Chair**

The Executive's Forward Work Programme Period: July 2020 – February 2021

Updated 5 June 2020

Isle of Anglesey County Council	
Report to:	The Executive
Date:	15 June 2020
Subject:	The Executive's Forward Work Programme
Portfolio Holder(s):	Cllr Llinos Medi
Head of Service / Director:	Lynn Ball Head of Function – Council Business / Monitoring Officer
Report Author: Tel: E-mail:	Huw Jones, Head of Democratic Services 01248 752108 JHuwJones@anglesey.gov.uk
Local Members:	Not applicable

A –Recommendation/s and reason/s

In accordance with its Constitution, the Council is required to publish a forward work programme and to update it regularly. The Executive Forward Work Programme is published each month to enable both members of the Council and the public to see what key decisions are likely to be taken over the coming months.

The Executive is requested to:

confirm the attached updated work programme which covers **July 2020 – February 2021**;

identify any matters for specific input and consultation with the Council's Scrutiny Committees during the Covid-19 emergency whilst taking into account the strategy for committee meetings up to 30 April 2021 endorsed by group leaders on 12 May 2020, which notes the expectations with regard to convening scrutiny committee meetings.

note that the forward work programme is updated monthly and submitted as a standing monthly item to the Executive.

* Key:

S = Strategic – key corporate plans or initiatives

O =Operational – service delivery

FI = For information

The Executive's Forward Work Programme
Period: July 2020 – February 2021

Updated 5 June 2020

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

-

C – Why is this a decision for the Executive?

The approval of the Executive is sought before each update is published to strengthen accountability and forward planning arrangements.

CH – Is this decision consistent with policy approved by the full Council?

Yes

D – Is this decision within the budget approved by the Council?

Not applicable.

DD – Impact on our Future Generations(if relevant)

1	How does this decision impact on our long term needs as an Island	Not relevant.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	
3	Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:	
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	
5	Outline what impact does this decision have on the Equalities agenda and the Welsh language	

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The forward work programme is discussed at Heads of Service meetings ('Penaethiaid') on a monthly basis (standing agenda item). It is also circulated regularly to Heads of Services for updates.
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	In the usual situation, monthly joint discussions take place on the work programmes of the Executive and the two Scrutiny Committees in order to ensure alignment.
9	Local Members	Not applicable.

F - Appendices:

The Executive's Forward Work Programme: July 2020 – February 2021.

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

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020



The Executive's forward work programme enables both Members of the Council and the public to see what key decisions are likely to be taken by the Executive over the coming months.

Executive decisions may be taken by the Executive acting as a collective body or by individual members of the Executive acting under delegated powers. The forward work programme includes information on the decisions sought, who will make the decisions and who the lead Officers and Portfolio Holders are for each item.

Page 10 It should be noted, however, that the work programme is a flexible document as not all items requiring a decision will be known that far in advance and some timescales may need to be altered to reflect new priorities etc. The list of items included is therefore reviewed regularly and updates are published monthly.

Reports will need to be submitted from time to time regarding specific property transactions, in accordance with the Asset Management Policy and Procedures. Due to the influence of the external market, it is not possible to determine the timing of reports in advance

The latest version of the Executive's Forward Work Programme – **which is a live document and subject to change** - is set out on the following pages.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg / This document is also available in Welsh.

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020

Subject & *category and what decision is sought								Decision by which Portfolio Holder or, if a collective decision, why								Lead Service								Responsible Officer/ Lead Member & contact for representation								Pre-decision / Scrutiny (if applicable)								Date to Executive or, if delegated, date of publication								Date to Full Council (if applicable)							
July 2020																																																							
1	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive July 2020																																																	
2	Covid-19 - Recovery Plan	The Executive / Leader of the Council	Chief Executive	Dylan Williams Deputy Chief Executive Cllr Llinos Medi		The Executive / Delegated decision July 2020																																																	
3	Biodiversity Plan Approval of Plan	The Executive / Leader of the Council	Regulation and Economic Development	Christian Branch Interim Head of Regulation and Economic Development Cllr Richard Dew		The Executive / Delegated decision July 2020																																																	
4	Additional Units on the Marquis site, Rhosybol	The Executive / Leader of the Council	Housing	Ned Michael Head of Housing Cllr Alun W Mummery		The Executive / Delegated decision July 2020																																																	

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020

Subject & *category and what decision is sought	Decision by which Portfolio Holder or, if a collective decision, why	Lead Service	Responsible Officer/ Lead Member & contact for representation	Pre-decision / Scrutiny (if applicable)	Date to Executive or, if delegated, date of publication	Date to Full Council (if applicable)
5	Disclosure and Barring Service (DBS) Arrangements – Education Transport	The Executive / Leader of the Council	Highways, Waste and Property Huw Percy Head of Highways, Waste and Property Cllr R G Parry OBE		The Executive / Delegated decision July 2020	
September 2020						
6	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive September 2020	
7	2020/21 Revenue Budget Monitoring Report – Quarter 1 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	
8	2020/21 Capital Budget Monitoring Report – Quarter 1 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020

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9	2020/21 HRA Budget Monitoring Report – Quarter 1 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	
10	2019/20 Statement of Accounts	The Executive / Leader of the Council	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	Full Council
11	Medium Term Financial Plan	The Executive / Leader of the Council	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	
12	Annual Treasury Management Review 2019/20	The Executive / Leader of the Council	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision September 2020	Full Council

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The Executive's Forward Work Programme

Period: July 2020 – February 2021

Updated 5 June 2020

Subject & *category and what decision is sought	Decision by which Portfolio Holder or, if a collective decision, why	Lead Service	Responsible Officer/ Lead Member & contact for representation	Pre-decision / Scrutiny (if applicable)	Date to Executive or, if delegated, date of publication	Date to Full Council (if applicable)	
13	AONB Management Plan 2020-2025	The Executive / Leader of the Council	Regulation and Economic Development	Christian Branch Interim Head of Regulation and Economic Development Cllr Carwyn Jones		The Executive / Delegated decision September 2020	Full Council
14	Submit a full application to the International Dark-Sky Association (IDA) for Anglesey to be accredited with International Dark Sky Community status	The Executive / Leader of the Council	Regulation and Economic Development	Christian Branch Interim Head of Regulation and Economic Development Cllr Carwyn Jones		The Executive / Delegated decision September 2020	
October 2020							
15	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive October 2020	
16	Joint Local Development Plan Annual Monitoring Report	The Executive / Leader of the Council	Regulation and Economic Development	Christian Branch Interim Head of Regulation and Economic Development Cllr Richard Dew		The Executive / Delegated decision October 2020	

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Period: July 2020 – February 2021

Updated 5 June 2020

Subject & *category and what decision is sought	Decision by which Portfolio Holder or, if a collective decision, why	Lead Service	Responsible Officer/ Lead Member & contact for representation	Pre-decision / Scrutiny (if applicable)	Date to Executive or, if delegated, date of publication	Date to Full Council (if applicable)
November 2020						
17	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive November 2020	
18	2020/21 Revenue Budget Monitoring Report – Quarter 2 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision November 2020	
19	2020/21 Capital Budget Monitoring Report – Quarter 2 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision November 2020	
20	2020/21 HRA Budget Monitoring Report – Quarter 2 (S) Quarterly financial monitoring report.	The Executive / Leader of the Council	Resources Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision November 2020	

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Subject & *category and what decision is sought	Decision by which Portfolio Holder or, if a collective decision, why	Lead Service	Responsible Officer/ Lead Member & contact for representation	Pre-decision / Scrutiny (if applicable)	Date to Executive or, if delegated, date of publication	Date to Full Council (if applicable)	
21	Statement of Licensing Policy	The Executive / Leader of the Council	Regulation and Economic Development	Christian Branch Interim Head of Regulation and Economic Development Cllr Richard Dew		The Executive / Delegated decision November 2020	Full Council 8 December 2020
22	2021/22 Budget (S) To finalise the Executive's initial draft budget proposals for consultation.	The Executive / Leader of the Council	Council Business	Marc Jones Head of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive / Delegated decision November 2020	
December 2020							
23	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive December 2020	
January 2021							
24	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive January 2021	

* Key:

S = Strategic – key corporate plans or initiatives

O =Operational – service delivery

FI = For information

The Executive's Forward Work Programme Period: July 2020 – February 2021

Updated 5 June 2020

Subject & *category and what decision is sought	Decision by which Portfolio Holder or, if a collective decision, why	Lead Service	Responsible Officer/ Lead Member & contact for representation	Pre-decision / Scrutiny (if applicable)	Date to Executive or, if delegated, date of publication	Date to Full Council (if applicable)
February 2021						
25	The Executive's Forward Work Programme (S) Approval of monthly update.	The Executive	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive February 2021

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S = Strategic – key corporate plans or initiatives
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ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	EXECUTIVE COMMITTEE
DATE:	15 JUNE 2020
SUBJECT:	REVENUE BUDGET MONITORING, QUARTER 4 2019/20
PORTFOLIO HOLDER(S):	COUNCILLOR ROBIN WYN WILLIAMS
HEAD OF SERVICE:	MARC JONES
REPORT AUTHOR:	CLAIRE KLIMASZEWSKI
TEL:	01248 751865
E-MAIL:	CLAIRE.KLIMASZEWSKI@YNYSMON.GOV.UK
LOCAL MEMBERS:	n/a
A - Recommendation/s and reason/s	
<ol style="list-style-type: none"> 1. In February 2019, the Council set a net budget for 2019/20 with net service expenditure of £133.324m, to be funded from Council Tax income, NDR and general grants. The total for general and other contingencies amounted to £1.891m and the budget for the Council Tax Premium was increased to £1.444m. The total budget for 2019/20 was, therefore, £135.210m. 2. The budget for 2019/20 included required savings of £2.561m. These have been incorporated into the individual service budgets and achievement or non-achievement of these is reflected in the net (under)/overspends shown. Whilst significant savings were once more required to balance the budget, £0.277m of additional budget was included in the budget and held centrally. This additional funding has been allocated to meet additional budget pressures within Learning Disability. In addition, £479k of funding (50%) in respect of additional teachers' pension costs was retained centrally, as the cost of the teachers' pensions had previously been fully funded in the Delegated School's Budget but will for 2019/20 be funded by grant. This release of core funding has been allocated to the Council's general reserves. 3. This report sets out the financial performance of the Council's services at out-turn for the period 1 April 2019 to 31 March 2020. 4. The overall financial position for 2019/20, including Corporate Finance and the Council Tax fund, is an underspend of £0.308m. This is 0.20% of the Councils net budget for 2019/20. Despite the underspend, significant pressures continue in services such as Adult Services. 5. It is recommended that:- <ol style="list-style-type: none"> (i) To note the position set out in Appendices A and B in respect of the Authority's provisional financial performance at outturn for 2019/20; (ii) To note the summary of Contingency budgets for 2019/20 detailed in Appendix C; (iii) To note the position of the invest to save programmes in Appendix CH; (iv) To note the position of the efficiency savings for 2019/20 in Appendix D; (v) To note the monitoring of agency and consultancy costs for 2019/20 in Appendices DD, E and F; (vi) To release £85k from general balances to ensure sufficient funding is available to undertake the painting work at Beaumaris Pier. 	

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		
DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<ul style="list-style-type: none"> • Appendix A – Provisional Revenue Outturn Report for 2019/20 • Appendix B – Table of Provisional Outturn position for 2019/20 • Appendix C – Summary of Contingency Budgets position for 2019/20 • Appendix CH – Review of the Invest-to-Save projects for 2019/20 • Appendix D - Review of Efficiency Savings for 2019/20 • Appendix DD - Information regarding monitoring of Agency Staff 2019/20 • Appendix E - Information regarding monitoring of Consultants • Appendix F – Detailed information regarding the expenditure on Consultants 		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • 2019/20 Revenue Budget (as recommended by this Committee on 18 February 2019 and adopted by the County Council on 27 February 2019). 		

REVENUE BUDGET MONITORING – OUT-TURN 2019/20

1. General Balance

The Council held £8.728m of earmarked reserves and school reserves amounting to £0.631m at the start of the financial year. The final, audited outturn for 2018/19 resulted in a general balance at the start of the current financial year of £5.912m.

The Executive approved the following items to be funded in 2019/20 from the General Reserve:-

Executive Meeting	Amount £m	Purpose
Draft opening balance	-5.912	Final audited General Reserve at 31 March 2019.
Full Council 27 February 2019	-0.479	Funding (50%) in respect of additional teachers' pension costs is returned to the general reserve as the cost of the teachers' pensions had been fully funded in the Delegated School's Budget. These teachers' pension costs will, instead, be funded by Welsh Government Grant for 2019/20.
Executive Meeting 25 November 2019	0.110	Funding for supply teachers' holiday pay from December 2015 to present. This may vary slightly when actual on-costs are known.
Revised Council Reserve General Balance	-6.281	This may change following any post-audit adjustments.

During the financial year, further adjustments were made to the reserve totalling £0.472k, including reducing the insurance provision and reducing the equal pay reserve which increased General Reserves to £6.753m. At outturn, there is an underspend of £0.308k for 2019/20 on controllable and non controllable budgets, which has increased the Council General Reserve to £7.061m. This figure is unaudited and may change through post audit adjustments. The net revenue budget for 2020/21 was set at £142.146m and this level of general balance equates to 4.9% of the 2020/21 net revenue budget. The target figure is 5% (£7.1m) and this figure is below the target figure.

The impact of Covid-19 on the Council's finances is uncertain at this stage. Additional costs which are being incurred in 2020/21, as the Council deals with the impact of the pandemic, are being reimbursed through a grant provided by Welsh Government. The Council is currently losing around £400k in lost income and, although some of this loss may be funded by the Welsh Government, it is unlikely to cover all of the loss. The shortfall is very much dependant on when services reopen and return to some level of normality and this will have an impact on the Council's balances. In addition, the Council may incur additional costs, in order to transform services to deal with issues such as social distancing. No budget exists to cover these costs and they are likely to fall on the Council's general balances.

2. Financial Performance by Service

2.1 Details of financial performance by service is provided in Appendix B. Although Adult Services is overspent on controllable budget at the end of the year by £1,138k and Children's Services by £155k, there are notable underspends on Planning and Public Protection £117k, Highways £181k, Education £257k, Waste Management £209k, Corporate Transformation £189k, Resources £220k and Corporate and Democratic £104k. Corporate Finance is underspent on controllable items by £426k (contingencies and Capital financing), meaning that controllable budgets combined are underspent by £594k. Non-controllable budgets are overspent by £286k (Council Tax and Capital Financing), bringing the overall underspend to £308k.

The table below summarises the significant variances (circa £100k or higher). Please note that these figures relate to the position in respect of the controllable budgets within each service.

Summary of Significant Variances at 31 March 2020	
	(Under) / Overspend £000
Adults	1,138
Children	155
Education	(257)
Planning and Public Protection	(117)
Highways, Property, Waste	(347)
Transformation	(309)
Resources	(220)
Corporate Democratic Costs	(104)
Corporate Finance	(426)
Uncontrollable Costs – bad debt, insurances and pension capital costs	286
Others (whose individual value falls below £100k)	(107)
Total Variance over/(under)spend	(308)

3. Explanation of Significant Variances

3.1 Lifelong Learning

3.1.1 Central Education

3.1.1.1 This service was underspent by £257k (4.40%) at the end of the year, which is a significant improvement on the outcome of £2k overspend predicted in Month 11. Lower than expected costs on school meals (£206k) and on out of county placements (£582k) (through pupils returning to the County sooner than expected) have generated the most significant changes.

3.1.1.2 Other notable activities within the budget are:-

- School Transport is overspent at outturn by £345k, which is similar to the £358k overspend predicted at Quarter 3. The implementation of the 'One Transport System' took place during the previous financial year, which has rationalised route planning. This, and the retendering exercise that was undertaken, has meant that the overall overspend has been reduced by around £230k from what it would otherwise have been. An additional £250k of budget has been approved in the 2020/21 budget.

- The Anglesey and Gwynedd Joint SEN Strategy is overspent by £183k due to the demand for additional learning needs.
- Primary and Secondary exceptions combined budgets are overspent by £91k at outturn as a result of additional repairs and maintenance costs, historic pension costs and unachieved income on sale of bus passes.
- Underachieved income through childcare clubs has created an overspend of £46k on the budget, which is an improvement on the 2018/19 figure. Collection of income from morning care clubs still remains an issue and the Service will continue to try and address this in 2020/21.
- Youth Services are £52k underspent at the end of the financial year. This has been generated through additional grants.
- The early years provision budget is underspent to the sum of £110k. This budget has historically been underspending as a result of lower than budgeted payments to nurseries.

3.1.2 Culture

3.1.2.1 This service is £29k (2.40%) overspent at the end of the financial year. Overspends were incurred because of remedial works carried out to the Oriel café and income decreased at the Oriel due to less visitors, especially during the last weeks in March (£75k overspend combined) when the Oriel was closed because of the Coronavirus crisis. Additionally, delays in transferring the Beaumaris Court and Gaol to the Town Council has increased costs by approximately £13k.

3.1.2.2 The Libraries service was underspent by £67k due to vacancies.

3.2 Adults Social Care

3.2.1 This service was £1,138k overspent at the end of the financial year (4.5% of the budget). This figure includes the Winter Pressures Grant of £371k without which the financial situation would be considerably worse. The most significant pressures were in the following areas:-

- At the end of the period, there is an overspend of £1,110k on Services for the Elderly due to an increase in demand for residential and nursing care placements as well as an increase in demand for homecare.
- Costs on Physical Disabilities are over budget by £106k and the main areas of concern here are Home Support and complex residential care placements.
- Learning Disabilities is overspent by £663k, mainly on residential care, day care, and homecare. These costs reflect the Service's objectives of enabling Learning Disability clients to be able to obtain supported living within their homes and community and to promote client choice through Direct Payments rather than commissioned Homecare by the Authority. Supported and Other Accommodation has an underspend of £143k as the Service has utilised an additional reserve.
- Mental Health is £261k overspent at the end the financial year. The overspend is due to a small number of complex care packages and an increase in placement costs.
- The Provider Unit is underspent by £874k due to increased income within the residential homes and homecare section. Considerable work has been carried out between the Service and Finance during 2019/20 on financial projections and it has been agreed that the Provider Unit budget and commissioning budgets will be realigned during 2020/21 to reflect the projections.

3.2.3 Outturn figures continue to indicate significant demand pressures within the financial year and work is ongoing by the Service to fully determine the causes behind the overspends. This includes looking at nursing placements, residential placements and home care costs within the older people and physical disability services and also looking at supported living and homecare costs within learning disability areas. In each area, the following are being evaluated:-

- 1) Analysis of monthly and annual demand;
- 2) Reasons behind trend;
- 3) Further steps that can be taken to manage demand.

As part of the 2020/21 Revenue Budget, an additional £980k was allocated to the Adult Services budget to reduce the overall pressure on this budget.

3.3 Children's Services

3.3.1 The Service is overspent by £155k (1.50%) at outturn. This budgetary position is a significant improvement on the overspend of £1.8m at the end of last financial year and has been achieved in the main, through additional funding of £1.4m provided in the 2019/20 budget and also through additional grant funding and the transfer of responsibility of one child (with high placement costs) to Adult Services.

3.3.2 The service continues to have budgetary pressures with overspends at outturn in 4 areas, namely Children with Disabilities (£131k overspend); Family Support (£32k overspend); Children being Looked After (£283k overspend) and Other Children and Family Services (£38k overspend). The impact of these overspends has been reduced by underspends in areas such as Commissioning and Social work £185k, Integrated Family Support £61k, Families Information Service £55k and Children's support services by £36k.

3.4 Housing (Council Fund)

3.4.1 This service is underspent by £80k (6.60%) at outturn. Homelessness (B and B) costs continue as budgetary pressures with an overspend of £61k at the end of the financial year. However, staff vacancies and delays in recruiting created an underspend on employees of £100k, but these are not expected to continue into 2020/21. The Welfare Reform budget was also underspent by £50k.

3.5 Regulation and Economic Development

3.5.1 Economic and Community (includes Destination and Leisure)

3.5.1.1 The service, overall, is underspent by £2k (0.10%) at the end of the financial year.

3.5.1.2 The Economic Development element of the service is overspent by £8k at year-end. There is a shortfall against income targets that would have been achieved through Horizon and the National Grid (£63k) but there is an underspend on staffing budgets of £37k in general, including the Director post. Recharges for use of the Centre facilities are above target by £12k, despite shutdown of the building from mid March.

3.5.1.3 The Destination section is underspend by £54k which is due to improved budget management. Moorings income is overachieved by £13k; Tourism is underspent £23k on staffing and Management and Support is underspent by £36k. There is an overspend on Countryside/AONB of £15k as Rents and car park fees are unachieved and launching/PWC is below target by £11k.

3.5.1.4 The Leisure Service income and expenditure was expected to be within budget at year end but there is an overspend of £44k at outturn. Income from Leisure Centres is overachieved by £122k despite shutdown of the Centres in March and a loss of £33k through Direct Debit. The overachievement in income has occurred through a change in VAT status. Pressures continue on the staffing budget (£101k over budget) despite the restructure. Pressures also continue on café income and vending machine income.

3.5.2 Planning and Public Protection

3.5.2.1 This service is £119k underspent (5.60%) at outturn. This is similar to the forecast predicted in Month 11.

3.5.2.2 The Public Protection Section is underspent by £53k at year-end. Dog and pest control income targets have not been achieved by £16k and Markets and Fairs income by £1k. However, there has been a part-year vacant post within the corporate health and safety team which has created an underspend of £27k. In addition, Trading Standards, which was previously expected to achieve a balanced budget, is underspent by £36k. This is due to staff vacancies and surplus external income.

3.5.2.3 The Planning Section was underspent by £66k (7.90%) at outturn. This is similar to the amount forecasted in Month 11. Planning administration, Building Control and Implementation and Conservation are all underspent through staff vacancies and increased income generation.

3.6 Highways, Waste and Property

3.6.1 Highways

3.6.1.1 This service is £181k (3.00%) underspent at the end of the financial year. The most notable differences are on:-

- Departmental Support (£73k) which has risen from staff in-year vacancies;
- Street Works income is higher than its target by £60k;
- Additional grant income on Public Transport has created an underspend of £78k;
- Maintenance Design has generated additional income of £33k;
- Development Control has reduced costs and has increased income to create a £35k underspend;
- However, the works budget is overspent by £152k by year-end as the Service has reacted to emergencies.

3.6.2 Waste

3.6.2.1 The Waste Management Service was £209k (2.70%) underspent at out-turn which is £124k higher than predicted in Month 11.

3.6.2.2 The most notable variances are on:-

- Waste Management staffing (£67k) due to one off grants;
- £100k underspend on the Penhesgyn Transfer Station due to income generation above targets and reduced staffing costs because of additional one-off grants;

- The recycling section is £83k underspent at year-end as income generated was above targets.

3.6.3 Property

3.6.3.1 Property Services is overspent by £42k (5.60%) at outturn which, is an improvement on the overspend of £96k predicted in Month 11.

3.6.3.2 The main reason for the overspend within the Property Service is underachievement on professional fees of £150k due to a delay in capital projects within the 21st Century Schools programme, which has reduced the fee earning potential within Property this financial year. The repairs and maintenance budget is also overspent by £49k as £104k has been transferred to fund Capital expenditure and urgent repairs were needed on smallholdings. Underspends on cleaning, utilities and additional rental income has reduced the impact of the overspend.

3.7 Transformation

3.7.1 The Transformation function as a whole is underspent by £309k (6.80%) for the year through a deliberate effort by the ICT Section to reduce expenditure for the remaining months of 2019/20 as detailed below.

3.7.1.1 The ICT Section is underspent by £85k (3.50%) at outturn. All software and hardware budgets across the Council, excluding schools, have been centralised and are managed within the ICT Service. The budgets have been insufficient historically and this has generated an overspend of £213k by the end of the financial year. However, the Service has managed its expenditure on Hardware (£88k), software (£35k), consultancy (£54k), telephone contract (£42k) and Internal Orders (£143k) to generate underspends. The software budget has been increased in 2020/21 to reduce these historical budget pressures.

3.7.1.2 The HR function is underspent by £35k (2.70%) for the year as expenditure on Training and Occupational Health is below budget.

3.7.1.3 Corporate Transformation is underspent by £189k (2.20%) for the year, mainly due to underspends on staffing budgets within both the Corporate Transformation team and Cyswllt Môn. The Ynys Môn Gwynedd Partnership is underspent by £101k.

3.8 Resources (excluding Benefits Granted)

3.8.1 The Resources function budget is £220k (7.2%) underspent at outturn, which is similar to what was expected.

3.8.2 Revenues and Benefits are £32k under budget for the year because of additional grants and a reduction in Supplies and Services expenditure. Bank Charges £42k and Consultancy £37k are over budget in the Accountancy section at year-end, but an underspend on salaries means that the function is underspent by £8k at the end of the financial year. Internal Audit has a small underspend of £11k, whereas the Procurement section is £159k underspent due to initiatives in purchasing, i.e. centralised purchasing budgets and procurement card rebates.

3.9 Council Business

3.9.1 The function is underspent by £4k (0.20%) at the end of the financial year, which is similar to the underspend predicted in Month 11. Legal Services' expenditure is over budget by £50k, largely due to the cost of legal agency to cover staff vacancies/absences, but this overspend is offset by underspends in most functions within Democratic Services.

3.10 Corporate and Democratic Costs

3.10.1 At the end of month 11, it was predicted that Corporate and Democratic Services would be overspent by £123k, but the reversal of a previous year post audit adjustment and additional income means that the function is underspent by £104k (3.10%) at year-end. Historic pension costs continue to fall and has contributed to the underspend.

3.11 Corporate Management

3.11.1 The function is £70k (11.10%) underspent, mainly on staffing due to a restructure of the Senior Management Team. Unexpected income has also contributed towards the underspend.

4. Corporate Finance (including Benefits Granted)

4.1 Corporate Finance, including Benefits Granted is underspent by £426k (2.50%) at year-end. This budget was reduced in 2019/20 to reflect previous years' trends (including 2018/19) and because it was anticipated that the caseload under the Council Tax Reduction Scheme would continue to fall, but the caseload has not fallen as anticipated.

4.2 However, there is an underspend of £446k on General and other Contingencies and Capital Financing is also forecast to underspend by £239k (controllables).

4.3 The final budget for 2019/20 included some items retained centrally as contingency budgets amounting to £1,891k. During the year, £202k of additional funding was allocated for Education out-of-county fees; £417k earmarked for Children's Services; £225k for other approved earmarked costs; £111k as a general contingency to cover budget pressures and £490k to cover the cost of redundancy and termination costs. £1,445k of contingency budgets have been vired to services for the agreed purpose. This leaves a balance of £446k.

5. Collection of Council Tax

5.1 The Council Tax Fund budget is determined using the estimated collectable debt for the current year only, based on the tax base figure set in November 2018. It does not provide for arrears collected from previous years; adjustments to liabilities arising from previous years (exemptions, single person discounts etc.); changes to the current year's tax-base or the provision for bad and doubtful debts. These changes cannot be estimated and, invariably, lead to a difference between the final balance on the Council Tax Collection Fund and the original budget. A shortfall of £149k was expected on the collection of Council Tax for 2019/20 but the final shortfall is £207k.

6. Budget Savings 2019/20

- 6.1** Budget savings of £2.561m were removed from service budgets for 2019/20. £2.205m of the savings have been achieved but £356k was not achieved. The most significant shortfall was within Adult Services where the service underachieved by £276k, due to increasing demand pressures. A full detailed analysis can be seen for each Service in Appendix D.

7. Invest-to-Save

- 7.1** An invest to save programme was undertaken in 2016/17, with an allocation of £983k for individual projects. To date, £678k has been spent from this allocation of funding up to and including 2019/20. All projects are at various stages of development, with some closer to completion than others. The full detail of the expenditure and progress on each of the projects can be seen in Appendix CH. Where the projects are not completed at year-end, they will continue into 2020/21 and the funding will still be available within the invest-to-save reserve.

8. Agency and Consultancy Costs

- 8.1** During the year to date, £797k was spent on Agency staff. These were, in the main, part-funded from staffing budgets as they related to staff vacancies. £372k related to costs within Children's Services, to cover vacant posts, and £176k related to staff cover for Adult Services. The Waste Management Service spent £224k for site agents at the recycling centres. Full details can be seen at Appendix DD.
- 8.2** A total of £1.068k was spent on Consultancy during financial year 2019/20, with £344k funded through grant or external sources. A full summary of expenditure per service and additional details of the expenditure can be seen at Appendix E.

9. Release of General Balances

- 9.1** Beaumaris Pier is an important social, economic and cultural asset, and it is the Council's responsibility to ensure that it is adequately maintained. The paintwork on the railings on the Pier structure and its approaches has deteriorated since its refurbishment in 2012. The current condition is such that extensive sections of underlying metalwork are now exposed to the saltwater environment, which has led to significant rusting.
- 9.2** The Regulation and Economic Development Service has been planning to repaint the Beaumaris Pier for 2 years. The total costs of the repainting project are circa £185k. The Service intended to fund the work from its annual revenue maintenance budgets and earmarked reserves (£100k). However, in order to undertake the work safely and to ensure no contamination of the surrounding marine environment, the Pier must be covered and sealed in order for the current paintwork to be removed. This has resulted in an increase in the costs from the original estimate.
- 9.3** The Service has received the necessary permits and consents to undertake the work, and a contractor has been procured. Given the current lockdown, now is an opportune time to undertake the work without any disruption to the businesses that use the Pier and it is planned that the work will have been completed within 4 months. Failure to undertake the work now will lead to a deterioration of the structure and could result in higher costs at a future date. The Executive are, therefore, requested to release the sum of £85k from general balances (to supplement the Service's existing reserve) in order for the work to commence as soon as possible.

10. Conclusion

10.1 The position at the year end was significantly better than previously predicted and is, generally, as a result of services reducing expenditure during the final quarter and the receipt of additional grant funding in certain areas. The position was also improved due to lower than expected capital expenditure, which resulted in lower borrowing and no significant calls on contingency budgets during the final quarter. This is a welcome boost to the Council's finances and does strengthen the financial position going forward.

The 2020/21 budget has increased budgets in the areas where budget pressures existed in 2019/20, most notably Adult Services and the Council Tax Reduction Scheme budget, and it was envisaged that this would result with a further strengthening of the Council's financial position at the end of 2020/21. However, the Covid-19 pandemic has thrown a large amount of uncertainty around the Council's finances once again and it is unclear at this stage what the impact will be, but it is anticipated that the loss of income will be significant, additional costs will be incurred to move the Council's services back to more of a normal position, the cost of the Council Tax Reduction scheme will increase as the number of claimants increase and Council Tax receipts may fall. It is also unclear what the impact will be on Welsh Government funding, on whether it will result in significant reductions in the Council's Revenue Support Grant in 2021/22.

Further work is required to model the impact and a revised Medium Term Financial Plan will be submitted to the Executive in September 2020, prior to the commencement of the 2021/22 budget process.

Projected Revenue Outturn for the Financial Yearending 31 March 2020 – Outturn

Service/Function	Annual Budget	Provisional Outturn	Provisional Total Outturn Variance	Provisional Uncontrollable Variance (Exceptions)	Provisional Controllable Variance (Non-Exceptions)	Difference to Month 11 on Controllables
	£'000	£'000	£'000	£'000	£'000	£'000
<u>Lifelong Learning</u>						
Delegated Schools Budget	43,880	43,880	0	0	0	0
Central Education	5,791	5,519	-272	-15	-257	-259
Culture	1,245	1,275	29	1	29	17
Adult Services	25,205	26,290	1,085	-53	1,138	79
Children's Services	10,274	10,430	156	1	155	69
Housing	1,221	1,143	-77	2	-80	-40
<u>Highways, Waste & Property</u>						
Highways	6,079	5,887	-192	-12	-181	-138
Property	859	903	44	2	42	-54
Waste	7,724	7,516	-208	1	-209	-124
<u>Regulation & Economic Development</u>						
Economic	1,849	1,848	-0	2	-2	18
Planning and Public Protection	2,078	1,960	-117	-0	-117	-14
<u>Transformation</u>						
Human Resources	1,262	1,227	-35	0	-35	-19
ICT	2,396	2,311	-85	0	-85	-61
Corporate Transformation	859	668	-191	-2	-189	2

Service/Function	Annual Budget	Provisional Outturn	Provisional Total Outturn Variance	Provisional Uncontrollable Variance (Exceptions)	Propvisional Controllable Variance (Non- Exceptions)	Difference to Month 11 on Controllables
	£'000	£'000	£'000	£'000	£'000	£'000
Resources	3,050	2,880	-170	50	-220	-7
Council Business	1,567	1,565	-2	2	-4	14
Corporate & Democratic costs	3,352	3,253	-99	6	-104	-227
Corporate Management	629	559	-70	-0	-70	-5
Total Service Budgets	119,320	119,114	-205	-15	-190	-750
Levies	3,528	3,528	-0	0	-0	-0
Capital Financing	7,129	6,852	-277	-38	-239	-161
Adjustment due to derecognition	0	241	241	241	0	0
Discretionary Rate Relief	60	71	11	0	11	-4
General & Other Contingencies	446	0	-446	0	-446	-111
HRA Central Support Services Contribution	-773	-860	-86	-86	0	0
Benefits Granted	5,501	5,749	248	0	248	-184
Total Corporate Finance	15,891	15,580	-310	116	-426	-460
Total Budget 2019/20	135,210	134,695	-516	101	-617	-1,211
Funding:						
NDR	-22,754	-22,754	-0	0	-0	-0
Council Tax	-39,419	-39,212	207	185	23	58
Revenue Support Grant	-73,037	-73,037	0	0	0	0
Total Funding 2019/20	-135,210	-135,003	207	185	23	58
Net	0	-308	-308	286	-594	-1,152

APPENDIX C

Summary of the Outturn Position on Contingency Budgets 2019/20

	Original Budget	Virements	Amended Budget YTD	Committed YTD	Currently Uncommitted Budgets	Budget Forecast
	£	£	£	£	£	£
General Contingency	399,350	-111,150	288,200	-	288,200	-
Salary and Grading	400,000	- 489,730	- 89,730	-	- 89,730	-
Earmarked Contingency	1,091,710	- 844,180	247,530	-	247,530	-
Total General and other Contingencies	1,891,060.00	-1,445,060.00	446,000.00	0.00	446,000.00	0.00

Review of Invest-to-Save Projects 2019/20

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
Resources	Electronic Document Management System for Revenues and Benefits	Provide scanning solution and workflow for Revenues and Benefits	170,000	170,000	169,945	0	0	0	0	Project closed. No further update.
I.T	Local Land and Property Gazetteer	Implement a LLPG system across the Council	10,800	10,800	15,261	0	0	0	0	Project closed. No further update.
I.T / Transformation	Customer Relationship Management System	Purchase and implementation of a CRM system	255,000	255,000	102,712	152,288	152,288	52,156	100,132	The CRM is now well established with over 14,600 registered customers since January 2016 and is now operating as Business as Usual. IT are working with services under the direction of the Business Process Transformation Board to drive more payment forms online and available via the CRM in order to improve back end processes, enable efficiencies and improve customer experience. The system has proved invaluable during the current Covid19 crisis and has been used to administer the collection of information for Business support grants and free school meals to name but a few of the forms that have been built.

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
I.T. / Resources	Payment Gateway	Purchase and implement a payment gateway which will enable payments to be received via the App	27,000	27,000	13,417	13,583	13,583	0	13,583	Project closed. No further update.
Regulation & Economic Development	Improve the Resilience of the Planning Systems	New automated Planning Systems	118,000	118,000	79,548	57,122	57,122	41,748	15,374	Even though a substantial amount of historic planning application files still require to be scanned and digitised, the revenue element of the project has now closed with the budget being fully utilised by year end 2018/19. The overspend was funded through the Planning budget. The upgrade to the new Planning back office system went live on 12th November 2018. Applications and associated documents were not made publically available due to non-conformity with some of the Welsh Language Standard requirements. This has since been resolved and applications are due to be made publically available electronically during the next few weeks. Work on the Building Control aspect of the Project went live on 29th July, 2019. Work is on-going in order to resolve and implement errors and problems that have occurred during the transformation. A further upgrade to the latest version for the ERDMS is now

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
										required in order to simplify the process for redaction and publication of documents to comply with the new GDPR legislation. Testing of suitable mobile technology for site visits is continuing and will need to be procured for all relevant staff once suitability confirmed. High level meetings have been undertaken with regards to the ERDMS upgrade and a purchase order for this work is imminent with proposed expenditure to the value of approx. £5k. Purchase orders have been submitted for replacement fit for purpose laptops to enable the Systems Team to undergo testing of the above as well as continuing to support the whole of the Planning Function's Business Systems. Costings are also awaited from ICT with regards for the installation of suitable network points within the Planning Offices, which will enable staff from the Planning Joint Policy Service to log on to the Gwynedd network whilst working remotely from Llangefni. Discussions have been ongoing with regards to proposed changes and amendments to current functionalities within Salesforce. These include changes to the process where applications are returned to

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
										<p>applicants, copying of applications to create a duplicate screening or listed building application, amendments to the current publicity functionality within, and the ability to clone conditions and standard policies from one application to another. This work is progressing well, despite competing priorities arising from the Covid19 pandemic. Cleansing contact details (circa 100 records) within Salesforce has commenced, this will result in accurate names and addresses with no duplications. Due to the amount of records and duplications, it has been agreed to undertake this work in two stages. Due to the current Covid19 pandemic and the fact that only one person can access the data since working from home, this has currently been put on hold. The proposed ERDMS upgrade is due to take place, but completion date and timescales are now dependant on Covid 19 milestones and restrictions.</p>

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
Resources	Improving Income Collection Systems	Purchase and implement a new income management system which links to the current income streams and allows new income collection methods (AppMôn etc.) to link into the cash management system	150,000	150,000	90,481	59,519	59,519	16,720	42,799	Full commitments have now been made and within the bid budgets. However, implementation will be ongoing into the next financial year due to Covid19 matters putting things on hold as many project staff in Capita, our Income Management Software company, having been furloughed early on under the restrictions. The remaining balance will be used for any unexpected items which remain.
Lifelong Learning	Modernisation of business and performance processes	Implement unused modules in the ONE Management Information system	67,000	67,000	75,526	0	0	0	0	Project closed. No further update.
Lifelong Learning	Modernisation of business	Website for the Oriol	20,000	20,000	0	11,474	11,474	0	11,474	The project has been put on hold until other more pressing systems within the invest to save projects have completed their implementations.

Service	Title	Description	Amount Approved £	Sum Allocated (in total - not just Yr 1) £	Total Spend to 31 March 2019 £	Balance at 1 April 2019 £	Allocation for 2019/20 £	Spend to date 2019/20 £	Remaining budget 2019/20 £	Project Update
I.T. / Transformation	Digital First / Digital By Default	Employ a Digital Lead Officer and Digital Services Analyst	£70,000 in year 1 and £50,000 in year 2	120,000	0	120,000	70,000	20,870	49,130	Two people have been recruited to the Temporary Digital Technician posts at Grade 5 and are currently in post.
Public Protection	Improved Digital Connectivity within the Public Protection Service	Implementation of a cloud based system to record inspection visits. The software is an all Wales solution and has been procured via a framework agreement supported by 19 out of 22 Councils in Wales.	£10,000 per year for 4.5 years	45,000	0	45,000	10,000	0	10,000	Ongoing collaborative work with Corporate CRM Team. Identifying High Value/ Volume work streams to enable a 'channel shift' and improve performance capability and customer experience. Pace of work dictated by Transformation Board approving and prioritising work streams for scoping and implementation. Once this project is completed, the focus and aim is to market test a revised user spec and software system which integrates and compliments the CRM system. Specific workstreams have gone live in November and January. No market testing for new software system will commence until all CRM work completed, therefore request is made to carry £45k over to next financial year.
Total				982,800	546,889	458,986	373,986	131,474	242,492	

Review of Efficiency Savings 2019/20

Service/Function	Budget Savings 2019/20 £'000	Achievable 2019/20 £'000	Possibly Unachievable 2019/20 £'000	Comments
Lifelong Learning	967	900	67	£50k was proposed as efficiency savings through reviewing the delivery of integration services for a more efficient use of resources. £37k of saving is not achievable . A budget increase has been agreed for 2020/21.
				A proposal of £15k was made to reduce arts grants. This saving is £10k short of being fully achieved in 2019/20. A further £5k can be achieved in 2020/21. Further consultation required for the last £5k to be achieved.
				A proposal of £20k was made to increase the income targets within the Oriol. These savings have not been achieved during 2019/20. However, online sales will help achieve the increased income target in 2020/21.
				All other saving proposals amounting to £900k have been fully achieved during 2019/20.
Regulation and Economic Development	171	171	0	Efficiency saving has been achieved in full.
Highways, Waste and Property	600	587	67	A Saving of £10k was expected on Public Conveniences but was not achieved. The savings target is still at risk of being unachieved during 2020/21. Underspend in other parts of the service will fund the shortfall.
				Savings of £58k were proposed by ceasing the school crossing patrol service. All school crossing patrols have now ceased, but a £3k one off cost was incurred due to keeping a limited number of patrols until July 2019. Savings are expected to be achieved in full in 2020/21.
				All other saving proposals amounting to £587k, were achieved in full.

Service/Function	Budget Savings 2019/20 £'000	Achievable 2019/20 £'000	Possibly Unachievable 2019/20 £'000	Comments
Adults' Services	586	310	276	<p>Efficiency savings were proposed amounting to £195k through the reduction of demand for residential and nursing placements, through the use of Hafan Cefni, the reduction of demand for homecare services, and through managing the demand for supported living. This saving has not been achieved as the demand for the service has increased since the last financial year. Further work will be done on all specific lines affected to investigate reasons for current growth in demand, with a view to reducing demand in the future.</p> <p>Following the closure of Plas Penlan, £70k was proposed to be saved as full year savings. This was not achieved, as demand increased for alternative provision e.g. Home Care.</p> <p>£11k of efficiency savings were proposed through the outsourcing of more homecare packages to the private providers, but was not achieved. Work-in -progress to consider how to improve efficiency of service without reducing staff numbers. Consideration to be given to whether or not savings can be produced elsewhere.</p> <p>All other saving proposals, amounting to £310k, were achieved.</p>
Housing	54	54	0	Efficiency saving has been achieved in full.
Transformation	43	43	0	Efficiency saving has been achieved in full.
Corporate	110	110	0	Efficiency saving has been achieved in full.
Resources	30	30	0	Efficiency saving has been achieved in full.
Total	2,561	2,205	356	

Agency Costs April 2019 to 31 March 2020

Service	Amount £	Source of Funding (Specific Core Budget / Unutilised staffing budget / Grant / External Contribution)	Permanent / Temporary	Reason for Cover
Economic & Regeneration	6,479	Core	Temporary	Achieving food hygiene inspection requirements
	6,479			
Schools	14,394	Core	Temporary	Teaching cover in specialised areas
	14,394			
Waste	542	Specific Core Budget	Temporary	Short team staff
	78,130	Specific Core Budget	Temporary	Additional tasks required short term
	98,582	Specific Core Budget/Grant/External Contribution	Temporary	Additional tasks required short term
	47,128	Specific Core Budget/Grant/External Contribution	Temporary	Additional tasks required short term
	224,382			
Children's Services	1,079	Core Budget/ Agency staff Reserve	Temporary	Chairing and Reviewing Children's safeguarding conferences
	146,522	Core Budget/ Agency staff Reserve	Temporary	To cover vacant posts
	224,155	Core Budget/ Agency staff Reserve	Temporary	To cover vacant posts
	921	Core Budget/ Agency staff Reserve	Temporary	To cover vacant posts
	372,678			

Service	Amount £	Source of Funding (Specific Core Budget / Unutilised staffing budget / Grant / External Contribution)	Permanent / Temporary	Reason for Cover
Adult Services	17,895	Core Budget	Temporary	Cover vacant post
	116,674	Core Budget	Temporary	DOLS project
	41,374	Core Budget	Temporary	Cover vacant post
	175,944			
Transformation	3,459	Unutilised staffing budget	Temporary	To cover vacant post, since filled
	3,459			
Total	797,335			

Summary of Consultancy Expenditure to 31 March 2020

Summary Consultancy Expenditure Q1-4 per Department					
Department	Qtr 1 £	Qtr 2 £	Qtr 3 £	Qtr 4 £	Total 2019/20 £
Central Education	8,950	31,375	23,699	31,584	95,608
Culture	690	0	497	2,302	3,489
Economic & Regeneration	58,760	67,764	74,646	166,279	367,449
Property	0	0	0	0	0
Highways	423	18,054	31,556	54,706	104,739
Schools	0	2,836	0	0	2,836
Waste	54,582	53,516	36,410	47,026	191,534
Housing	0	0	0	0	0
HRA	8,500	13,877	4,700	74,600	101,677
Corporate & Democratic	3,275	0	0	0	3,275
Adult Services	850	1,600	0	1,571	4,021
Childrens Services	0	6,984	696	8,855	16,534
Corporate	0	0	0	3,807	3,807
Transformation	2,452	3,824	8,275	19,124	33,675
Council Business	3,996	27,619	37,477	37,638	106,729
Resources	16,424	6,300	9,176	1,675	33,574
Total	158,901	233,749	227,131	449,166	1,068,948
Funded by:					
Core Budget	55,252	104,235	134,952	256,960	551,399
Grant	7,523	11,150	8,376	83,823	110,871
External Contribution	45,790	59,819	52,320	75,236	233,164
Reserves	50,337	58,546	31,485	33,147	173,514
Total	158,901	233,749	227,131	449,166	1,068,948

Breakdown of Consultancy Costs Quarter 4 2019/20

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	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
Total Q1 April -June	158,901					
Total Q2 July – September	233,749					
Total Q3 October – December	227,131					
Central Education	394			✓	RSG	Ysgol Pencarnisiog site Partership agreement
	3,000			✓	Grant	Commission for two Out of School Childcare clubs
	4,900			✓	Core Budget	Annual hosting, maintenance and support 2020/21 Holistix Youth Service
	302			✓	Grant	Hotel accomodation for Presentations 17 & 18 February 2020
	3,000			✓	Grant	Contribution for Cell Van and Motivational Speaker Presentations 17 & 18 February 2020
	761			✓	Grant	Amending workbooks/portfolios and staff training
	9,119	✓			Core	Professional Fees - service as Senior Officer Education Department
	9,607	✓			Core	Professional Fees - Education Department January 2020
	500			✓	Grant	Presentations to Childminder Conference and to Community Play Space Conference
Total Central Education	31,584					

	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
Culture	250	✓			specific core budget	Running Linocutting Printmaking Workshop at OYM
	1760	✓			specific core budget	Conservation work to oil painting
	115	✓			specific core budget	Design work - William Roos
	177	✓			specific core budget	Life modelling
Total Culture	2,302					
Economic & Regeneration	150			✓	External Funding	Meeting 02/12/19 discuss Cruise Line meetings in the USA and progress with consultants MHPA Criterion Quay Development
	38			✓	External Funding	Mileage Swansea to Cardiff return
	638			✓	External Funding	Flight to attend Seatrade Miami Cruise Conference April 2020
	340			✓	External Funding	Meeting Ritz Carlton Yacht Cruises, Crystal Cruise Line Miami, Stena Line HH
	4,451	✓			External Funding	Applications Support - Morlais Project LVIA Pre-app doc review
	1,704	✓			External Funding	Morlais Project - planning advice
	41,711	✓			External Funding	Wylfa post examination advice
	256	✓			External Funding	TWAO Application - advice to Council
	34,969			✓	Grant	Consultancy service - development of regeneration plan for Porth Amlwch
	5,000			✓	External Funding	Report and survey of buildings in the Amlwch Central & Amlwch Port Conservation Areas
	20,449			✓	External Funding	Organising and supporting Arfor grant processed Janaury and February 2020

	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
	3,001			✓	Grant	50% of the Amlwch EZ Extension study
	200			✓	Planning fee income	Layout configuration request
	15,000	✓			Planning fee income	Annual fee - shared minerals and waste planning service
	5,000	✓			Planning fee income	Provision of curatorial information and advice
	8,950			✓	Planning fee income	Cleansing of contacts in salesforce
	8,075			✓	Planning fee income	Cases - Subject request - application/publicity/copy policies
	420			✓	Core	Structural checking services
	50	✓			Core	Engineering services
	1,915		✓		Core	Charges relating to Plan Checks carried out
	140	✓			Core	1st Fix Electrical Inspection
	30	✓			Core	Credit reference agency minimum usage charge
	1,268	✓			Core	Food Sampling Analysis
	28	✓			Core	NAFN Recharge July-Sept 2019
	9,958	✓			Core	Housing Inspections Operation Pinewood 2019/20
	70	✓			Core	Bovine 13-23 Months
	1,484	✓			Core	Worldpay Fees
	485			✓	Core	Urdd sports
	500			✓	External Funding (WG)	Judo sessions at YDH
Total Economic and Regeneration	166,279					

	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
Highways	2,540			✓	Core Budget	Ad-Hoc Support
	397			✓	Core Budget	Penalty Charge Notice Issued
	2,422			✓	Core Budget	2019/20 WPPP Penalty Charge Notice levy contributions
	7,500			✓	Core Budget	CSSW Hamp Contribution
	14,232		✓		Grant	YGC CPF 6759 professional services
	4,000			✓	Core Budget	Traffic Survey - Benllech, Anglesey
	4,500			✓	Core Budget	Traffic Modelling - Porthdafarch Road, Holyhead
	13,212			✓	Grant	ygc Professional Services
	4,228	✓			Grant	SAB duties
1,675			✓	Core Budget	Underwater examination at Valley Cob	
Total Highways	54,706					
Waste	2,080	✓		Specific Work	Specific Core Budget	Undertaking a disciplinary investigation
	32,597	✓		Specific Work	Earmarked Reserves	Provision of Ext Tech Support in connection with the Procurement of a new contract
	825	✓		Specific Work	Specific Core Budget	Duos Offtake
	1,957	✓		Specific Work	Specific Core Budget	Landfill Site Quarterly Gas Monitoring, Tech Support
	150	✓		Specific Work	Specific Core Budget	Transfer Station Additional Samples
	5,458	✓		Specific Work	Specific Core Budget	Landfill Seal Remediation Works
	1,856	✓		Specific Work	Specific Core Budget	Penhesgyn occupational Bioaerosol Monitoring and risk assessment

	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
	600	✓		Specific Work	Specific Core Budget	Consultancy work - PAS 100 undertaken at Penhesgyn
	1,503	✓		Specific Work	Specific Core Budget	Compost Full Suite Test
Total Waste	47,026					
HRA	49,150			✓	Core Budget	Server Migration 2008 to 2016 - Technical Services
	5,700			✓	Core Budget	Recruitment services
	12,250			✓	Core Budget	Mobile Working Project
	7,500			✓	Core Budget	Orchard Intelligent Forms Solutions
Total HRA	74,600					
Adult Services	496			✓	Core Funding	Independent Advocacy Service
	1,075			✓	Core Funding	Work undertaken in investigating grievance submitted
Total Adult Services	1,571					
Children's Services	3,883			One off	Core Budget	Form F Assessment
	2,112			✓	Core Funding	Fostering Assessment
	1,000			✓	Core Funding	Completion and presentation of Form F Assessment
	860			✓	Core Funding	Work investigating grievances
	1,000			✓	Core Funding	HCPC Response information
Total Children's Services	8,855					
Corporate	2,819			✓	Core budget	Assessment for Chief Executive Post
	988			✓	Core budget	Assessment for Chief Executive Post
Total Corporate	3,807					

	Amount £	Category - Reason Appointed			Source of Funding)	Description of work undertaken
		Ongoing to cover specific skill set that doesn't require Permanent Post	Volume of Work	Specific Work / One Off Project		
Transformation	12,900			✓	Core budget	Cybersecurity - Cyber Recoverable expenses
	2,500			✓	Grant	Collecting and Collating Baseline Data on IOACC Computer Assets
	3,724	✓			Grant	Assesor - Trainee Social Workers
Total Transformation	19,124					
Council Business	30,725			✓	Core budget	Cover for temporary staff absence
	6,913			✓	Core budget	Magnox Wylfa Off Site Plan Revision & L2 Exercise during 2019
Total Council Business	37,638					
Resources	1,125			✓	Core budget	CIVICA consultant
	550			✓	Reserves	Standard Project Expenses
Total Resources	1,675					
Total Q4 - January to March	449,166					
Cumulative total - April to December	1,068,947					

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ISLE OF ANGLESEY COUNTY COUNCIL		
Report to:	EXECUTIVE COMMITTEE	
Date:	15 JUNE 2020	
Subject:	CAPITAL OUTTURN REPORT 2019/20	
Portfolio Holder(s):	COUNCILLOR R WILLIAMS	
Head of Service / Director:	MARC JONES (EXT. 2601)	
Report Author:	JEMMA ROBINSON	
Tel:	01248 752675	
E-mail:	JemmaRobinson@ynysmon.gov.uk	
Local Members:	n/a	
A –Recommendation/s and reason/s		
<ul style="list-style-type: none"> To note the draft outturn position of the Capital Programme 2019/20 that is subject to Audit; and To approve the carry-forward of £12.109m to 2020/21 for the underspend on the programme due to slippage. The funding for this will also carry-forward to 2020/21 (Appendix A – paragraph 4.3). The revised capital budget for 2020/21 is £41.368m. 		
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?		
<ul style="list-style-type: none"> This report sets out the financial performance of the Capital Budget for the 2019/20 financial year, that is subject to Audit; Budget monitoring is a designated Executive function. 		
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		
DD – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The comments from the SLT have been included in the final report
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer’s report
3	Legal / Monitoring Officer (mandatory)	The comments of the Monitoring Officer form part of the comments of the SLT
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	
9	Local Members	

E – Impact on our Future Generations(if relevant)		
1	How does this decision impact on our long term needs as an Island	
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	
3	Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:	
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	
5	Outline what impact does this decision have on the Equalities agenda and the Welsh language	
F - Appendices:		
<p>Appendix A - Capital Outturn Report – 2019/20 Appendix B - Summary of the Capital Expenditure against the Capital Budget and the slippage into 2020/21</p>		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • 2019/20 Capital Budget, as recommended by the County Council on 27 February 2019; • 2019/20 Capital Monitoring report for the first quarter 2019/20, presented to this Committee on 16 September 2019; • 2019/20 Capital Monitoring report for the second quarter 2019/20, presented to this Committee on 25 November 2019; • 2019/20 Capital Monitoring report for the third quarter 2019/20, presented to this Committee on 02 March 2020. 		

1. INTRODUCTION

- 1.1 This is the Capital Outturn report for the financial year 2019/20, which allows Members to note the progress of Capital Expenditure and Capital Receipts against the Capital Budget. The figures in this report are subject to Audit.

In February 2019, the Council approved a capital programme for non-housing services of £17.282m for 2019/20 and a capital programme of £13.110m for the Housing Revenue Account (HRA). In addition, in June 2019, the Executive approved slippage of £3.065m to be brought forward from 2018/19. Since the budget setting process, there have been additional schemes added into the programme, most of which are grant funded and which amount to £10.450m. This brings the total capital budget for 2019/20 to £43.907m.

2. CAPITAL EXPENDITURE 2019/20

- 2.1 Summary Table of the spending to 31 March 2020:-

Service	Annual Budget £'000	Total Expenditure £'000	(Under) / Overspend £'000	Annual Budget Spent %
Housing General Fund	2,116	1,252	(863)	59
Housing HRA	14,117	11,812	(2,305)	84
Lifelong Learning	8,102	2,982	(5,120)	37
Economic and Regeneration	6,039	2,993	(3,046)	50
Highways	8,611	7,176	(1,434)	83
Waste Management	180	180	0	100
Property	1,233	990	(243)	80
Transformation	1,717	1,297	(420)	76
Planning	875	755	(120)	86
Adult Services	917	577	(340)	63
Total	43,907	30,015	(13,892)	68
Funded By:				
Capital Grant	25,880	19,419	(6,461)	75
Capital Receipts	964	1,050	86	109
Supported Borrowing	5,973	817	(5,156)	14
Unsupported Borrowing	544	300	(243)	55
Revenue Contribution	10,095	7,609	(2,486)	75
Reserves	186	-	(186)	-
Loan	240	596	356	249
Capital Reserve	25	224	199	895
Total Funding	43,907	30,015	(13,892)	68

- 2.2** The Budget for the General Fund was £29.790m with Expenditure of £18.203m incurred at 31 March 2020. This equates to 61% of the budget. Reasons for the underspend include:-

Scheme	Under spend £'m	Comment
Temporary Stopping Site for Gypsies and Travellers	0.524	Tender arrangements not finalised in 2019/20 but are expected to be completed in Quarter 1 of 2020/21.
Disabled Facilities Grants	0.491	It is very much demand led and subject to certain qualifying criteria, in particular a test of resources does apply to all potential clients which can negatively impact on the number of cases that proceed to grant approval.
21 st Century School Schemes	4.547	Further consultation has delayed the commencement of the chosen schemes. Further slippage is anticipated in 2020/21.
Holyhead Strategic Infrastructure	1.554	Project had to be retendered and did not commence until Autumn 2019. Work stopped in March 2020 due to Covid-19.
Tourism Gateway	1.076	Awaiting permission to commence the project from the Heritage Lottery Fund who are match funding 2 projects.
Red Wharf Bay Flood Defence	0.638	Project design yet to be finalised.
IT Hardware	0.420	Items requiring replacement lower than anticipated.

A full list of the capital schemes' expenditure against the budget can be seen in Appendix B of this report.

- 2.3** The Housing Revenue Account has spent 84% of its total budget. It was estimated that the budget would be committed in its entirety at the end of the financial year. However, due to the eventual timing of tender arrangements and contract awards, actual expenditure did not meet initial expectations. In general, the value of contract awards did fully commit the budget and there is significant carried forward commitment on traditional planned maintenance which will form the basis of maintaining WHQS compliance during 2020/21.
- 2.4** As can be seen from Table 2.1 (above), there is a significant difference in funding for Capital Grants, Supported Borrowing, Unsupported Borrowing and the Revenue Contributions. The main reason for the underspend in grants is mentioned in paragraph 2.2, where large Capital Grants projects such as Holyhead Strategic Infrastructure, Ysgol Newydd Llangefni and Tourism Gateway have underspent significantly. The Holyhead Strategic Infrastructure, Ysgol Newydd Llangefni and Tourism Gateway will all slip into 2020/21 along with the grant funding. The main reason for the variance in the Unsupported Borrowing is the underspend in the 21st Century Schools programme and also the works to the fitness room in Plas Arthur being put on hold at the end in March 2020, which delayed completion. The 21st Century schools programme is also a reason for the variance in Supported Borrowing, along with the underspend on the Residential sites for Gypsies and Travellers which were both, at least partially, funded by Supported Borrowing. This, coupled with Highways Resurfacing being completely funded by grant, rather than the budgeted grant and supported borrowing has added to this variance. As mentioned in paragraph 3.1.20, the Authority received extra grant funding which replaced local funding in 2019/20. The variance in Revenue Contribution is down to the underspend in the HRA, which is mainly funded by revenue contributions. The overspend in capital reserve is merely due to some schemes being match or partially funded from our revenue services which get transferred to the capital reserve and funded from there, therefore, not a true overspend. The loan is showing an overspend due to the REFIT project. This is due to additional loan being received in year after the budget was set, therefore, no real overspend.

3. **FUNDING**

3.1 **Capital Grants**

- 3.1.1** There are a number of Capital Grant schemes in the Capital Programme for 2019/20. There are some annual schemes that were completed during the year, such as the Road Safety Capital and Enable Grant. There were also some schemes that were awarded grant funding in previous years that were completed during the year, such as the Market Hall. Some schemes are ongoing and will carry on into 2020/21, such as the 21st Century School, Tourism Gateway, Beaumaris and Pentraeth Flood Alleviation and Llangefni and Holyhead Strategic Infrastructure. There were also new Capital Grants schemes awarded during the year, including the Economic Stimulus Capital scheme, Maes Awyr Môn grant and the Childcare Capital grant.
- 3.1.2 Market Hall, Holyhead** - The focus of work in Quarter 4 has been on organising the formal opening / launch of the Market Hall in April, including advance elements of the heritage interpretation in April. However, the formal opening is likely to be delayed due to recent emerging issues. The defects period expires on the 18th July 2020 (Q2 2020/21), when the final retention payment for the Phase II contract will be due, including small elements of work for making good to the rear of the Stanley Street pavilion buildings and the provision of cycle racks and a bin store are planned and within the agreed final account.
- 3.1.3 Llangefni Strategic Infrastructure** – The scheme involves the construction of five new industrial units on the old Môn Training site and an extension to the Business Centre for letting to the private sector. The new industrial units have now been completed, and all five have been let. Work at the Business Centre has now been completed and office space is currently being advertised. A re-profile has been submitted to the Welsh European Funding Office and a 6 month extension to end of September has been approved for the project. The remaining spends have been allocated to upgrade the cladding and other minor works on the current business centre. The original completion date will be delayed due to having to temporarily stop work at the end of March 2020 due to Covid19. WEFO have been updated on the situation.
- 3.1.4 21st Century Schools** - From the Band A Projects, new schools at Rhyd y Llan, Ysgol Cybi and Ysgol Santes Dwynwen have all been completed, together with an extension to Ysgol Parc y Bont and a refurbishment at Ysgol Brynsiencyn. The final Band A scheme, which focuses on the school provision in the Llangefni area, was consulted upon over a six week period during Quarter 4. Following this completion of the consultation, if a new school is the selected option, the costs for the selected scheme will need to be determined and included in the Final Business Case which is submitted to Welsh Government.
- 3.1.5 Road Safety Capital** – This scheme will involve capital works on the A4080 road from Llanfair PG to Aberffraw. Work has commenced, with the expenditure for the year being £0.228m against a budget of £0.231m.
- 3.1.6 Beaumaris Flood Alleviation** – Works were halted on site towards the end of Quarter 4 following the Covid furloughing of staff. There will be additional costs, but we believe we have enough in the funding pot to be able to pay for this from the existing allocation from Welsh Government and the Authority. The main works are due for completion end June 2020 but there is approximately £0.100m that won't be spent until September – December 2020. Works will recommence on site in Quarter 1 2020/21.

- 3.1.7 Pentraeth Flood Alleviation** - Welsh Government allocated funding for the Nant y Felin, Pentraeth Flood Alleviation scheme within their programme for 2019/20 financial year. This scheme was on site but then encountered unforeseen ground conditions. Works were halted on site towards the end of Quarter 4 following the Covid furloughing of staff. Additional funding has been secured for the difficult ground conditions and for the Covid implications. Works will recommence on site in Quarter 1 2020/21. Due for completion late August 2020.
- 3.1.8 Holyhead Strategic Infrastructure** – This scheme is to construct ten new industrial units at Penrhos, Holyhead. The appointed contractor is currently undertaking the work, with an expected completion in the summer of 2020. European Regional Development Funding (WEFO) has been secured and a Joint Venture has been entered into with Welsh Government, which provides the match funding for the scheme. The original completion date will be delayed due to having to temporarily stop work at the end of March 2020 due to Covid19. WEFO have been updated on the situation.
- 3.1.9 Tourism Gateway** – The Holy Island International Visitor Gateway TAD (Tourism Attractor Destination) Project is a mainly European Regional Development Fund, Welsh Government and Heritage Lottery Fund funded package of projects taking place over several years. Installation Works for the Phase 1 signage within the port have now been completed. Designs for Phase 2 are currently being finalised. Demolition of the dilapidated port building was undertaken during February 2020 and works have now been completed. Consenting process for project adjacent to St Cybi's Church and Swift Square car park is currently being undertaken.
- 3.1.10** Funding has been approved by Welsh Government (WG) for the **Targeted Regeneration Investment Programme (TRIP)**. The purpose of the funding is to bring 108 empty properties back into use through four schemes, being First Time Buyers Support, Vacant Homes Landlord Assistance, Empty Homes Direct Intervention and Town Centre Living. These schemes will be delivered by both the Isle of Anglesey County Council, as the lead authority, and Gwynedd Council, as their joint delivery partner. The total funding will be £3.250m, with Anglesey's share being £1.8m over three years. In 2019/20, the budget for Anglesey is £0.751m. To the end of Quarter 4, a total of £1.518m drawn down by WG to deliver property schemes. This was £0.403m over the original budget, but WG were keen to bring expenditure forward from next year.
- 3.1.11 Maes Awyr Môn** - £0.360m of grant funding from Welsh Government has been secured for capital works to Maes Awyr Môn, which includes alterations to the existing terminal building. Works were completed within the financial year.
- 3.1.12 Childcare Capital Grant** – £2.718m of grant funding has been secured for the period 2019 to 2021 to adapt a number of primary schools to enable the Council to provide sufficient childcare places to meet demand generated by the childcare offer. Additional facilities will be created at Ysgol Santes Dwynwen £0.400m, Ysgol Morswyn £0.413m, Ysgol Llandegfan £0.450m, Ysgol Pencarnisiog £0.340m, Ysgol Esceifiog £0.364m, Ysgol Henblas £0.370m, Ysgol y Tywyn £0.216m and to deliver a Small Grants Scheme and Project Management £0.165m. Work has been completed at Ysgol Santes Dwynwen, Ysgol Morswyn and Ysgol Pencarnisiog. Works have commenced on site for Ysgol Tywyn and Ysgol Esceifiog. Awaiting confirmation of a delivery date for the new classroom units, following a temporary closure of the factory due to Covid19.

3.1.13 Active Travel - Active Travel is Welsh Government funding for minor infrastructure improvements, including installation of signage, cycle parking, removal of access barriers and path widening. The purpose of the grant is to increase levels of active travel, improve health & wellbeing, reduce carbon emissions and improve active travel for employment, education and key services, destinations and public transport. During Quarter 3, an additional £320,500 was secured, bringing the total grant to £478,500. The additional funding is to be used to install a Pelican Crossing at Ysgol Kingsland in Holyhead, upgrading of the High Street link footpath in Benllech, upgrading of the footway and on road cycle route in Menai Bridge, purchase of land for a segregated foot and cycleway on Llangefni Link Road and detailed design and construction of a shared use path at Anglesey Airport and RAF Valley. Works were undertaken in Quarter 4 with £0.351m spent in total.

3.1.14 The Holy Island Landscape Partnership – The Landscape Partnership has secured funding of £1.146m from the National Lottery Heritage Fund (NLHF) to deliver a range of projects which focus on the natural environment of Holy Island. Permission to start from NLHF was expected in Quarter 3, but has been delayed following a request for a 6 month extension to the European Regional Development Fund funding which is being used as match funding for the Landscape Partnership. The Permission to Start is still awaited and recruitment has been put on hold due to the Covid19 pandemic.

3.1.15 Holyhead Townscape Transformation – The Heritage Lottery issued the ‘permission to start’ in December 2019, enabling the project to formally get underway. Initial focus has been advancing enhancement proposals set out in the St Cybi’s site and adjacent car park masterplan. Early elements will build on vegetation clearance works undertaken in Quarter 4 (2018/19) and should commence delivery in Quarter 4 (2020/21), focusing on the Victoria Road Archway entrance. Discussions with potential 3rd party grant projects will commence once the Project Officer post is advertised in Quarter 4. The initial quarter of the project has been focused on contacting owners of eligible properties who had previously shown an interest in potentially progressing grant applications. Initial discussions have been positive but, with the recent public health crisis, this may impact on future investment confidence. Thankfully, there is a list of other priority and reserve projects we can progress as alternatives. In addition, work on developing the enhancement proposals for the St Cybi’s Churchyards and adjacent car park continue apace. Archaeological work has shown the potential for trial pit excavations, which will now be progressed and the works to the Victoria Road entrance have commenced. Expenditure was above target but within the overall project envelope.

3.1.16 Economic Stimulus Grant – The Council has been awarded £0.491m of grant funding from the Welsh Government to invest in capital schemes to drive important changes in communities that provide economic benefits and schemes which have positive impacts on biodiversity and the environment. Funding is being used to construct a road and conduct archaeological surveys on the Bryn Cefni Gateway Site in Llangefni. This will lead to the development of seven separate development plots which will be sold to the private sector. Further European Regional Development Fund funding will be sought to develop five business units on Plot 1 of this site. To undertake the necessary site works, both Griffiths Civil Engineering (GCE) and Scottish Power (SP) were commissioned. GCE were tasked with constructing all necessary preparatory and infrastructure works, including archaeology, services, drainage and the road construction. SP were appointed to divert high-voltage cables that traverse the site. Archaeology works were progressing well on the site, with circa 75% of the works completed. However, the Covid19 pandemic emergency resulted in all works being placed on stop as of 24th March 2020.

3.1.17 Hwb In-Schools Infrastructure Grant Scheme – The Council has been allocated £1.303m of Welsh Government Funding to ensure school ICT networks are adequate to support digital learning. This grant had to be spent and claimed by the end of March 2020 and work commenced during Quarter 4. The grant is split into two components - a portion for local costs to mobilise the project, and the remainder retained by Welsh Government to be spent like credit against a national catalogue. The initial split was 85% catalogue, 15% costs. The Council have since requested to vary that to 78.5% catalogue, 21.5% costs, as cabling works needed in schools were identified. A catalogue order of £900k was submitted for network and wireless equipment in Quarter 4 and a subsequent order of £120k has been submitted for front of classroom computers, completing the spend of year 1 project monies. An email has been received from Welsh Government indicating a sum of £631,240.92 is to be available as year 2 project funds, up to 10% of these funds can be used to fund mobilisation costs on application.

3.1.18 Additional School Maintenance Grant - In the latter part of 2019/20, the Authority was awarded £1.034m of additional grant funding for school Capital maintenance works. The grant funding was used to fund locally determined capital schemes in 2019/20, replacing funding from the Authority's own resources. The funding saved by the Authority from this grant will now be used to fund school Capital maintenance works in 2020/21.

3.2 Capital Receipts

3.2.1 The Capital Receipts for the 2019/20 Financial Year was:-

	Budget 2019/20 £'000	Received to 31-Mar-20 £'000	Variance (Under) / Over budget £'000
Council Fund:			
Smallholdings	0	0	0
General	699	924	224
Industrial	0	100	100
Schools	873	171	(702)
Total	1,572	1,195	(377)

3.2.2 The Useable Capital Receipts for 2019/20 was £1.195m, against the budget of £1.572m, which is 76% of the budget. The main reason for the variance is that three assets that were included in the budgeted figure were not sold in the year, amounting to £615k. One of these is now not actively being held for sale in 2020/21, with the other two anticipated to be sold in 2020/21. This is countered with capital receipts being received in the year which were not included in the budgeted figure (£211k) and also receiving more for assets sold than anticipated in the budget (£27k).

As can be seen in Appendix B, some Capital schemes will be completed in the next financial year, with the funding for these schemes also being forwarded to 2020/21, and these Capital receipts slippage will part fund the capital programme slippage. Any surplus capital receipts, after funding any overspend and the further works, will be transferred to the General Fund Capital Receipts.

4. FUTURE YEARS

4.1 The Capital Budget Report for 2020/21 was considered and approved by the full Council on 10 March 2020. The total capital programme for 2020/21 (including 21st Century Schools and Housing Revenue Account) totals £37.305m. This can be broken down to:-

- **General Fund**
 - 2019/20 schemes brought forward - £5.829m
 - Refurbishment/Replacing Existing Assets - £6.192m
 - New Capital Projects 2020/21 - £2.274m
 - 21st Century Schools - £2.755m
- **Housing Revenue Account (HRA)**
 - 2019/20 schemes brought forward - £3.117m
 - 2020/21 allocation for schemes - £17.138m

The proposed funding will be £7.948m (21%) from external funding sources, such as Capital Grants, and £29.357m (79%) from internal sources. It should be noted there was an amount of £0.825m included in the 2019/20 schemes brought forward in error which should have been included under capital grant. This, therefore, means proposed funding of £8.773m (24%) from external funding sources, such as Capital Grants, and £28.532m (76%) from internal sources.

This includes £3.085m of supported borrowing, £1.394m of unsupported borrowing, £9.080m of brought forward funding, £0.245m of capital receipts, £0.500m from capital reserve, with the remaining £14.228m funded from the Council's own reserves.

The 2020/21 budget, approved by the Council in March 2020, included an estimate of slippage to be carried forward from 2019/20. The outturn report has allowed the slippage on schemes to be updated to give a revised capital budget for 2020/21 which is as follows:-

	General Fund £'m	HRA £'m	Total £'m
Budget approved by Council 10 March 2020	17.050	20.255	37.305
Less Slippage included in the Budget	(4.929)	(3.117)	(8.046)
Revised Slippage at Outturn	10.215	1.894	12.109
Revised Capital Budget 2020/21	22.336	19.032	41.368

4.3 As can be seen in Appendix B, it is proposed that £12.109m will be carried forward into 2020/21 as slippage for capital schemes that did not complete by the end of March 2020. In total, there are schemes in the General Fund totalling £10.215m and HRA schemes for £1.894m. The funding for these schemes will also slip into 2020/21 and, for the General Fund, this comprises £0.169m Capital Receipts, £6.152m of Capital Grants, Supported Borrowing £3.461m, £0.402m from unsupported borrowing, £0.016m revenue contribution and £0.015m from Reserves, with the HRA element made of Revenue Contribution from HRA. As can be seen in Table 2.1 and paragraph 2.4 of this report, there is sufficient underspending against these funding streams that can be carried forward to 2020/21.

4.4 If the slippage in Appendix B to this report is approved by this Committee, the total Capital Programme for 2020/21 will be £41.368m, of which £22.336m will be General Fund and £19.032m HRA. Additional schemes may be added onto the Capital Programme during 2020/21 if additional grant funding becomes available.

- 4.5 The outbreak of Covid 19 certainly had an impact on the latter end of Quarter 4 where many works on site were halted, in line with Government restrictions and guidelines. Some schemes, therefore, did not complete in year due to this and will continue into 2020/21. 2020/21 will also see the ongoing impact and uncertainty of Covid 19, especially in Quarter 1 of 2020/21. Some capital schemes are not expected to recommence until the later stages of Quarter 1 2020/21.

5. **IMPACT ON THE TREASURY MANAGEMENT STRATEGY**

- 5.1 The Capital Finance Requirement (CFR) at 31 March 2020 is £136.904m, which is the underlying need for the Authority to borrow to be able to fund its Capital Programme. The external borrowing currently stands at £139.232m.

The Authority is within its authorised borrowing limits, as per the 2020/21 Treasury Management Strategy Statement (Appendix 11 of that statement). A full review on Treasury Management will be presented to the Audit Committee and the Executive in due course.

6. **CONCLUSION**

- 6.1 The level of underspending, although significant (32% of the funding available), is not unexpected when dealing with a number of large complex projects which need to receive political approval, follow procurement regulations, require approval from Welsh Government or other funding bodies and are subject to unexpected issues once the work commences on site. The majority of the underspending relates to large projects, where the timing of the work has not followed the planned timetable (21st Century Schools, Gypsy and Traveller sites, Infrastructure projects and Acquisition of Existing Properties and Development of New Properties for the HRA) or due to works being halted on sites, therefore, resulting in schemes not being able to complete on time. With large capital projects, unexpected delays do normally occur and it is not unusual to see expenditure on these types of projects slipping. In all cases, the funding for the projects have been secured and will be carried forward to 2020/21, with no loss of resources for the Council.

Summary of the Capital Expenditure against the Capital Budget and the slippage into 2020/21

Service	Annual Budget (£)	Total Expenditure (£)	Total (Under) / Overspend (£)	% Annual Budget Spent	% Variance	Underspend to be carried forward to 2020/21 (£)	Comments
Housing General Fund							
Disabled Facilities Grants	900,000	409,088	(490,912)	45	55	-	The core budget for 2020/21 is considered adequate to meet anticipated demand
Residential Site for Gypsies and Travellers	779,000	255,494	(523,506)	33	67	523,506	Tender arrangements to be finalised during Q1 2020/21 - funded by supported borrowing
Compulsory Purchase Scheme	22,740	222,757	200,017	980	(880)		
Enable Grant	93,200	94,249	1,049	101	(1)		
TRIP First Time Buyer Grant	200,000	213,075	13,075	107	(7)		
TRIP Landlord Grant Scheme	90,000	57,499	(32,502)	64	36	32,502	Funded by grant
Affordable Housing	30,650	-	(30,650)	0	100	30,650	Funded by capital receipt
Total	2,115,590	1,252,161	(863,430)	59	41	586,658	
Housing HRA							
Central Heating Contract	400,000	353,698	(46,302)	88	12	46,302	Underspend due to access issues to undertake work
Planned Maintenance Contract	4,850,000	3,879,991	(970,009)	80	20	970,009	Contract awarded during Q3 fully committed the budget for 2019/20
Energy Performance Improvement	400,000	9,433	(390,567)	2	98	390,567	Commencement of Solar PV work dependent on securing DNO approval
Environmental Works	450,000	140,386	(309,614)	31	69	309,614	Planning Permission required for garage demolition programme
Acquisition of Existing Properties and Development of new properties	6,371,000	5,598,765	(772,235)	88	12	-	Allocated budget for 2020/21 considered adequate to deliver anticipated outcomes
Remodelling Llawr y Dref	16,000	65,047	49,047	407	(307)	-	
Public Sector Adaptations	350,000	421,145	71,145	120	(20)	-	Demand led, therefore, difficult to predict in advance
Fire Risk	200,000	22,399	(177,601)	11	89	177,601	Contract awarded during Q4 fully committed the budget for 2019/20
Contaminated Land	330,000	346,658	16,658	105	(5)	-	
WHQS	750,000	974,504	224,504	130	(30)	-	Demand led, therefore, difficult to predict in advance
Total	14,117,000	11,812,025	(2,304,975)	84	16	1,894,094	Underspend required for slippage, funded by revenue contributions

Service	Annual Budget (£)	Total Expenditure (£)	Total (Under) / Overspend (£)	% Annual Budget Spent	% Variance	Underspend to be carried forward to 2020/21 (£)	Comments
Lifelong Learning							
Disabled Access in Education Building	300,000	20,920	(279,080)	7	93	200,000	Two large projects planned for 2020/21 - Ysgol Llanfawr Lift and Ysgol Gyfun Llangejni Lift. Current estimate for the work is £400k. 2020/21 budget is £300k, so suggest £200k from 2019/20 to cover the cost of these two projects and a few smaller projects, also completion of the lift works at David Hughes - funded by supported borrowing
Refurbish Education Building	1,470,000	1,485,935	15,935	101	(1)	-	
School Safety	200,000	-	(200,000)	0	100	200,000	Fund to undertake a review of schools site risk assessments - anticipated to progress in 2020/21 - to be funded by supported borrowing
21st Century Schools - Ysgol y Graig	666,000	-	(666,000)	0	100	666,000	Due to having to re-do the public consultation and due to Covid, project has been delayed with no progress likely to take place this year. May be some Design Fees claimed in Q4. Funded by mix of capital grant, supported and unsupported borrowing
21st Century Schools - Ysgol Rhyd Y Llan	37,000	5,139	(31,861)	14	86	31,861	Budget required to fund archeological works - Funded by unsupported borrowing
21st Century Schools - Ardal Seiriol	400,000	-	(400,000)	0	100	400,000	Due to having to re-do the public consultation and due to Covid, project has been delayed with no progress likely to take place this year. May be some Design Fees claimed in Q4. Funded by mix of capital grant, supported and unsupported borrowing
21st Century Schools - Ysgol Santes Dwynwen	85,000	243,156	158,156	286	(186)	-	
21st Century Schools - Ardal Amlwch	100,000	-	(100,000)	0	100	100,000	progress likely to take place this year. May be some Design Fees claimed in Q4. Funded by unsupported borrowing
21st Century Schools - Llangejni New Build	3,521,000	14,000	(3,507,000)	0	100	3,507,000	Due to having to re-do the public consultation and due to Covid, project has been delayed with no progress likely to take place this year. At best, may be able to start on site in Q4. Project costs will need to be updated for FBC Submission to WG which is likely to result in an increase in cost and budget. Funded by mix of capital grant and supported borrowing
21st Century Schools - Brynsiencyn Retention	46,000	46,368	368	101	(1)	-	
21st Century Schools - Ysgol Parc y Bont	5,500	5,533	33	101	(1)	-	
Flying Start Capital Grant	14,500	10,224	(4,276)	71	29	4,276	
Increasing capacity for childcare capital grant	1,255,985	1,149,358	(106,627)	92	8	106,627	Funded by capital grant
Demolition of schools/library	1,480	1,480	0	100	0	-	
Total	8,102,465	2,982,111	(5,120,354)	37	63	5,215,765	
Economic and Regeneration							
Plas Arthur Works to Fitness Room	130,000	27,136	(102,864)	21	79	102,864	
David Hughes New 3G 7 a side pitch	80,000	76,188	(3,812)	95	5	-	
Basketball Equipment - Holyhead	15,757	15,757	(0)	100	0	-	
Tourism Gateway	1,280,000	203,767	(1,076,233)	16	84	1,076,233	Scheme continuing - funded by grant and supported borrowing
Breakwater Park	-	2,914	2,914	0	100	-	
Holyhead Strategic Infrastructure	3,499,000	1,945,236	(1,553,764)	56	44	1,553,764	Scheme continuing - funded by grant and supported borrowing
Llangejni Strategic Infrastructure	306,000	74,640	(231,360)	24	76	231,360	Scheme continuing - funded by grant and supported borrowing
Planning System Invest to Save	57,000	41,748	(15,252)	73	27	15,252	Full slippage to be funded by reserves
Economic Development - To seek Match Fund	85,000	20,850	(64,150)	25	75	64,150	
Economic Stimulus Capital	526,330	531,662	5,332	101	(1)	-	
School Site Redevelopment TRIP	60,000	52,778	(7,222)	88	12	7,222	
Total	6,039,087	2,992,676	(3,046,411)	50	50	3,050,845	

Service	Annual Budget (£)	Total Expenditure (£)	Total (Under) / Overspend (£)	% Annual Budget Spent	% Variance	Underspend to be carried forward to 2020/21 (£)	Comments
Highways							
Upgrade Pay and Display Machines in Car Parks Vehicles	30,000	-	(30,000)	0	100	30,000	Purchase orders placed in 2019/20 for £14,906 and £15,400.50. Orders rolled forward into 2020/21 - funded by supported borrowing
Highways Resurfacing	216,960	103,593	(113,367)	48	52	113,367	Already committed expenditure of £105k - funded by capital receipts borrowing
Beaumaris Flood Alleviation Works (WG)	1,961,180	1,848,184	(112,996)	94	6	112,996	
Pentraeth Flood Alleviation Works (WG)	2,310,000	2,346,177	36,177	102	(2)	63,000	Unused match to be carried forward - funded by supported borrowing
Llansadwrn Flood Alleviation	403,082	403,082	(0)	100	0	-	
Invest to Save - Vehicles	180,000	145,078	(34,922)	81	19	34,922	To be funded by grant 85% and unused match from revenue contribution 15%
Match Funding for Drainage Works	150,000	77,020	(72,980)	51	49	72,980	Funded by supported borrowing - committed expenditure of £40,873
	200,000	206,383	6,383	103	(3)	-	
							Scheme relates to Holyhead and Amlwch - total offer of £109,510, therefore, £69,845 needs to be slipped in relation to this scheme funded by grant at 85% (£59,367) and supported borrowing at 15% (£10,477) time extension approved to 2020/21. This also leaves unused match in supported borrowing of £14,523 (approved in 2019/20) that was not used and requested to be carried forward to be used against 2020/21 schemes.
Drainage Studies and Design Work	166,000	39,665	(126,335)	24	76	84,368	
Flood Defence Traeth Coch	638,000	-	(638,000)	0	100	-	Scheme did not proceed in 2019/20 - will recommence in 2020/21, with a new offer letter from WG
Llangefni Link Road	97,000	102,786	5,786	106	(6)	-	
Active Travel	478,500	350,598	(127,902)	73	27	-	Terms of grant to use by 31 March 2020
A545 Beaumaris	68,800	44,073	(24,727)	64	36	24,727	Further work to be undertaken as required - funded by capital receipt
Road Safety Capital	231,000	228,155	(2,845)	99	1	-	Claimed expenditure - underspend not to be carried forward
Gaerwen Park and Ride	600,000	600,966	966	100	(0)	-	
Maes Awyr Mon	360,000	311,752	(48,248)	87	13	-	Scheme has finished in year
Holyhead Gateway Hub	306,000	166,557	(139,443)	54	46	139,443	Agreed expenditure can be incurred up to June 2020
Salix Phase 3 - Street Lights	4,000	1,638	(5,638)	-41	141	-	
Llangefni Cycle	160,000	151,756	(8,244)	95	5	-	Terms of grant to use by 31 March 2020
TAIS Oriol Dingle	-	1,966	1,966	0	100	-	
LTF School Drop Offs	50,000	50,000	0	100	0	-	
Total	8,610,522	7,176,155	(1,434,367)	83	17	675,802	
Waste Management							
Purchase New Loading Shovel	180,000	180,250	250	100	(0)	-	
Total	180,000	180,250	250	100	(0)	-	

Service	Annual Budget (£)	Total Expenditure (£)	Total (Under) / Overspend (£)	% Annual Budget Spent	% Variance	Underspend to be carried forward to 2020/21 (£)	Comments
Property							
Glanllyn, Llanedwen	21,000	13,200	(7,800)	63	37	-	
Refurbish Existing Assets	572,540	253,767	(318,773)	44	56	318,773	This funding is comitted to fund the boilers at Amlwch Leisure centre which is currently on hold due to Covid - funded by supported borrowing
Invest To Save Property	510,000	595,771	85,771	117	(17)	-	
Shire Hall	25,000	26,284	1,284	105	(5)	-	
Cromlech Farm	91,000	87,828	(3,172)	97	3	3,172	
Cae Warren	13,494	13,494	0	100	0	-	
Total	1,233,034	990,344	(242,690)	80	20	321,945	
Transformation							
ICT - Core Infrastructure	171,000	16,933	(154,067)	10	90	154,067	due to Covid so it is anticipated that 2020/21 spend of more than the annual Core budget. Funded by grant
ICT - Desktop Refresh	121,000	150,202	29,202	124	(24)	-	Over ordered at the end of 2019/20 in order to build a stock due to laptop shortage issues
ICT - Legacy System Migration	20,000	-	(20,000)	0	100	-	Not needed in 2020/21
ICT - MS Licensing	127,000	-	(127,000)	0	100	-	Not needed in 2020/22
ICT - Anglesey Connected (AC) to PSBA transition	60,000	36,972	(23,028)	62	38	-	The annual budget should be sufficient for plans in 2020/21
ICT - Upgrade meeting rooms	25,000	5,036	(19,964)	20	80	19,964	More action needed, given the need for social distancing - funded by supported borrowing
CRM System Invest to Save	105,000	-	(105,000)	0	100	-	
Hwb IT Infrastructure	102,000	101,883	(117)	100	0	-	
EdTech IT Equipment	985,854	985,854	0	100	0	-	
Total	1,716,854	1,296,881	(419,973)	76	24	174,030	
Planning							
Holyhead Market Hall Hub Project	825,000	689,456	(135,544)	84	16	135,544	
HLF	-	10,000	10,000	0	100	-	
Holyhead Townscape Transformation	50,000	55,481	5,481	111	(11)	-	
Total	875,000	754,936	(120,064)	86	14	135,544	
Adult Services							
ICF	773,770	488,116	(285,654)	63	37	-	
Bryn Hwfa Community hub	23,500	10,345	(13,155)	44	56	13,155	Funded by grant
Plas Crigyll Refurbishment	85,000	47,022	(37,978)	55	45	37,978	Project put on hold following Covid 19
Plas Mona Refurbishment	35,000	31,629	(3,371)	90	10	3,371	Project put on hold following Covid 19 - funded by supported borrowing
Total	917,270	577,112	(340,158)	63	37	54,504	
TOTAL	43,906,822	30,014,651	- 13,892,171	68	32	12,109,186	

ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	THE EXECUTIVE
DATE:	15 JUNE 2020
SUBJECT:	HRA BUDGET MONITORING, OUTTURN 2019/20
PORTFOLIO HOLDER(S):	COUNCILLOR ROBIN WILLIAMS
HEAD OF SERVICE:	MARC JONES
REPORT AUTHOR:	STEPHEN MOORE
TEL:	01248 752634
E-MAIL:	StephenMoore@ynysmon.gov.uk
LOCAL MEMBERS:	n/a
A - Recommendation/s and reason/s	
<p>1. The Executive is requested to note the following:-</p> <ul style="list-style-type: none"> (i) The position set out in respect of the financial performance of the Housing Revenue Account (HRA) for the financial year 2019/20. <p>2. Background</p> <ul style="list-style-type: none"> (i) In March 2019, the Council agreed a revenue budget for 2019/20 that showed a planned surplus of £7.8m. (ii) The capital budget for 2019/20 was £14.1m, including allowance for expenditure that was not completed from the 2018/19 capital budget. (iii) The combination of both the revenue budget and adjusted capital budget gave a planned budget deficit of £2.1m which would be funded from the HRA reserve. (iv) The HRA is 'ringfenced', and its reserves cannot be transferred to the General Fund, nor can General Fund reserves be used to fund the HRA. <p>3. This report sets out the financial performance of the HRA for the period from 1st April 2019 to 31st March 2020.</p> <p>4. Overview</p> <ul style="list-style-type: none"> (i) The revenue financial position for 2019/20 shows an underspend of £1k. The outturn for income is £264k better than the original budget and expenditure is £263k above the original budget as explained below. More detail is shown in Appendix A. (ii) The Capital expenditure is £2,305k below budget as explained below. More detail is shown in Appendix B. (iii) The deficit (combining both revenue and capital) is £2,316k less than the budget (producing a surplus of £209k). 	

5. Income

- (i)** Income at the end of the year was £264k better than budget as noted below.
- (ii)** The outturn for rental income was £18,026k, £56k above budget. Regrettably, the forecast at the end of Q3 was incorrect, as the free week was not properly accounted for in this 53 week year. Whilst the new properties have been slower than expected coming on stream, this has been compensated for by the void rate reducing and the policy of re-letting vacated properties at the target rent upon re-letting.
- (iii)** Service charge income, which is based on the actual costs incurred, was £82k above budget compared with the forecast of £75k at the end of Q3.
- (iv)** The provision for bad debts was £118k, £156k better than budget. The budget was set on the basis that the transfer to Universal Credit would have been further advanced and, whilst the level of debt has increased, it is not as bad as envisaged when the budget was drawn up. The Covid 19 lockdown occurred too late in the financial year to have had any appreciable effect.

6. Non Repairs and Maintenance Expenditure

- (i)** At the end of the year, non repairs and maintenance expenditure was £406k above budget. Of this total, some £269k related to expenditure on major projects that was not eligible to be capitalised - £71k for HMU staff tools, £81k for ICT consultancy relating to the mobile working project and £117k relating to items such as EPC testing and asbestos removal that cannot be capitalised. Of the remainder, the main variances were utility bills incurred (£47k) arising from the delayed commissioning of new properties, as the HRA is responsible for such bills until the properties are let, £24k for postage costs and £28k for additional work from the Tenant Participation team.

7. Repairs and Maintenance

- (i)** The Housing Maintenance Unit (HMU) achieved an underspend of £17k, compared to the forecast at the end of Q3 of £40k, reflecting the demand on the service. This is the first full year of the outsourcing of the HMU stores and savings were expected, and included in the budget, so the underspend is an addition to that.
- (ii)** Expenditure on non HMU building maintenance staff was £9k above budget.
- (iii)** Other Repairs and Maintenance costs were overspent by £83k compared to the budget, due to the additional work undertaken in respect of fire safety, door entry systems and on a sewage treatment works. The outturn figure was slightly higher than the forecasted overspend of £50k at the end of Q3.

8. Year End Adjustments

- (i)** This heading covers items of expenditure (capital financing costs and recharges from the General Fund) that form part of the year end accounting process.

- (ii) The outturn has been an underspend of £220k. Capital charges, which includes interest payable on loans, were £384k below budget. The recharge from Housing Services was £2k below budget. The recharge from Central Services was £166k above budget, arising from a review of the costs of the Council's buildings recharged to the HRA. All the recharges to the HRA are reviewed annually.

9. Capital Expenditure

- (i) The original capital programme, approved by the Council in March 2019, totalled £14,017k, which was to be funded by the Major Repairs Allowance (£2,660k), other capital grants (£1,532k) and a contribution from the HRA reserve (£9,825k). This includes expenditure carried forward from the 2018/19 capital programme. There has been a minor revision to the budget in that the cost of the remediation work has increased by £100k, which will be funded from the HRA reserve. The outturn of £11,812k is £2,305k below budget, compared to the forecast of £3,117k below budget at the end of Q3.
- (ii) The significant change from the last quarter is that the projects for the development of new Council houses progressed better than expected, resulting in expenditure being £772k below budget rather than the anticipated shortfall of £1,871k. As expected, the planned maintenance contracts, which were let later in the financial year, were £1,600k below budget for this year, with the work deferred into 2020/21. There was an overspend in WHQS work, which is the result of work being undertaken that was previously deferred at the tenants request. This work generally takes place as the property becomes vacant, which is difficult to predict.
- (iii) The underspend on capital expenditure means that the amount funded from the HRA revenue account is similarly reduced. The balance is then available to fund the projects that have been deferred into next year.

10. HRA balance

- (i) The opening balance of the HRA reserve stood at £8,387k. The revised budget allowed for the use of £2,107k of this balance. However, the outturn is for a surplus of £210k, leaving a final HRA balance of £8,597k. This balance is ringfenced, so is available to fund future HRA expenditure only.

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

DD - Who did you consult?		What did they say?
1	Chief Executive / Strategic Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	Will be consulted as part of SLT
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	
E - Risks and any mitigation (if relevant)		
1	Economic	
2	Anti-poverty	
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	
F - Appendices:		
<p>Appendix A – Revenue expenditure and forecasts to end of Q3. Appendix B – Capital expenditure and forecast to end of Q3.</p>		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • 2019/20 HRA budget (as approved by this Committee in March 2019). • HRA 30 Year Business Plan 2019/49 (as approved by this Committee in March 2019). 		

HOUSING REVENUE ACCOUNT OUTTURN 2019/20

	Annual Budget 2019/20	Outturn	Variance	Q3 Forecasted Outturn	Change from Q3 Forecast
	£	£	£		
REVENUE ACCOUNT					
Income					
Dwellings	(17,970,000)	(18,025,653)	(55,653)	(17,749,000)	(276,653)
Garages	(219,000)	(219,052)	(52)	(219,000)	(52)
Service Charges	(133,000)	(214,731)	(81,731)	(208,000)	(6,731)
Other	(221,000)	(191,815)	29,185	(221,000)	29,185
Bad Debt Provision	274,000	118,346	(155,654)	274,000	(155,654)
TOTAL INCOME	(18,269,000)	(18,532,905)	(263,905)	(18,123,000)	(409,905)
Non Repairs & Maintenance Expenditure					
Tenant Participation	117,930	145,529	27,599	132,930	12,599
Rent Administration	381,940	413,048	31,108	381,940	31,108
Estate Management	229,890	208,716	(21,174)	229,890	(21,174)
Other Revenue Expenditure	693,090	1,061,353	368,263	743,090	318,263
Total Non R & M Expenditure	1,422,850	1,828,646	405,796	1,487,850	340,796
Repairs and Maintenance					
Housing Maintenance Unit (HMU)	3,252,750	3,236,025	(16,725)	3,212,750	23,275
Building Maintenance Staff (non HMU)	834,220	843,568	9,348	834,220	9,348
Other Repairs and Maintenance	461,110	544,917	83,807	511,110	33,807
Total Repairs & Maintenance	4,548,080	4,624,510	76,430	4,558,080	66,430
Year End Adjustments					
Capital Financing Charges	3,015,080	2,631,318	(383,762)	3,015,080	(383,762)
Recharge from Housing Services	771,630	769,535	(2,095)	771,630	(2,095)
Recharge from Central Services	693,360	859,567	166,207	693,360	166,207
Total Year End Adjustments	4,480,070	4,260,420	(219,650)	4,480,070	(219,650)
TOTAL REVENUE EXPENDITURE	10,451,000	10,713,576	262,576	10,526,000	187,576
TOTAL REVENUE (SURPLUS) / DEFICIT	(7,818,000)	(7,819,329)	(1,329)	(7,597,000)	(222,329)

CAPITAL EXPENDITURE ACCOUNT					
2019/20 Expenditure	14,117,000	11,812,025	(2,304,975)	11,000,000	812,025
Major Repairs Allowance	(2,660,000)	(2,660,000)	0	(2,660,000)	0
Other Grants	(1,532,000)	(1,542,564)	(10,564)	(1,532,000)	(10,564)
TOTAL CAPITAL (SURPLUS) / DEFICIT	9,925,000	7,609,461	(2,315,539)	6,808,000	801,461
NET (INCREASE) / DECREASE IN HRA RESERVE	2,107,000	(209,868)	(2,316,868)	(789,000)	579,132
Opening HRA Balance	(8,387,000)	(8,387,000)		(8,387,000)	0
Net (Increase) / Decrease in HRA Reserve	2,107,000	(209,868)	(2,316,868)	(789,000)	579,132
Closing HRA Balance	(6,280,000)	(8,596,868)	(2,316,868)	(9,176,000)	579,132

APPENDIX B

Service	Annual Budget (£)	Outturn (£)	Variance (£)	Q3 Forecasted Outturn (£)	Change from Q3 Forecast (£)
<u>Housing HRA</u>					
Central Heating Contract	400,000	353,698	(46,302)	400,000	(46,302)
Planned Maintenance Contract	4,850,000	3,879,990	(970,010)	3,250,000	629,990
Energy Performance Improvement	400,000	9,433	(390,567)	150,000	(140,567)
Environmental Works	450,000	140,386	(309,614)	250,000	(109,614)
Acquisition of Existing Properties/Development of New Properties	6,371,000	5,598,765	(772,235)	4,500,000	1,098,765
Premises Remodelling of Existing Stock	16,000	65,047	49,047	70,000	(4,953)
Public Sector Adaptations	350,000	421,145	71,145	350,000	71,145
Fire Risk	200,000	22,399	(177,601)	200,000	(177,601)
WHQS	750,000	974,504	224,504	1,200,000	(225,496)
Remediation Work	330,000	346,658	16,658	330,000	16,658
HMU Tools	0	0	0	100,000	(100,000)
Mobile Working Module	0	0	0	200,000	(200,000)
Totals for Housing HRA	14,117,000	11,812,025	(2,304,975)	11,000,000	812,025

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ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	The Executive
Date:	15th of June 2020
Subject:	Housing Revenue Account Business Plan 2020-2050
Portfolio Holder(s):	Alun Mummery
Head of Service:	Ned Michael
Report Author: Phone Number: E-mail:	Ned Michael 01248 752289
Local Member:	All Members

A – Recommendation/Recommendations and Reason/Reasons
<p>As per the requirement upon us from Welsh Government we are required to present a Housing Revenue Account (HRA) Business Plan by the 31st of March in order to secure our annual major repairs allowance of £2.665m.</p> <p>The Business Plan was submitted by the due date stating that it was subject to Executive Committee Approval.</p> <p>I therefore recommend that the Executive approve:-</p> <p>R1. The Housing Revenue Account (HRA) Business Plan 2020-2050, and in particular the HRA budget for 2020-2021 which has already been submitted to Welsh Government</p> <p>R2. The proposed Housing Capital Programme for 2020-2021, as stated within the Capital Budget</p> <p>Reasons</p> <p>1.0 Background</p> <p>1.1 This Report and Business Plan has been prepared in conjunction with Officers from Finance Services, the Business Plan forms the primary tool for financial planning of the delivery and management of the Council’s housing stock. In particular, the Business Plan demonstrates:-</p> <ul style="list-style-type: none"> - how the Council brings all its stock to Welsh Housing Quality Standards – there remains to be some properties that are classified as ‘acceptable fails’; - how the Council intends to maintain and exceed WHQS and - the investment needed to increase the housing stock.

1.2 The Council, through its HRA, owns and manages 3,857 properties and just over 700 garages, across the Island. Throughout the period of this Business Plan we will see an increase in stock to over 5000 units.

1.3 The HRA Business Plan (Appendix 1) contributes to all the fundamental themes within the Council's Corporate Plan. The main contribution is to the themes of Transforming Older Adult Social Care, Increasing our Housing Options and Reducing Poverty and Regenerating our Communities and Developing the Economy.

1.4 As part of the Voluntary Agreement signed by the Local Authorities with the Welsh Government, borrowing negotiated and agreed to allow for new build and maintaining the Welsh Housing Quality Standards.

1.5 The HRA continues to be ring-fenced for the Council's Landlord functions which relate to the Council's housing stock. The ring-fencing of the account means that the Council may not subsidise council housing from the general fund.

2.0 Welsh Housing Quality Standard (WHQS)

2.1 The Council has achieved WHQS since 2012, we were the second Authority in Wales to achieve this standard.

The Welsh Housing Quality Standard states that all households should have the opportunity to live in good quality homes that are:

- In a good state of repair.
- Safe and secure.
- Adequately heated, fuel efficient and well insulated.
- Contain up-to-date kitchens and bathrooms.
- Well managed.
- Located in attractive and safe environments.
- As far as possible suit the specific requirements of the household, (e.g. specific disabilities).

3.0 Capital Programme 2020-2021

3.1 Capital programme has been estimated at £10.84 million has been included within the Business Plan. This includes provision for £9.8m internal / external works, fire risk works, asbestos, disabled adaptations and energy efficiency works. The budget also allows for achieving full WHQS compliance by targeting acceptable fails, environmentals.

3.2 A provision of £4.7 m has been included within the revenue budget for repairs and maintenance works.

3.3 In addition £9.6m has been budgeted for in 2020-21 for the development programme of new Council housing and acquisition of former council housing on the Island. The Business Plan assumes a development programme of 45 units in 2020-2021 and throughout the period of the

Business Plan.

4.0 Financial Model and Assumptions

4.1 The HRA Business Plan must be supported by a 30 year financial model and is detailed in chapter 7.

The Business Plan is accompanied by a sensitivity analysis, which demonstrates the robustness of the plan. These are based on key assumptions and parameters set by Welsh Government, and predict the resources available and required to maintain WHQS and capacity for new build, and aims to provide assurances on the long term sustainability of the HRA.

The Social Housing Rents Policy was introduced by Welsh Government in April 2015 for local authorities and is in place for a five year period. The policy aims to achieve rent convergence between Council and Housing Association rents over time. It is anticipated that we as a Council will reach rent convergence with Housing Association rent levels by 2022 – 2023.

4.2 Rental income and local rent setting policy are major factors in the future viability of the Business Plan. Welsh social rent policy is devolved from the United Kingdom Government and currently increased based on the published CPI inflation published annually for September was 1.7% plus 1% and up to £2 per week towards reaching rent convergence.

4.3 A risk to the viability of the Business Plan is the roll-out of Universal Credit, which commenced in Anglesey in December 2018. The Business Plan demonstrates the actions we intend to take with partner organisations to support both current and future Tenants to mitigate the effects on the income collected.

4.4 The business plan has been stress tested to take account of the risks both individually and together and that the business plan remains viable over the 30 years.

4.5 Following exit from HRAS, all rental income is now retained by the Council, in the HRA, and is used to cover expenditure, service debt and for investment in services and additional homes.

4.6 Welsh Government has provided details of the rent increase for 2020-21 which was set at the consumer price index of 1.7% as was the value in September plus 1%. The Executive Committee approved the rent increases for 2020/21 during their meeting on the 17th of February. This increase has been included within the budgeted rental income for 2020-21.

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?

CH – Is this decision consistent with policy approved by the full Council?

Yes

D – Is this decision within the budget approved by the Council?

DD – Who did you consult?

What did they say?

DD – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	Business Plan fully endorsed by the SLT.
2	Finance / Section 151 (mandatory)	S151 Officer is satisfied that the business plan assumptions are reasonable and comply to the published WG guidelines and that the business plan is viable and reflects the current financial situation facing the HRA.
3	Legal / Monitoring Officer (mandatory)	No comments.
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Scrutiny	
8	Local Members	
9	Any external bodies / other/s	

E – Risks and any mitigation (if relevant)

1	Economic	
2	Anti-poverty	All Council Housing households benefit from WHQS,

Tud 4 o 2

		capital programme and support to prerare for welfare reform changes.
3	Crime and Disorder	
4	Environmental	
5	Equalities	
6	Outcome Agreements	
7	Other	

F - Appendices:

Appendix 1 – Draft HRA Business Plan 2020-2050

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

Stock Condition Survey Report, 2017



HOUSING REVENUE ACCOUNT BUSINESS PLAN

2020 - 2050



**CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL**

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Llywodraeth Cymru
Welsh Government

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1. Introduction

The aim of the Housing Revenue Account Business Plan, which will be referred to in the document as the HRA, is to plan ahead to ensure that a financially viable plan are in place for our Council Housing stock.

The HRA finances all of the Council's operations in its role as the landlord of the housing stock. This includes maintaining the housing stock, capital work and environmental improvements, maximising rental income, estate management and anti-social behaviour, maximising Tenant Participation to influence our priorities, together with increasing our housing stock in order to contribute towards meeting the need for social housing on the Island.

The Council will continue to maintain a statutory, ring fenced HRA and account for income and expenditure on council housing separately from Council Fund income and expenditure.

The Business Plan confirms the Council's commitment to

- maintaining Welsh Housing Quality Standards and tackling 'acceptable fails',
- tackling areas where performance and service outcomes need to be improved, driving further service improvement for our tenants,
- delivering services for our tenants which offer value for money, during a period of increasing reductions in public spending,
- increasing accountability through increased engagement with staff, the Senior Leadership Team, Elected Members and key stakeholders,
- ensuring that there is adequate provision to best mitigate some of the potential impacts of Welfare Reform on the local communities, by giving them the tools to help themselves rather than creating a dependency culture, and
- delivering our development programme for new build Council homes.

Through reading the Plan you will gain assurance that the HRA is being managed efficiently and effectively.

1.2 Service Vision

Our Vision is:

Quality homes : sustainable communities

which is based on our service values that underpin our work and drive the delivery of our services, as follows:-

- ♣ to be customer focused and accountable
- ♣ to provide value for money
- ♣ to be committed to working in partnership
- ♣ to be innovative in our approach

Our Priorities will be:

- Estate regeneration;
- New build, increasing the provision of affordable housing;
- Accommodation for specific groups, for example older people, people with mental health issues;
- Addressing the energy efficiency / fuel poverty agenda.

The Plan aims to provide confidence to funders, tenants and Elected Members that HRA resources and services are managed efficiently and effectively.

Further information on all aspects of this plan is available from the Head of Housing Services, Isle of Anglesey County Council, Council Offices, Llangefni, Anglesey, LL77 7TW. E-mail Housing@anglesey.gov.uk

1.3 Strategic Objectives

Housing plays a very important role in the Council's Corporate Plan and contributes to many of its objectives.

- Through building new houses and improving our existing stock we will create an impact locally and deliver community benefits.
- We will provide opportunities for tenants to participate in improving services and give people the skills and confidence to be able to participate in their communities by establishing tenant participation groups.

The Strategic Context and Links with other Plans

Developing our landlord services and increasing our housing stock continue to be strategic priorities for the Council, as demonstrated within the key strategic documents.

In addition to the Corporate Plan, evidence of this can be seen within the Council's Asset Management strategy, the Treasury Management Strategy, the Joint Local Development Plan, the Corporate ICT Strategy and individual Service Plans.

Links with the Local Housing Strategy

This Strategy sets out the Council's objectives for all housing tenures on the island to best meet identified housing need and to ensure high housing standards for all citizens. The HRA Business Plan is one important means of delivering these overall objectives and there will be close linkages between the two documents.

1.4 Business Plan Objectives

As a landlord we want our tenants to live in good quality, affordable and energy efficient accommodation in safe and sustainable communities.

Housing makes an important contribution to our aim of reducing poverty and inequality in our communities. The Housing Services also has an important role to play in relation to the economy: building new homes and repairing existing homes generates jobs, apprenticeships and training opportunities.

Delivering consistently high quality and customer-focused services at reduced costs but which continue to meet performance expectations presents on-going challenges against a backdrop of increasing financial constraints.

Possible effect on the revenue of the Business Plan is the Rent Reform by Welsh Government and the transition period to introduce target rent level.

Rents and rent arrears

Currently, nearly all homes are below the target rent level. For 2020-21 the rents will be fixed at the Consumer Price Index as at 30 September, 2019, which was 1.7% plus 1%. Our rent levels are significantly lower than the target rent and will therefore increase up to £2 per week. This Policy will ensure a rental income of around £18.6 million.

The effect of introducing Welfare Reform is yet to be seen on the Island as changes take effect. Currently, the level of arrears has increased and the bad debt provision has been increased to £279k (1.5%).

1.5 Housing Need

Information on Housing Need for the local authority is provided by the Local Housing Market Assessment (LHMA). The 2013 LHMA was updated in 2015 and the update approved by the Council in July 2016. The 2015 update identified that an additional 398 affordable dwellings are needed per year on Anglesey over the next 5 year period (including social housing and intermediate housing such as shared ownership and intermediate rental).

2. Our Tenants

2.1 Our stock and profile of our tenants

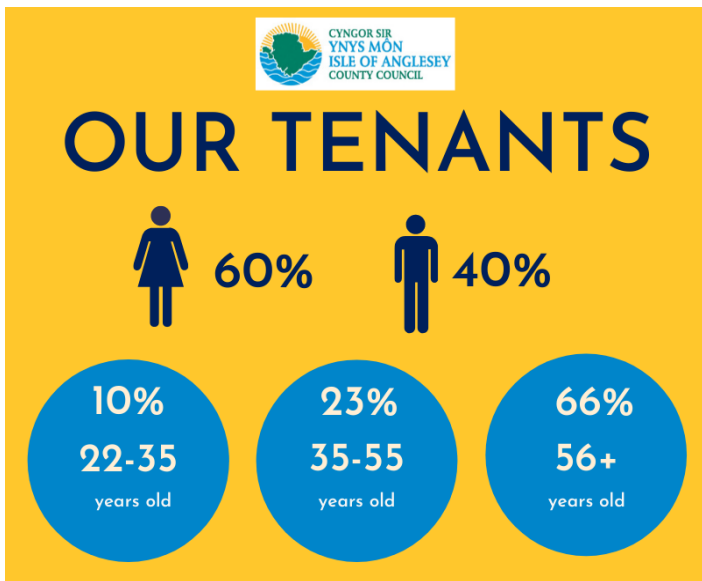
Housing Stock Profile

	Number of properties
Traditionally built pre-1945	319
Traditionally built 1945 - 1964	1221
Traditionally built post 1965	1329
All system built (non-traditionally built)	176
New build or acquisitions since April 2015	57
<i>Total Houses and Bungalows</i>	3099
Pre 1945 low rise flats (1-2 storeys)	15
Post 1945 low rise and all medium rise flats	624
High rise flats (6 storeys +)	91
New build or acquisitions since April 2015	28
<i>Total Flats and Maisonettes</i>	748
<i>Total Houses and Flats</i>	3857

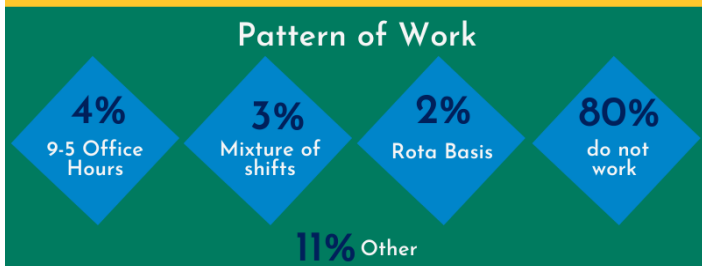
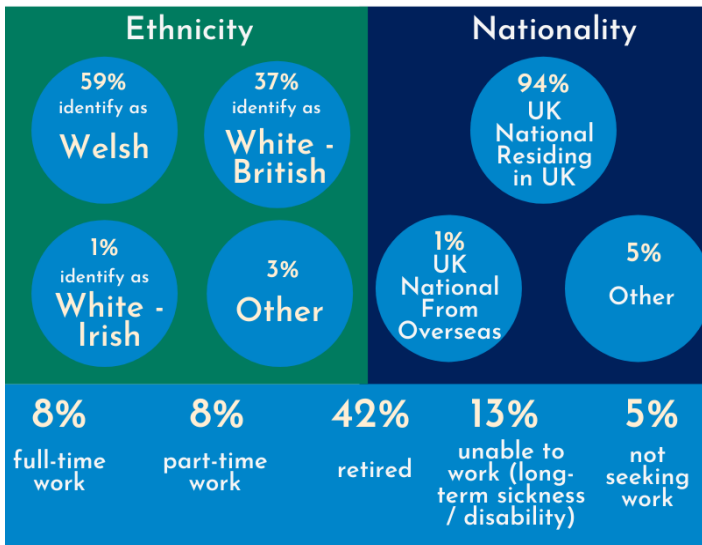
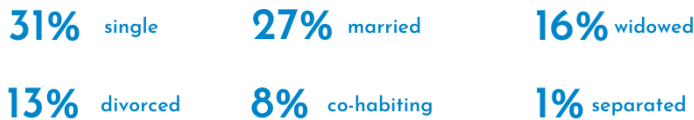
40% of our stock was built between 1945 -1964.

Property Type	No. of Properties	% of Stock
Houses	2045	53%
Bungalows	712	18%
Flats	610	16%
Sheltered Accommodation	490	13%
Total	3857	100%

Profile of our Tenants



Marital Status



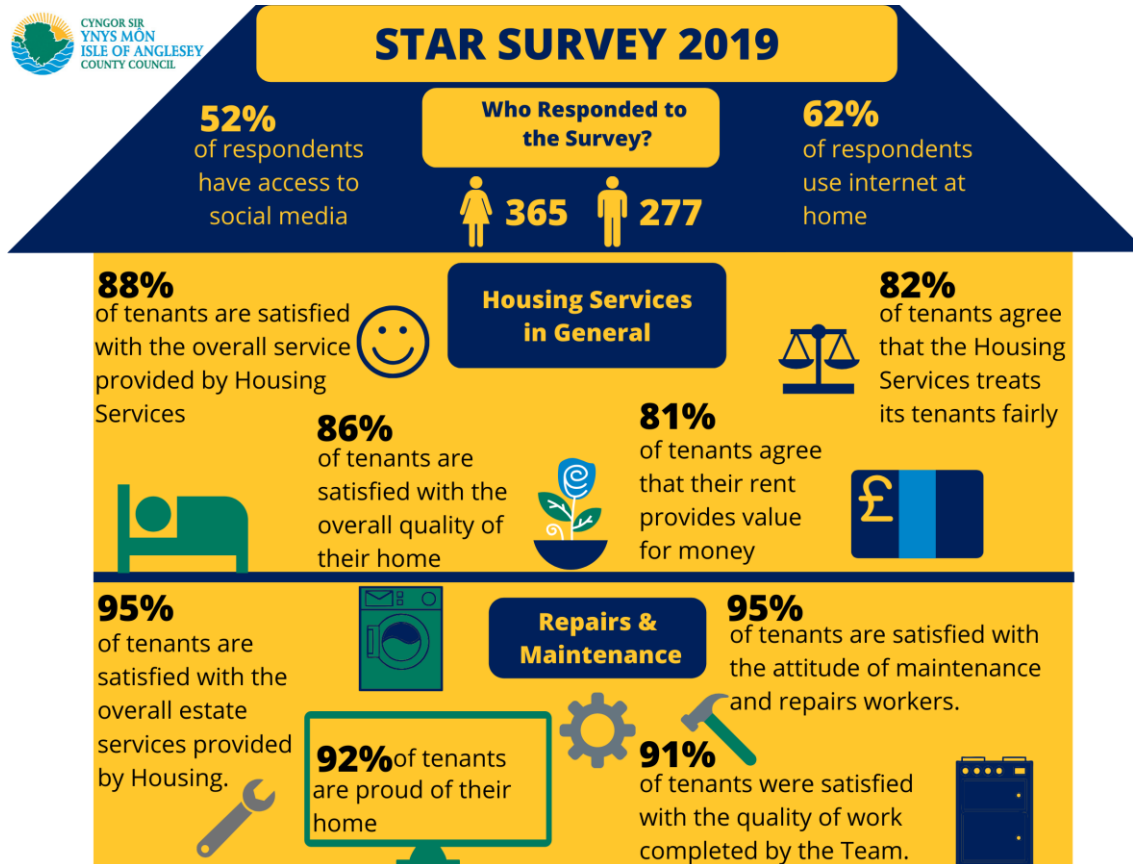
adrantai@ynysmon.gov.uk

(01248) 752200



2.2 STAR Survey results

During 2019 a Star survey was conducted with 19.6 % response rate



2.3 Tai Môn

Over the last 12 months, we have been developing our new Digital Tenants Portal, which we aim to go live in July 2020, following on from a period of testing with tenants.

Tenants will be able to do the following aspects on a self-service basis:

- Diagnose and report repairs
- Make a request on our Handyperson Service
- Report a neighbourhood issues
- Check rent balance
- Make an online rent payment
- View and print rent statement
- Update personal information
- Send and receive messages

Our aim is that 70% of our tenants are interacting and managing their tenancies through their digital portal within two years of its launch.



2.4 Tenant Participation

We encourage as much participation with our tenants as possible and have two tenant participation officers which arranged the following:

Monitoring our services

- Frequent tenant meetings (Monitoring Group, Repairs Forum, Publications Group, Digital Group, Environmental Panel)
- 'Tenant Voice' groups have been set up within communities in order for us to receive customer feedback.
- STAR Survey was completed which showed an overall increase in satisfaction.
- We've successfully recruited 7 new participating tenants to take part in formal and informal meetings / activities. We've also had more site visits rather than office meetings as this was giving the tenants a better understanding of the subject under discussion.

Provide information

- We send the Tenant Newsletters out twice a year (Summer and Winter) which is full of important information and fun pages. We publish the newsletter alongside the Publication Group which consists of 8 tenant members.
- We have created our own 'Tenant Approved' logo to stamp on all tenant documents when being created and reviewed by the Publications Group.
- Attendance level has risen for Sheltered Housing Tenants attending the Sheltered Housing Forum twice a year. This is a forum where Housing get a chance to engage and share relevant and important information with our tenants
- Digital Inclusion is paramount in this digital age and we have therefore we arranged 'Tea, Cake and Technology' sessions within our communities to improve our tenant's digital skills. This has improved the communication especially for tenants who are living in rural estates. Also it's getting our tenants ready for the implementation of the Digital Tenant Portal.
- Mainstreaming Tenant Participation internally every quarter with a staff bulletin. This also educate other housing staff members of how TP can help and support communities with hope they will refer them along to us and the tenants can contact us directly.
- Keeping tenants updated through roadshows of any new government legislations and policies. Such as: UC, Pension Credit, Transport for Wales (bus passes), Housing Wales Act (2016), Allocations Policy.

Improving our communal Sheltered Schemes

- Communal lounges are being transformed into community hubs (2 currently)
- Environmental and Community improvement fund has been changed to allow the grant funding to go towards improvement for the interior of the communal lounges. This has encouraged more people within the community to take part in activities and improve health and well-being.

- Multi-agency partnership working has been improved as we've got more suitable facilities to use within our own assets with wifi connection. Since working closer with other agencies we have established the following groups: Mother and Toddler Groups, Health Visitor Groups, Mens Sheds, Dementia Hubs, Mindfulness Sessions, Benefit Outreach Services, Youth Groups, ASB Groups.

Raising awareness of our Services

- We are now working with potential future tenants by going into local schools with our ASB Team to raise awareness on current ASB issues within their own communities and what the impacts are.
- Financial sessions was also done with the Rent Team, including: how to budget, the cost of living and prioritising the bills.
- Community Clean-up days - 70 skips were successfully filled within 6 large estates during the year 2019. Participating tenants also attended these events. These events are getting busier by the year.
- We frequently update social media with updates of new work and new information documents making sure all information is relevant, up to date and correct.

TPAS Awards, 2019

We were extremely pleased to be announced as winners of the Participation in Supported Housing Category at the 2019 Participation Awards. This was in recognition of the work done with young people who have been homeless.

The aim of the group was to improve the homelessness services within the Council by listening to the service users who have been through the service and experienced the 'good and the bad'. By making changes to the service and creating new information documents available to the public digitally we hope this will target more of the younger generation who are in need of support. Below is a picture of the group. Llongyfarchiadau mawr!



3. Our Services

3.1 Welfare Rights Team and Financial Inclusion team

The Welfare Rights Team provide comprehensive Welfare Rights Advice service to all Anglesey Residents. The Team are an integral part of the Housing Departments and are based in Holyhead, (one of the largest housing stock areas) at the J.E. O'Toole Centre, but offer an Island-side service from weekly outreach clinics at several central locations across the Island. The Centre is now well known as the venue for many other external agencies' outreach services.

Welfare Rights Team

The Welfare Rights Team provide a free, confidential and comprehensive Welfare Rights Advice service to all Anglesey Residents.

2018/19

- 4,110 enquiries dealt with
- £4.5 million in benefits identified for service users
- 1,501 enquiries from our Tenants
- 72 Requests for Mandatory Reconsideration
- 25 Appeals lodged

Help provided:

- 'Better-off' calculations
- Home visits
- Full Appeal Tribunal
- Full Benefits Check

CYNGOR SIR YNYS MON
ISLE OF ANGLESEY
COUNTY COUNCIL

The help provided to the public:

- Complete full benefits checks to determine entitlement to all state benefits, tax credits, reductions and grants claim and full assistance to make the claims.
- Help with the back-to-work process for unemployed service users by providing 'better-off' calculations and advising on what entitlements will be once in work, and how to manage the changes in order to avoid benefit over/under payments.
- Home visiting service for the elderly, sick or disabled and vulnerable residents who are unable to travel to an office appointment or leave their homes
- Full Appeal Tribunal representation service. Advisers will challenge incorrect benefit awards and decisions by writing requests for Mandatory Reconsiderations to DWP (the first stage in the Appeal process), and will also act as named Representatives, preparing cases and providing written submissions through to attending court with the service user at Appeal Tribunals.

3.2 Energy efficiency and fuel poverty



Energy Warden Service

The Housing Services has commissioned Grŵp Cynefin to provide energy advice by Energy Wardens which is available to Council tenants.

The Wardens are able to:

- Make "Warm Home Discount" and Welsh Water applications
- Supports tenants to change their energy provider
- Advice on how to use their energy system in the most effective manner and how to save energy in their homes.

From 1st October 2019 to 31st December 2019, they have achieved the following:

- The energy warden have engaged with 96 of Isle of Anglesey Council tenants since the start of this phase.

Warm Homes Discount Applications

- 35 applications made with a saving of £4,900 to the tenants.

Welsh Water Support

- 3 tenants have received support from Welsh Water applications with a saving of £820 made

Changing energy providers

- 4 tenants have received support and 1-1 explanations regarding the change of energy provider with a savings of £1,034.
- We have received 14 referral forms from Isle of Anglesey County Council's officers.
- The energy wardens have been present in 7 events supporting tenants since the start of the phase.
- The energy wardens have been present in 7 events supporting tenants since the start of the phase.

Summary of Financial Support

	Process of changing energy providers	WHD Application	Welsh Waters 'Refer U' a Bill Assistance Process	Change of behavior advice (energy savings items, energy saving leaflet) referred to by using "EST" suggestion
Number of tenants	4	35	4	96
Financial value	£1,034.	£4,900	£820.	£4,800.

3.3 Tackling Poverty

Housing Services have invested heavily into providing support for residents on Universal Credit (UC) This includes expanding our financial inclusion team from 1 to 3 and an additional welfare rights officer (assistant post) There is a real fear within our population about moving to UC and we believe this due to the media portraying the system in a poor light.

We had an action plan in place pre-UC Full Service becoming live and spent a considerable amount of resources informing partners of this change and provide internal staff with the necessary training.

We have a new UC post-implementation action plan in place to ensure our residents, staff and partners are geared up for the managed migration.

- We provide specific information, advice and assistance in relation to UC through our Financial Inclusion officers
- Our Housing Management officers (Arrears) provide guidance and support to tenants whom are in arrears
- Our Welfare Rights unit provide support and in-depth advice to individuals/ households who are going live onto UC or are live on UC

Christmas Food Project

The festive period can be challenging for some of our most vulnerable families. That is why Housing Services worked with a number of partner agencies to deliver another Christmas Hampers Food Bank project. The aim of the project is simple; we wanted to ensure that nobody went hungry at Christmas, and that no child goes without a gift to open on Christmas morning.

Partners involved in this project included Digartref Cyf, Anglesey and Amlwch Food Banks, Citizens Advice Bureau, and North Wales Police. In 2018, we delivered 110 hampers, with 158 children receiving gifts. In 2019, 220 hampers were delivered to families and individuals across the island, and 225 children were given gifts.

(photo of pupils from Ysgol Carreglefn below)



3.4 Housing Management Team

The Housing Management Team are a team of Housing Officers that deal with all aspects of the Tenancy Agreement working closely with Council tenants to ensure that the conditions of the tenancies are adhered to and that tenancies are successfully maintained.

Rent Officers and Rent Arrears Officers are responsible for the monitoring of the payments of rent and the recovery of rent arrears whilst the Estate Management Officers are responsible for enforcing and monitoring tenancy obligations, property inspections, signing up new tenants and tackling and dealing with anti-social behaviour.

Each Housing Officer has a dedicated area ensuring familiarity and consistency for every Council tenant. Low level complaints of Anti-Social Behaviour are dealt with by the Housing Management Officer for the particular area whilst more serious cases which are persistent in nature are dealt with by one of the two dedicated Anti-Social Behaviour Officers.

It is evident that there has been an increase in the number of cases recorded by the Local Authority in the last 12 months. In addition to receiving reports of unacceptable behaviour from residents and neighbours, Housing Officers are now pro-actively picking up new cases from numerous multi-agency meetings attended by Housing Services which highlights the effectiveness of sharing information amongst relevant partner agencies.

Cases or potential cases likely to escalate, identified early on, provide an opportunity for positive early intervention and more often than not, allows for appropriate support to be provided, prior to the case reaching crisis point. Many issues or concerns may come to light via other avenues such as Social Services or Police involvement or increasingly via Domestic Abuse, Substance Misuse or Mental Health or support providers. Agencies work together to ensure that residents are safeguarded and supported and perpetrators of Anti-Social Behaviour are dealt with as quickly as possible.

Complaints are recorded and investigated in accordance with the Council's Anti-Social Behaviour Policy and Service Standards which were reviewed in 2019 by a group of Housing Officers and tenants who meet quarterly to monitor the performance of the team. Providing the complainants with regular updates and support throughout the complaints process is key to maintaining a good relationship with the client and alleviating some of the stress and concerns that they may have.

Partnership Working

Housing Officers work closely with key partners such as The North Wales Police, Fire Service, Mental Health and Substance Misuse Services, Tenancy and Floating Support Services to name but a few and attend numerous meetings which without a doubt, the sharing of information is proving crucial in allowing all agencies holistically to tackle crime, anti-social behaviour, and community issues at the earliest opportunity:-

- MARAC – Multi Agency Risk Assessment Conference – Domestic Abuse
- MAPPA – Multi Agency Public Protection Arrangements – managing registered sex offenders / violent offenders in the community.
- OCG – Organised Crime Meeting – County Lines / cuckooing
- VARM – Vulnerable Adult Risk Management
- IOM – Integrated Offender Management meeting – prison leavers.
- CAP – Community Action Plan meeting
- Frequent Flyers - repeat admittance to A & E
- Early Help Hub – local cases who may otherwise not be open to services but require some level of intervention.
- POVA – Protection of Vulnerable Adults.
- Child Protection Case conferences
- Prisoner re-settlement meetings (internal meetings focusing on housing needs)
- Cross county prisoner resettlement meetings – sharing good practice.
- Homelessness & Support assessments which take place within the prisons to prepare offenders before they are released.

Tackling Anti-Social Behaviour in the Community

Raising awareness amongst younger people and working closely with residents and communities to tackle anti-social behaviour is fundamental. Housing Officers have participated and lead on a number of community based projects over the last 12 months within local schools and within our Council Estates identifying and targeting areas or “hot spots” where Anti-Social Behaviour has been prevalent.

These projects have included:

- Delivering sessions to local pupils/students in Secondary Schools on the effects and consequences of Anti-Social Behaviour including highlighting the dangers and concerns around County Lines and Cuckooing.
- Youth projects – working with young people who have been engaging in anti-social behaviour within their towns and communities providing advice on behaviour, consequences, substance misuse, health and arranging activities and other interventions.

- Intergenerational Projects – breaking down the barriers between the older and younger generations.
- Attending Summer Projects and Community clean up events
- Hate Crime Project – concentrating on raising awareness of what a hate crime is and how to report it and the production of a short film focusing upon the effects and consequences upon victims and perpetrators.
- Working with young people who are on the Council’s waiting list – discussing and advising on what a tenancy agreement and what would be expected of them as a new Council Tenant.
- Identifying potential victims of County Lines and cuckooing and undertaking joint visits with the Police.

3.5 Housing Register

Housing Services administer the Common Allocations Policy on behalf of Social Landlords who operate on the Island – Grwp Cynefin, Clwyd Alyn and North Wales Housing. There are approximately 260 of council houses allocated each year with 285 of applications registered for housing in February, 2020.

Analysis of applications

Type of application	Number
Waiting list	174 – 61%
Exchanges	36 – 13%
Homeless	75 – 26%

Allocation figures for Anglesey Council Housing (which does not include allocations from our partner landlords)

Year	18/19	19/20
No. of allocations	261	254

3.6 Making best use of our stock Downsizing incentive scheme

In 2019, we established an incentive scheme for tenants to ‘downsize’ 4-bedroom houses to properties smaller accommodation. The incentive scheme has ensured a wrap around support and provides practical assistance and incentive which lessens the burden on moving to a smaller property.

Housing Options

We have recently appointed a Housing Services Occupational Therapist (OT) and will be part of the Housing Options Team. The OT will ensure that the needs for tenants for adaptations are co-ordinated in a responsive way whilst ensuring our tenants are able to live as independently as possible in their homes.

4. Our Homes

4.1 Investment in our current stock Llawr y Dref, Llangefni

Llawr y Dref is a housing scheme for individuals and couples over the age of 60, located in the centre of Llangefni, within walking distance to most local amenities. The scheme has recently benefited from significant financial investment, and the flats have been transformed to provide comfortable, modern living accommodation, benefiting from;

- Gas central heating
- Patio doors opening onto maintenance free communal gardens
- Juliet Balconies for first floor flats
- Lift to the 1st floor
- Wheelchair access
- Scooter access & storage
- Communal facilities such as gardens, an onsite launderette & a lounge area for socialising

Refurbishment works at Llawr y Dref was completed in June 2019 and a local sensitive let has been applied to this area. In January 2020, Llawr y Dref was 65% occupied.





4.2 Planned Capital Work 2019-20

The Isle of Anglesey County Council's investment programmes are supported by the Welsh Government's Major Repair Allowance, and contribute towards the Welsh Housing Quality Standards (WHQS) improvements. During 2019-20, the Major Repair Allowance was £2.66 Million, and this will ensure that the level of quality delivered within the capital programme will be maintained.

Below is an overview of the plans during 2019-20

Installation of Solar PV Systems

It was decided to target the estates shown below, which are served by LPG. Following completion of the work, it was encouraging to see the average Energy Performance Certificate Score to have increased from 55 to 73.

The 36 dwellings were all located at:

- Bryn Ffynnon, Star
- Pen Parc, Malltraeth

- Tyn Llidiart, Rhosybol
- Maes Geraint, Pentraeth

The contractor was JM Renewables Ltd and the Project Manager was YGC Ymgynghoriaeth Gwynedd Consultancy

The work was completed on 21 June 2019. Photographs of before and after completion below



Satisfaction Form Comments :



The workers were extremely polite and efficient.

Always courteous – very good

Waun Dirion, Benllech

The work included re-rendering via an external insulation system, along with windows and new doors, re-roofing, and associated environmental work (new concrete paths, fences and boundary walls) on 20 bungalows and 1 house. In addition to this traditional work, the scheme included extending the car park, fitting Solar PV and Positive Input Ventilation (PIV) system. Furthermore, we also supplied and fitted disability access to all the bungalows.

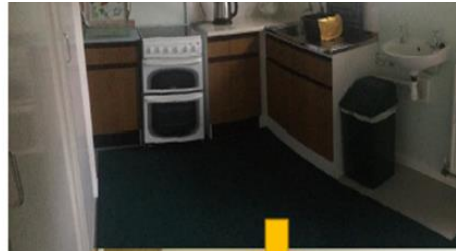
The Contractor was Westdale Midlands Ltd and the Project Managers were Wakemans. The completion date was December 2019. Before and after photographs below.



Tan y Foel, Llanerchymedd (Integrated Care Fund)

Internal maintenance and minor repairs to the current Communal Lounge at Tan y Foel, Llanerchymedd. The contractor was Park City Multi Trade Ltd and the Project Managers were Wakemans. The completion date was October 2019.

An open day was held, where Tan y Foel tenants as well as Local Elected Members and the Council Leader were invited. Everybody were very pleased with the transformation and standard of the work.



Demolition of garages and creating of new parking area at Maes y Coed, Menai Bridge.

Following a number of tenant meetings, the most contentious point identified was the lack of parking availability at the Maes Y Coed Flats. In order to improve the situation it was agreed to design a plan to create additional parking spaces, by demolishing the garages, which by now, had deteriorated to a state of disrepair. The contractor was A E & A T Lewis and the Project Managers were Wakemans.

Unfortunately, due to insufficient depth, within current services i.e. water and electricity, we were required to restrict Dŵr Cymru and Scottish Power services, as the Utility Providers were preparing to relocate their services for resurfacing purposes. The work continues to be ongoing on this site.



Replacing Gas Boilers

The contract involved the replacement of approximately 150 gas boilers. The work included disposing of the current boiler and associated equipment, the installation of new boilers, including all necessary associated parts with modern efficient equipment. The Contractor is Cliftons of Wrexham Ltd and the Project Managers are YGC Ymgynghoriaeth Gwynedd Consultancy . The revised completion date was February 2020.

4.3 Community Benefits

Major contracts procured by Housing include Targeted Recruitment & Training , Wider Community Benefits and Supply-chain Opportunities requirements.

Key elements include:

- Training and recruitment
- Local supply chain opportunities
- Wider community benefits linked with the local area
- Completion of Value Wales Community Benefit Measurement Tool on contract completion

All capital tender opportunities are advertised via the sell2wales portal.

The Housing Service vision is to ensure that local contractors and supply chains are given every opportunity to compete for annual capital contracts. Awarding contracts to local suppliers engaging the local workforce will contribute towards carbon reduction whilst promoting job creation and job retention.

Since 2013 82% of Traditional Planned Maintenance Contracts have been awarded to contractors based in NW Wales.59% of the above mentioned contracts have been awarded to Anglesey based contractors.

4.4 Decarbonisation

The decarbonisation agenda will dominate housing construction and the renovation of houses during the next decade. We are already installing heat pumps heating systems (Air Source Heat pumps) in new housing developments and in the renovation of houses that are located off the gas network, in addition we are raising EPC ratings as high as is practically possible. Our new future housing developments will focus on the principle of ' fabric first ' and will make greater use of renewable energy. Our intention is to work collaboratively with other housing providers (RSLs) to develop a housing model that maximises energy efficiency and decarbonisation in the most cost-effective way.

In relation to current stock we have focussed investment on reducing the number of houses that fail to achieve the WHQS energy targets. Since 2011 we have managed to raise the average energy performance of our stock from SAP 63.5 to 70. In addition, during 2019/20 we established, via a representative survey of historic and current EPC's, that the carbon footprint of our stock (tonnes carbon per year) fell by 21% between 2011 and 2020.

4.5 Compliance with WHQS and the Investment Strategy

The Isle of Anglesey County Council was the one of the first Authorities to satisfy the WHQS standards back in 2012. “Better Homes for People in Wales” states that the Welsh Government’s vision is that “all households in Wales ... shall have the opportunity to live in good quality dwellings that are” :-

- Part 1: In a good state of repair
- Part 2: Safe and secure
- Part 3: Adequately heated, fuel efficient and well insulated
- Part 4: Contain up to date kitchens and bathrooms
- Part 5: Are well managed (for rented housing)
- Part 6: Located in attractive and safe environments
- Part 7: As far as possible meet the specific needs of the household (e.g. specific disabilities)

Life cycles of key components allowed for within our 30 year cost projections include:

- Kitchen – 15 years
- Bathroom – 25 years
- Boilers – 15 years
- Radiators – 25 years
- Full re-wire – 25 years

We are satisfied that, wherever practicable, all properties meet WHQS with the exception of refusals or those satisfying acceptable fail criteria. Improvement works on past refusals are automatically carried out at Change of Tenancy. We can only consider recording an acceptable fail if the cost of remedy was not economically viable.

The following table, which does not include new developments or buy-backs, confirms our current position in connection with the replacement of key elements:

Element	Total included on original scoping survey	Total carried out during the WHQS (October 2008 – December 2012)	Completed at time of Changing Tenancy (January 2013 – July 2017)	Tenants Refusal (acceptable failure)	Total of properties not identified for renewal work
Kitchen	3073	3123	364	156	129
Total number of bathrooms / Level access showers	2271	3071	329	99	273
Re-wiring	1543	2728	363	88	593

4.6 Capital Investment Programme

The Planned Maintenance Programme for 2020/21 shown in the table below which is valued at £10.84 million (excluding new developments) earmarks the capital resources which have been incorporated in the Business Plan. The programme is underpinned by independently collected stock condition data and will contribute towards our Housing Management Strategy and the Corporate Asset Management Strategy.

This Public Sector Investment Programme forms part of the Corporate Capital Plan for 2020/21. In principle, it will adopt the same annual capital bidding process as the Corporate Capital Plan, with delegated authority granted to the Housing Services Board to prioritise and financially evaluate individual schemes

Scheme	2020/21 (£ '000)	2021/22 (£ '000)	2022/23 (£ '000)
<i>Internal WHQS Works & Asbestos</i>	1,750		
<i>Commitments on current contracts & Traditional Planned Maintenance Programme</i>	6,140	6,695	6,896
<i>Fire Risk Management</i>	450		
<i>Central Heating Works</i>	400		
<i>Environmental Works</i>	750		
<i>Energy Performance Work</i>	1,000		
<i>New Build</i>	9,630	7,300	11,519
<i>Public Sector Adaptations</i>	350		
<i>HMU Fleet renewal</i>			401
	20,470	13,995	18,816

Financing:	2020/21 (£ '000)	2021/22 (£ '000)	2022/23 (£ '000)
<i>Major Repair Allowance</i>	2,660	2,660	2,660
<i>Revenue Contribution</i>	16,360	9,335	10,156
<i>IHG Grant</i>			
<i>Borrowing</i>	1,450	2,000	6,000
	20,470	13,995	18,816

Fire Risk Management

To ensure continued compliance with the Regulatory Fire Reform Order 2005 we have allocated the sum of £450k towards upgrading and/or renewal of fire-fighting equipment and fire detection systems to comply with fire risk assessments. During 2019/20, our specialist contractor continued to undertake annual fire risk assessments which have informed expenditure plans for 2020/21.

During Q4 2019/20 tenders were invited and a contract awarded for the renewal of fire doors serving 200 of our flats. The specification allowed for 1 hour rated doors (FD60) as standard.

Investment plans for 2020/21 also allows for the retrospective installation of fire suppression systems in 2 of our medium rise blocks in Llangefni and Menai Bridge. Successful completion of this proposal will ensure that our 4 medium rise tower blocks benefit from fire sprinkler protection systems.

Internal Investment Plan

The budget allocates the sum of £1.750m in order to tackle WHQS refusals, capital elements upgraded at change of tenancy and for the continued replacement of kitchens, bathrooms and re-wiring systems as they reach the end of their life cycles.

This work will have a positive effect on the number of acceptable fails reported to Welsh Government. In addition, the budget allocates funding towards the replacement of 100 kitchens which did not form part of the original core WHQS programme. These kitchens are now approaching the end of expected element life cycles.

This budget will also be utilised for the continued management of asbestos within the housing stock or, where appropriate, the removal of asbestos containing materials.

Central Heating Works

Since 2016/17 we commenced a boiler replacement programme to upgrade our older and increasingly unreliable heating boilers.

As part of the works a survey of the existing heating system will be undertaken and if new radiators are required, they will be replaced as part of the boiler renewal programme. This will allow us to ensure that the systems installed are fit for purpose, of the correct size and are as efficient as possible for our tenants. Once completed, we will expect to see a reduction in the call our costs for our heating engineers.

For 2020/21, we have allocated a budget of £400k to continue with this programme and we will attempt to replace approximately 200 gas boilers.

Traditional Programme External Planned Maintenance

The total budget allocated for traditional Planned Maintenance work is £6.14m. The Housing Service confirms that 2 contracts awarded during the latter half of 2019/20 involving 120 properties has committed a significant portion of the planned maintenance budget.

The general scope of the work undertaken or currently on site typically involves re-roofing to include the installation of Solar PV, the application of an insulated render system, replacement windows and doors where appropriate, external works to include paths, fencing and boundary walls. We have also

earmarked one scheme to include the retrospective installation of Air Source Heat Pumps to supplement heating systems which have bulk LPG as a primary fuel source.

Home improvements in all the schemes mentioned above will significantly improve the comfort and appearance of the homes and, where applicable, make them more affordable to heat. Traditional external planned maintenance will continue to form the basis of our capital investment plans going forward.

The Isle of Anglesey County Council's investment programmes are supported by Welsh Government's Major Repairs Allowance and contributes towards continued WHQS compliance.

Adaptation Work in the Public Sector

The proposed budget includes a sum of £350k for major adaptation works for the disabled. Typical examples of work include installing stair lifts, level access showers, ramps and extensions.

Energy Performance Work

In order to address acceptable fails in relation to energy performance we are targeting investment in renewable energy sources, namely Solar PV, in a significant number of our properties which do not have access to the mains gas network. On average, properties which are served by LPG heating systems and electric storage systems have the lowest SAP score within our housing stock.

During 2019/20 we applied to the District Network Operator (DNO) for permission to install multiple Solar PV systems on a number of off grid estates. One scheme involving 36 properties was successfully completed and during Q4 we received permission from the DNO to install a further 20 systems.

We intend to continue with this programme during 2020/21 and £1.0m has been earmarked in the budget to target a further 250 installations which would contribute positively towards both energy efficiency and carbon reduction targets.

4.7 Environmental Works

The WHQS Environmental Standard requires homes to be located in "attractive and safe environments to which residents can relate and in which they can be proud to live."

In order to deliver environmental improvements, we will continue to fund the Environmental and Community Improvement Fund whereby tenants are invited to submit applications for funding towards community improvements of their choice.

A total of £750k is allocated towards environmental improvements in 2020/21. A significant proportion of this budget will be utilised to continue with the programmed demolition of garages which are no longer viable to maintain. This programme will deliver environmental improvements in connection with parking, improving safety and generally improving the visual appearance of specific areas. In addition, the budget will be utilised for targeted estate improvements and upgrading treatment plants owned and operated by Housing Services.

4.8 Housing Maintenance Unit

The housing Repairs and Maintenance Unit continue to deliver a high quality responsive repairs, servicing and maintenance service to our customers.

During 2019 we continued with our training and development programme, ensuring that our multi skilled operatives can meet the challenging demands of a busy responsive repairs service. We have also focuses on improving our workforce performance and productivity to achieve a reduced reliance on external contractors.

We are proud of our excellent repairs team, and welcomed the response by our customers in the 2019 STAR survey which noted that 95% of tenants were satisfied with the attitude of the repairs and maintenance workers, and 91% were satisfied with the quality of the their work, we will continue to build on this performance during 2020/21.

Since 2018, in partnership with Travis Perkins, we have out sourced the Stores function that serve our internal workforce. Establishing this contractual partnership was a key element of the transformation and modernisation of the Housing Maintenance Unit. It has delivered significant benefits in terms of workforce efficiency and product management. During 2020/21 the framework, which is hosted by a neighbouring RSL, will be retendered and awarded prior to April 2021.

Workforce Productivity

Progress continues with our Mobile Working modernisation programme. The introduction of modern technology will enable us to dynamically schedule and appoint repairs, resulting in improved services, productivity, cost efficiencies, and reduced travel time and number of no access visits.

Continued investment in the modernisation of our in house repairs and maintenance service, demonstrates our commitment to delivering continued service improvements, and customer service excellence.

4.9 Council House Build Programme

Since the introduction of self-financing for HRA since 2015, Local Authorities are being urged to start building council houses again. To date, we have achieved the following; a total of 108 new homes acquired or commenced.

	Acquisitions	Newbuild commencements
2015/16	10	-
2016/17	13	3
2017/18	13	-
2018/19	12	19
2019/20	17	21
Total	65	43

During 2018/19 and 2019/20, we were fortunate to receive an Affordable Housing Grant allocation from Welsh Government which has contributed £2,199,861 towards the cost of the above schemes.

We also made two successful bids to the Innovative Housing Programme resulting in Welsh Government contributing £1,531,790 towards 10 highly energy efficient homes built using modern methods of construction. Both systems use timber frame, one being the Beattipassiv system, and the other being a modular, factory built Tŷ Unnos system.



Armenia Street, Holyhead



Ty'n Coed, Moelfre



Maes yr Ysgol, Holyhead – Beattipassiv system



Gwynfa Hall, Holyhead

For the next 3 years, we have identified the following as possible development opportunities, which will increase our housing stock by a total of 176 units:

	Acquisitions (target)	Newbuild commencements
2020/21	15	38
2021/22	15	53
2022/23	15	40
Total	45	131

In developing new houses, we use various procurement methods. Some sites belong to the HRA, others to the Council's General Fund e.g., we acquire school sites that have closed, examples of

which are Llanfachraeth, Llaingoch, Parch. Thomas Ellis school and Newborough. We also procure through negotiated ‘package deals’ with developers.

In order to ensure that we are building new houses in areas of greatest housing need, we are members of the Rural Housing Enablers service, and we make use of the service to undertake rural housing surveys in those areas where opportunities for new housing have arisen. The map below shows current housing developments and opportunities over the next 3 years.



4.10 Schemes completed by our partners

The following sites were funded by the Social Housing Grant and completed by Grŵp Cynefin during 2019/20. Clwyd Alyn and North Wales Housing were also on site with a number of sites during 2019/20, but these are due to be completed during the 2020/21 financial year.



Ffordd y Felin, Cemaes

Grŵp Cynefin

Completed April 2019

14 units (4 x 3 bedroom houses; 6 x 2 bedroom houses; 4 x 2 bedroom bungalows)



Penybryn, Dwyran

Grŵp Cynefin

Completed December 2019

6 units (6 x 3 bedroom houses)

5 Our Staff

5.1 Apprenticeships

2019 was an exciting time for the Housing Maintenance Team as we restarted our apprenticeship programme. We have worked in partnership with Coleg Menai, and were pleased to welcome three new apprentices in September 2019.

All three have settled in well, and divide their time between shadowing our experienced operatives and attending Coleg Menai 1 day a week to complete their trade qualifications.

- Elliot Parry - Jones – Heating and Plumbing Engineer
- Gruffydd Jones – Joinery
- Guto Hughes – Electrician



5.2 Denu Talent

In 2018, the Council launched an innovative scheme, Denu Talent Môn (Attracting Anglesey Talent). It is an initiative, providing an opportunity for 9 or 10 people aged 16 and over to receive up to 12 weeks of paid work experience with the council over the summer.

The first year, we welcomed Elisha Owen to Housing Services. Elisha spent time undertaking various projects across all housing teams during her first 12-week period. Upon completing her A-Levels, Elisha has gone onto University to study Social Work. Elisha also helps with administrative duties during University leave.

In 2019, we welcomed Iola Williams who had just completed her degree in Marketing. Iola was integral to our Star survey co-ordination and provided the final report, which has been published. Iola was successful in gaining a role with Anglesey County Council and remains in contact with various members of Housing Services.

We are keen to be involved with Denu Talent in 2020 and believe this supports our future generations through providing meaningful work experience before they go on to full time employment or further / higher education.



Photo of the 2018 cohort – the team were involved in a Single-use Plastic Reduction project. Elisha Owen is middle / front

5.3 Staff awards

Each Year, Isle of Anglesey County Council hold staff awards. Staff can nominate each other for these awards. Our Senior Leadership Team, Chairperson and Council Leader undertake the short list.

In December 2019, out of seven award categories that staff were able to nominate, housing services were nominated and short listed for six categories.

Three categories were successfully won by housing services staff, which included:

- **Committed to Partnership award** - our stores team – Housing Maintenance Services
- **Innovative, Ambitious and outward looking award** - Private Sector Landlord Liaison officer – Policy and Strategy Service
- **Achiever award** - Planned Maintenance works Technical Inspector – Housing Maintenance Services

Committed to Partnership award winners



Achiever award winner



Innovative, Ambitious and outward looking winner



5.4 The Welsh Language

In 2019, The Housing Service undertook a detailed staff self-assessment survey of the ability and skill level of its staff to speak , write, read and listen through the medium of Welsh.

The following tables provide an analysis of some of the key areas surveyed, with all 131 staff completing and returning their self-assessments. The results were extremely positive, with only 2 members of staff reporting that they are unable to meet basic requirements to speak, write, read, or understand Welsh.

6 HRA Financial Plan

6.1 Underlying Financial Assumptions

Financial assumptions for the Business Plan are based on the following information

- Inflation is calculated using the Government's target rate of 2% per annum.
- It is assumed that expenditure on maintenance and new construction will increase by 1% above the inflation target each year.
- It is anticipated that the target rent will increase 1% above inflation per annum from 2020/21.
- The provision for bad debts is forecast to be 1.5% in 2020/21 (when Universal Credit is expected to be fully rolled out), reducing by 0.1% every 2 years until the level returns to the 0.6% level attained prior to the introduction of Universal Credit.
- Losses due to voids are expected to be 1.25% per annum.
- The capital plan is based on the new Stock Condition Survey, with component replacements being carried out as per schedule of component life cycles.
- It is assumed that a development programme of new build and acquisitions of former council houses will continue. In 2020/21 45 units are expected to be developed 30 new build and 15 acquisitions with the same number of 45 units each year thereafter. There will be an additional 40 units extra care housing scheme being developed at a cost of £8m completing 2023/24.
- Other than the capital grants awarded during 2020/21` is assumed that the HRA will fully fund the development programme for the duration of plan.
- The interest rate on credit balances is assumed to be 0.33% per annum. New borrowing is assumed to be over 50 years at an interest rate of 2.66%.
- It is assumed that debts will not be re-paid early
- Other income includes feed in tariff income (National Grid), commission from selling insurance, sewerage charges and recoverable repairs.

Treasury Management Policy

The Council has adopted a one-pool approach for loans which means that the costs of borrowing are averaged between the general fund and HRA in proportion to their respective capital financing requirement

6.2 5 Year Capital & Revenue Budgets

Revenue Budgets

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Management Costs	3,112	3,174	3,238	3,302	3,368
Repairs and Maintenance	4,727	4,925	5,131	5,371	5,622
Other Costs		510			
Capital Financing Costs	1,902	1,957	2,214	2,626	2,835
Contribution to Capital Programme	16,360	9,335	10,156	10,510	11,470
Loan repayment	1,205	5	614	500	5
Total Expenditure	27,306	19,906	21,353	22,309	23,310
Net Rental Income	18,173	19,345	20,503	21,486	22,487
Other Income	655	670	687	703	720
AHG Grant	116	116	116	116	116
Total Income	18,944	20,131	21,305	22,304	23,322
Revenue Surplus/(Deficit)	-8,362	225	-48	-5	12
Balance Brought Forward	9,176	814	1,039	991	986
Balance Carried Forward	814	1,039	991	986	998

Capital Budget

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
WHQS Improvements & Maintenance	7,400	6,695	6,896	7,241	11,565
New Build	6,387	10,493	10,808	6,761	7,099
Regeneration / Remodelling of existing stock	-	-	-	-	-
Other Expenditure	-	-	-	400	-
Total Capital Expenditure	13,787	17,188	17,704	14,402	18,665
Capital Funding					
Major Repairs Allowance	2,660	2,660	2,660	2,660	2,660
Borrowing	-	250	5,750	1,100	4,800
Capital Expenditure funded by HRA	9,595	14,278	9,294	10,642	11,205
IHG Grant	1,532	-	-	-	-
Total Capital Funding	13,787	17,188	17,704	14,402	18,665

7.0 Performance Indicators

Indicators	2018-19	2019-20		2019/20 Target	Performance
	Result	Quarter 1	Quarter 3		
The total amount of rent arrears owed by current tenants as a percentage of the total rent collectable for the financial year for Permanent accommodation	2.05% (£358,293.67)	2.53% (£466,080.95)	2.28% (£406,848.94)	2.15%	↑
The total amount of rent arrears owed by former tenants as a percentage of the total rent collectable for the financial year for Permanent accommodation	1.36% (£236,698.76)	1.36% (£249,855.84)	1.46% (£259,531.23)	1.40%	↓
Proportion of tenants with more than nine weeks arrears (2017-18 was 7 weeks has been changed from 18-19 due to Universal Credit)	3.76%	4.07%	4.40%	4.50%	↓
Average Arrears	£293.75	£322.94	£348.37	£260.00	↓
Average arrears of tenancies when ended	£548.17	£514.06	£496.49	£500.00	↑
The average number of calendar days taken to let lettable units of permanent accommodation during the financial	29.2	33.7	35.2	30	↓
The average number of calendar days taken to let lettable units of permanent accommodation during the financial (excluding DTL's)	22.3	25.6	22.4	21	↑
Number of re-lets accepted on first offer	69.58%	77.22%	72.77%	80.00%	↓
% of Routine repairs completed within timescale	77.13%	92.87%	92.99%	95.00%	↑
% completed in one visit	99.39%	92.57%	92.46%	90.00%	↓
Average time taken to complete non-urgent responsive repairs (Calendar Days)	11.59	13.37	15.18	18	↓
Percentage of families successfully prevented from becoming homeless	55.75%	69.00%	75.11%	60%	↑
The average number of calendar days taken to deliver a Disabled Facilities Grant	176.98	173	157.2	170	↑

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	The Executive
Date:	15 June 2020
Subject:	Mutual Investment Model – Strategic Partnering Agreement
Portfolio Holder(s):	Councillor Robin Williams Portfolio Holder for Finance
Head of Service / Director:	Marc Jones Director of Function (Resoures) / Section 151 Officer
Report Author:	Arwyn Hughes Programme Manager, Transformation
E-mail:	Arwynhughes3@ynysmon.gov.uk
Local Members:	Not applicable to a specific ward or wards

A –Recommendation/s and reason/s
<p>Background and Reasons:</p> <p>The Welsh Government has designed a Mutual Investment Model (MIM) to deliver major capital infrastructure projects in Wales. The Welsh Government will part fund some projects through the MIM scheme using revenue funding, partly due to scarcity of capital funding.</p> <p>Welsh Government will appoint a private sector partner who will then form a Welsh Education Partnership Company (WEPCo) with a subsidiary of the Development Bank for Wales. Once the WEPCo has been formed, they and all participants will be required to sign a Strategic Partnering Agreement (SPA). The SPA provides for how the parties act together over the long term in a collaborative partnering, non-adversarial and open manner to support the effective planning, procurement and delivery of infracture services, education and community facilities in Wales. The SPA is due to be executed in September 2020.</p> <p>MIM projects can only be delivered exclusively by the WEPCo. <u>Signing the SPA does not commit the Council to participate in any MIM scheme; it provides only the opportunity to do so.</u></p> <p>Approving the recommendations within this report would give the Council the opportunity to participate in a future MIM project should they wish to, and gives greater scope in attracting Welsh Government grant funding. This option gives the Council the most</p>

flexibility to ensure the people on Anglesey can thrive and realise their long term objectives, which is one of the objectives within the Council Plan 2017-2022.

It is recommended that the Executive:

1. Note the progress of the Preferred Bidder Stage of the Competitive Dialogue Procedure under the Public Contracts Regulations 2015 as outlined in this report;
2. Approve the execution, delivery and performance of the Strategic Partnering Agreement with the Welsh Education Partnership Co in Autumn 2020 to facilitate the delivery of a range of infrastructure services and the delivery of education and community facilities;
3. Approves the Strategic Partnering Agreement summarised in Appendix 2 of this report so as to give effect to recommendation (2), subject to recommendation (4) below;
4. Gives delegated authority to the Director of Function (Resources) / Section 151 Officer and the Director of Function (Council Business) / Monitoring Officer:
 - a. To approve the final terms of the Strategic Partnering Agreement, including any amendments to the Strategic Partnering Agreement approved here as may be necessary, for reasons including but not limited to finalising any outstanding matters; and
 - b. To approve any further deeds and documents which are ancillary to the Strategic Partnering Agreement here;
5. Notes that the Strategic Partnering Agreement shall be executed as a deed and attested in accordance with article 14.5 of the Constitution.
6. Approve the appointment of the Director of Function (Resources) / Section 151 Officer] as 'Participant Representative' to sit on the Strategic Partnering Board (SPB);
7. Notes that in agreeing to the Strategic Partnering Agreement, it is not being asked to decide to proceed with any specific project, and that nothing within the SPA obliges the Council to make any such commitment. Any decision to proceed with a specific project will be a matter for future Executive decision/s;

B – What other options did you consider and why did you reject them and/or opt for this option?
Refusing the recommendations would result in the Council losing the opportunity to benefit from the Strategic Support Partnering Services that the WEPCo can provide.
The Council would be unable to participate in a MIM scheme without either signing the SPA, or alternatively, obtaining a Deed of Adherence; which will create several complexities including an unnecessary procurement risk.
The Council further understands that should it wish to access revenue funding (rather than capital funding) for Band B projects within the 21 st Century Schools Modernisation Programme, that the Welsh Government will require the MIM as the vehicle to access such funding, together with WEPCo’s delivery services. There are no alternative delivery options for such funding.

C – Why is this a decision for the Executive?
Authorising the SPA is an Executive decision pursuant to paragraph 4.8.6.4.1 of the Constitution.

CH – Is this decision consistent with policy approved by the full Council?
This proposal would provide the Council with additional flexibility in addressing any infrastructure, educational or community project adopted by full Council in its current and future annual delivery documents.

D – Is this decision within the budget approved by the Council?
Yes – no additional costs will be incurred directly from these recommendations. Any additional costs relating to a specific project would require separate approval.

DD – Impact on our Future Generations (if relevant)		
1	How does this decision impact on our long term needs as an Island	This decision gives the Council greater flexibility to meet the long term needs of the Island.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	This decision could potentially provide a more cost effective method for the Council to deliver future projects, and could provide better value for money.

3	Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:	The Council has consulted with Bevan Britton as legal advisors on this matter. Bevan Britton have been appointed by Welsh Government to support Welsh Authorities and Further Education Institute on MIM projects. The fees incurred are paid for by Welsh Government.
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	Not at this stage. No commitments are made at this stage to undertake a specific project. Should the Council consider undertaking a MIM scheme, it will have the opportunity to participate as appropriate and in accordance with any relevant legal requirements.
5	What impact if any does this decision have on the Equalities agenda and the Welsh language	The recommendations within this report has no impact on equalities, as no commitment is made at this point to participate in a MIM scheme. The council currently have no pathfinder project. An equalities impact assessment will be undertaken separately should the council identify a future pathfinder project.

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	Endorse the recommendations in the report
2	Finance / Section 151 (mandatory)	N/A – This is the Section 151 Officer's report
3	Legal / Monitoring Officer (mandatory)	Endorse the recommendations in the report
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	
9	Local Members	

F - Appendices:

Appendix 1 - Report for Executive Approval to Enter into the Strategic Partnering Agreement

Appendix 2 – Summary of Strategic Partnering Agreement

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

**REPORT FOR EXECUTIVE APPROVAL TO ENTER INTO
THE STRATEGIC PARTNERING AGREEMENT**

1 SUMMARY

SUMMARY

- 1.1 The Mutual Investment Model (MIM) has been designed by the Welsh Government to deliver major capital infrastructure projects in Wales. The MIM may be suitable for delivering new buildings which have a capital outlay of £20m or more. MIM Schemes will be delivered and maintained by private partners, who will pay the upfront capital costs incurred to deliver the build. Participants of Mutual Investment Model schemes such as Local Authorities or Further Education Institutes will pay the private partner an annual fee for a period of 25 years commencing from the date the asset becomes operational. The annual fee will cover the cost of construction, maintenance and financing of the project. At the end of the 25 year period, the asset will transfer to the ownership of the participant in excellent condition.
- 1.2 The Welsh Government has been procuring a private sector partner to work with it on the delivery of education and community facilities in Wales. The Welsh Government is expected to select and appoint a preferred bidder by September 2020.
- 1.3 The successful private sector partner and a subsidiary of the Development Bank of Wales (known as WGCo) will be required to form a Welsh Education Partnering Company (WEPCo), which will deliver infrastructure services to the Participants in Wales.
- 1.4 The Participants to the arrangements will be a number of Local Authorities and Further Education Institutions. The Participants and WEPCo will enter into a Strategic Partnering Agreement. Under the Strategic Partnering Agreement, WEPCo will be required to provide partnering services to the Participants, including (i) project development and delivery; and (ii) supply chain assembly and management. This may lead to the delivery of revenue supported Band B projects pursuant to a separate Project Agreement or, in due course, capital funded projects could be delivered through this contract structure.
- 1.5 The purpose of this report is to explain the process and seek The Executive's approval to enter into a Strategic Partnering Agreement with Welsh Education Partnership Co to facilitate the delivery of education and community facilities. The Executive are also asked to approve the Director of Function (Resources) / Section 151 Officer as 'Participant Representative' to sit on the Strategic Partnering Board.
- 1.6 Signing the Strategic Partnering Agreement would give the Council the opportunity to participate in a MIM scheme should a suitable project be identified in the future. There would be no commitment made at this stage to participate in any MIM scheme.

2 RECOMMENDATIONS

- 2.1 It is recommended that The Executive:
- (a) Notes the progress of the Preferred Bidder Stage of the Competitive Dialogue Procedure under the Public Contracts Regulations 2015 as outlined in this report;
 - (b) Approves the execution, delivery and performance of the Strategic Partnering Agreement with the Welsh Education Partnership Co in Autumn 2020 to facilitate the delivery of a range of infrastructure services and the delivery of education and community facilities;

- (c) Approves the Strategic Partnering Agreement, summarised in Appendix 2 of this report so as to give effect to recommendation (b), subject to recommendation (d) below;
- (d) Gives delegated authority to the Director of Function (Resources) / Section 151 Officer, after consultation with the Monitoring Officer:
 - (i) To approve the final terms of the Strategic Partnering Agreement, including any amendments to the Strategic Partnering Agreement approved here as may be necessary, for reasons including but not limited to finalising any outstanding areas; and
 - (ii) To approve any further deeds and documents which are ancillary to the Strategic Partnering Agreement here;
- (e) Notes that the Strategic Partnering Agreement shall be executed as a deed and attested in accordance with Article 14.5 of the Constitution*;
- (f) Approves the appointment of the Director of Function (Resources) / Section 151 Officer as 'Participant Representative' to sit on the Strategic Partnering Board (SPB);
- (g) Notes that in agreeing to the Strategic Partnering Agreement, it is not being asked to decide to proceed with any Project, and that nothing within the Strategic Partnering Agreement commits the Council to make any such commitment. Any decision to proceed with a Project will be reported back to The Executive in future report(s) for decision;

3 REASONS FOR RECOMMENDATIONS

- 3.1 Approving the recommendations within this report would give the council the opportunity to participate in a future MIM project should they wish to do so. This option gives the council the most flexibility to ensure the people on Anglesey can thrive and realise their long term objectives, which is one of the objectives identified within the Council Plan 2017-2022.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Council understands that if it wishes to access revenue funding for Band B projects from the Welsh Government then it will need to use the Mutual Investment Model to access the funding and WEPCo for delivery. There are no alternative delivery options for such funding.

5 BACKGROUND

- 5.1 The "Mutual Investment Model", or MIM, was formally launched by the Welsh Government on 28 February, 2017 and is a platform for delivery of the "Taking Wales Forward" agenda. MIM has been designed to finance major capital projects due to a scarcity of capital funding. It is based on traditional PPP structures but with the following core principles embedded:

- 5.1.1 an emphasis on wider community benefits;
- 5.1.2 enhanced stakeholder involvement;
- 5.1.3 public sector equity investment;

5.1.4 no soft services; and

5.1.5 effective and efficient contract management by the public sector.

5.2 The MIM is intended to support additional investment in social and economic infrastructure projects and help to improve public services in Wales. Under the MIM, the private sector partners will build and maintain public assets, and in return the Council supported by funding from the Welsh Government will pay a fee to the private partner, which will cover the cost of construction, maintenance and financing the project. At the end of the contract the asset reverts to the Council.

5.3 The Welsh Government has been procuring a private sector partner to work with it on the delivery of education and community facilities in Wales. It will be the only means of delivering revenue funded Band B projects. The Welsh Government is expected to select and appoint a preferred bidder during the summer of 2020. The successful private sector partner and a subsidiary of the Development Bank of Wales (known as WGC) will be required to form **WEPCo**, which will deliver infrastructure services to the Participants in Wales.

The Strategic Partnering Agreement (SPA)

5.4 The **Participants** to the arrangements will be a number of Local Authorities and Further Education Institutions. The Participants and WEPCo will enter into a Strategic Partnering Agreement (**SPA**). The SPA provides for how the parties act together over the long term in a collaborative partnering, non-adversarial and open manner to support the effective planning, procurement and delivery of education and community facilities in Wales and the delivery of infrastructure services. The SPA is due to be executed in September 2020.

5.5 The initial term of the SPA is 10 years. This may be extended by 5 years by any one or more Participants. Under the SPA, WEPCo is required to provide partnering services to the Participants. These services include (i) project development and delivery; (ii) supply chain assembly and management and (iii) other professional services necessary to fund and deliver education and community facilities.

5.6 For the first 10 years of the SPA, WEPCo has the exclusive right to provide services to all Participants (as signatories to the SPA) including:

5.6.1 Project Development Partnering Services to work up new “Qualifying Projects” (only) for delivery (including supply chain assembly, funding and value for money), set out in more detail in Schedule 3 (Partnering Services) of the SPA; and

5.6.2 Project Services (design, construction, testing, commissioning and completion of the premises, hard facilities management, and installation of equipment) relating to a “Qualifying Project” subject to it becoming an “Approved Project” within the first 10 years of the SPA and for a MIM Band B project, provided that it has met the criteria set out in Schedule 5 (Approval Process for New Projects) of the SPA.

5.7 “Qualifying Projects” means those identified projects at the outset for delivery by WEPCo (as set out in a Schedule to the SPA) and all other 21st Century Schools and Colleges (Band B) MIM Programme projects, where such a project has been identified by a Participant required to enable them to provide education based services in the region.

5.8 Participants may ask WEPCo to provide on a non-exclusive basis:

5.8.1 Project Services relating to capital projects required for the provision of education sector services (where expressly designated and approved under a Strategic Outline Programme) and/or community services;

- 5.8.2 Strategic Support Partnering Services (such as estate planning, service planning and demonstrating value for money);
 - 5.8.3 Project Development Partnering Services in respect of potential new projects, which are not “Qualifying Projects”, but requested by a Participant;
 - 5.8.4 Ongoing Partnering Services and/or Project Development Partnering Services after ten years, where the initial term of the SPA has been extended; and
 - 5.8.5 Project Services in respect of Qualifying Projects which become “Approved Projects” after 10 years, where the initial term of the SPA has been extended.
- 5.9 If a Participant receives funding for a Band B MIM Programme project, WEPCo has the exclusive right to develop proposals for the delivery of that project (Project Development Partnering Services) within the first 10 years of the SPA.
- 5.10 Therefore, the most likely outcome for a Participant that becomes a party to the SPA is that they proceed to develop a project or projects using the Approval Process in the SPA resulting in the execution of a Project Agreement which will govern the design, build, finance and maintenance of schools or colleges.
- 5.11 Appendix 2 provides a more detailed summary of the SPA.
- 5.12 The SPA commits the Participants and WEPCo to work to the following nine (9) key principles:
- 5.12.1 to develop close working relationships between WEPCo and the Participants at all levels;
 - 5.12.2 to focus on achieving the best value for money operational performance within agreed timescales;
 - 5.12.3 to set in place business and cultural processes to enable the Participants and WEPCo to establish and agree challenging time and performance objectives and to meet or better them;
 - 5.12.4 to recognise each other's needs, constraints, limitations, capabilities, roles and responsibilities to achieve mutually beneficial outcomes;
 - 5.12.5 to identify by regular monitoring, weaknesses and strengths in the relationship between and amongst the Participants and WEPCo and to work together to overcome the weaknesses and to build on the strengths;
 - 5.12.6 to commit to the early recognition and resolution of differences, conflicts and disputes between and amongst the Participants and WEPCo in a ‘no surprises’ environment;
 - 5.12.7 to appoint within each of the Participants and WEPCo co-ordinators at senior level who will support, defend and promote the long term strategic partnership between them and its principles of operation;
 - 5.12.8 to develop openness and trust in a transparent information and data sharing environment; and
 - 5.12.9 in accordance with the Equality Requirements to positively promote equal opportunities and the Ethical Employment Code by combating discrimination on the grounds of race, ethnicity, religion, nationality, gender, disability, age or sexuality and promoting good relations between all sections of the community in ‘everything we do’ including:

- a) Delivering high quality Education Sector Services and (where relevant) Community Services for end users; and
- b) Working with the local community and partners in the public, private or voluntary sectors.

5.13 The Strategic Partnering Board (**SPB**) is the guardian vehicle of these commitments.

The Strategic Partnering Board (SPB)

5.14 The SPB will act as the primary mechanism for managing WEPCo's performance. The SPB will be the central forum in which the Participants can work together with WEPCo, Welsh Government and Stakeholder Representatives to ensure that the key principles of the SPA are met. Participant representation will be required on the SPB.

5.15 The SPB's role will be to approve the Strategic Delivery Plan (**SDP**); ensure any new project proposals are consistent with the SDP; monitor WEPCo's performance against agreed Key Performance Indicators; approve any extension to the SPA term; and approve any proposed disposal of interest in share capital resulting in a loss of control by WEPCo (or subsidiary).

5.16 The Council's Representative will be expected to be a senior representative of the Council, with the appropriate authority to make decisions on behalf of the Council. They should be experienced in holding a director or similar position and have the required skills to make the decisions required to be made by the SPB. The Council will need to consider any likely conflicts of interest and ensure that conflicts of interest do not prevent the chosen representative from fulfilling their role as representative as well as any other role they hold directly in the Council.

5.17 The Council's Representative will attend the SPB meetings at least every three months, together with representatives of each Participant, WEPCo, Welsh Government and other stakeholder representatives as agreed by the Participants. These meetings are to review financial and operating issues and provide strategic input into the partnering arrangements including the exchange of ideas in relation to each of the Participants' accommodation and service delivery requirements.

5.18 The SPB must have a quorum of five (5) Participants' representatives (one of whom must be a representative from Welsh Government) and a WEPCo Representative. If a quorum is not present at any meeting of the SPB within thirty (30) minutes of that meeting's start time, the SPA requires that the meeting is adjourned to the same time and place five (5) Business Days later. For any adjourned meeting, the quorum shall be one Participant's Representative (who must be a representative of the Welsh Government) and the WEPCo Representative. Telephone conference calls or video conferences are valid as a meeting of the SPB.

5.19 The Director of Function (Resources) / Section 151 Officer is recommended by the Chief Executive as the Isle of Anglesey County Council's participant representative for the SPB.

Pathfinder Projects

5.20 WEPCo shall, if requested to do so by one or more Participants, develop proposals for the implementation and delivery of new projects including Pathfinder Projects through the Approval Process for New Projects set out in Schedule 5 of the SPA. WEPCo will assist Participants in developing proposals for the delivery of new projects, the preparation of an outline business case and the obtaining of all necessary approvals to progress any new project request by a Participant.

5.21 Schedule 5 of the SPA sets out the procedure by which WEPCo and the Participants will work together to agree which New Projects will be taken forward and approved for development by WEPCo and on what basis. Schedule 5 sets out a two stage Approval Process for such New Projects. The approval process

shall only apply in relation to Qualifying Projects regardless of whether the period of ten (10) years from the Commencement Date has expired.

- 5.22 WEPCo will work with Participants to develop local delivery plans (addressing Participants' requirements) which will form part of the annual Strategic Delivery Plan (SDP). WEPCo will then review the applicability of the SDP to the provision of education services in the Participant's Region to decide which New Projects should progress. The SPB shall ensure that WEPCo's proposals for New Projects are consistent with delivery of the latest SDP.
- 5.23 WEPCo shall, without entitlement to specific or additional payment, work with the Participants and other members of the SPB to analyse and discuss the range of potential funding options for New Projects, as well as develop the Participants' requirements in relation to New Projects.
- 5.24 WEPCo will be obliged to meet the Participants' requirements for the delivery of any new project including Pathfinder Projects. Authority to proceed to deliver any new project including a Pathfinder Project, and to enter into a Project Agreement, would require further Council approval and reports will be brought back to the Executive for determination accordingly.

What Happens If Approval Is Not In Place By September 2020?

- 5.25 Local Authorities and FEIs are strongly encouraged to sign up to the arrangements with WEPCo via the SPA regardless of whether they have a MIM Scheme in place as WEPCo also offers Strategic Support Partnering Services which can assist Participants with estates planning or associated activities.
- 5.26 It is recognised that the Executive is being asked to agree to enter into the SPA before the Welsh Government has appointed a preferred bidder. As such, the SPA document is not yet in its final form. Whilst it is not envisaged that the draft SPA will change substantially once a preferred bidder is approved, it is recommended that delegated authority is given to the Council's Director of Function (Resources) / Section 151 Officer, in consultation with the Monitoring Officer, to agree the final terms of the SPA and make any necessary minor amendments to it, should these be required.
- 5.27 The purpose of the SPA is to enable Participants to proceed to develop a project or projects using the Approval Process for New Projects within the SPA, resulting in the execution of a Project Agreement. In order to benefit from that process Participants need to execute and be a party to the SPA.
- 5.28 Whilst there is a mechanism within the SPA that will allow for those Participants (named in the OJEU) to sign up after September 2020 by way of a deed of adherence (**DoA**), this will create several complexities:
 - 5.28.1 Where any Participant is to sign the DoA this will require all existing parties to re-execute the SPA. This will require all Participants to take further decisions to re-enter the SPA, creating delays in the delivery of Pathfinder Projects
 - 5.28.2 Where any Participant is not signed up to the SPA by the September 2020 deadline, it is unlikely that they will have a Pathfinder Project or be included in the first Annual Business Plan of WEPCo. This will cause delays in the delivery of any education project
 - 5.28.3 There may be a procurement risk in entering into the DoA, based on time elapsed argument, if the DoA is not entered into within 6 months

Potential Procurement Risk

- 5.29 If a Participant were to choose not to sign the SPA or the DoA and then wanted in the future to access Partnering Services or Project Services from WEPCo, it will not be able to do so in a procurement safe manner.

- 5.30 Similarly, with regards to 21st Century Schools and Colleges Band B funding, if a Participant were to choose not to sign the SPA or the DoA but then wanted to utilise WEPCo to deliver a Band B funded project (whether capital or revenue) in the future, it will also not be able to do so in a procurement safe manner.
- 5.31 Should for example, a Participant secure MIM Band B funding downstream from the Welsh Government for a project not currently identified and it was required to use WEPCo, it would not be able to do so in a procurement safe manner if it had not signed the SPA or the DoA. WEPCo has the exclusive right to develop proposals for the delivery of a 21st Century Schools and Colleges Band B MIM Programme project (Project Development Partnering Services) within the first 10 years of the SPA.
- 5.32 It is therefore recommended that The Executive approve entering into the SPA as set out this report to ensure that the SPA can be completed in the Autumn as planned and that the Council is able to utilise the SPA from its go-live date.

The Procurement Process

- 5.33 The Welsh Government is engaged in a competitive dialogue tender process working to the procurement timetable below at Table 1. The aim of the competitive dialogue procedure is to enable the Welsh Government as the contracting authority to "identify the solution or solutions which are capable of meeting its needs". Comprehensive dialogue has been held with each of the Bidders during the Dialogue Process.
- 5.34 On 14th February 2020 three Draft Bids were received. These were reviewed and comments sent back on the Draft Bid submissions to inform the next stage of dialogue. On 20th February a "meet the Bidders" event was held at the Yr Hafod facilities in CP2, well attended by Participants and other Stakeholders.

Impact of Covid-19

- 5.35 The final intensive stage of Dialogue known as 'boot camp' was due to commence at the Principality Stadium on Monday 16th March 2020. On 14th March a member of the core team and one of the advisers both took ill with coronavirus symptoms. Due to the ensuing events with the Covid-19 pandemic the decision was taken to delay the start of boot camp to make arrangements for it to be conducted remotely via Microsoft Teams or other remote methods where required. Following two weeks of very intensive remote engagement activity separately with the three bidders (which included involvement from bid team members based across Europe) at 18.30 hrs on 3rd April 2020 the Welsh Government successfully Closed Dialogue and invited Final Bids in line with the original procurement programme.
- 5.36 Bidders submitted their Bids by 12 noon on 27th April 2020 and compliant Final Tenders were received from the three bidders. Evaluation meetings will take place remotely if necessary. Appointment of the Selected Bidder is expected to take place in accordance with the timetable set out below.

Table 1

Matter	Date(s)
Issue of ITPDSB to Bidders	21 October 2019
Commencement of Dialogue with Bidders	28 October 2019
Christmas Break	18 December 2019 - 5 January 2020
Continuation of Dialogue with Bidders	6 January 2020
Return of Draft Bid	17:00 hours 14 February 2020
Recess	17 February 2020 - 13 March 2020
Boot Camp	16 March 2020 - 3 April 2020
Close of Dialogue	3 April 2020
Return of Bids	12:00 noon 27 April 2020
Evaluation of Bids and approvals	27 April 2020 - 3 July 2020
Appointment of Selected Bidder	3 July 2020
Standstill	4 July 2020 - 14 July 2020
Following formation of WEPCo, signature of WEPCo Shareholders' Agreement	September 2020
Signature of Strategic Partnering Agreement	September 2020

6 LEGAL CONSIDERTIONS

- 6.1 Approval to enter into the Strategic Partnering Agreement (SPA) is an executive function requiring a decision of the Executive.
- 6.2 To enter into and participate in the SPA referred to in this report, the Council will be relying upon a number of statutory powers:
- 6.2.1 the “well-being” powers contained in section 2 Local Government Act 2000;
 - 6.2.2 powers contained in the Education Acts 1996 and 2002;
 - 6.2.3 the “incidental” provisions of section 111 Local Government Act 1972.

- 6.3 The well-being powers contained in section 2 Local Government Act 2000 permit the Council to do anything which it considers is likely to achieve any one or more of the following objectives -
- (a) the promotion or improvement of the economic well-being of their area;
 - (b) the promotion or improvement of the social well-being of their area, and
 - (c) the promotion or improvement of the environmental well-being of their area
- 6.4 In exercising this power the Council has had regard to the community strategy and gives the council the most flexibility to ensure the people on Anglesey can thrive and realise their long term objectives, which is one of the objectives within the Council Plan 2017-2022.
- 6.5 The incidental provisions of section 111 Local Government Act 1972 permit the Council to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 6.6 The programme will need to operate in line with the Well-being of Future Generations (Wales) Act 2015. The Act sets a framework of seven goals to develop and protect the social, economic, development and cultural well-being of Wales and five ways of working to achieve sustainable development.
- 6.7 Entering into the SPA does not bind the Council in any way. However, the Council will be required to appoint a representative to act on its behalf in relation to the SPA. The identity of the representative may change at any time following written notice to WEPCo and all other Participants. Each representative may also at any time, by written notice to WEPCo, authorise others to exercise the functions and powers of the Council.
- 6.8 The Executive is therefore asked to approve the Director of Function (Resources) / Section 151 Officer for appointment as 'Participant Representative' to sit on the Strategic Partnering Board (SPB).
- 6.9 The SPA is to be executed as a deed and attested in accordance Article 14.5 of the Constitution.
- 6.10 It is noted that formal approval to proceed to deliver any new project , and to enter into associated legal documentation to facilitate the same including a Project Agreement, would require further approval of the th Executive.

Equalities and Community Cohesion Comments

- 6.11 The recommendations within this report has no impact on equalities, as no commitment is made at this point to participate in a MIM scheme. An equalities impact assessment will be undertaken separately should the council identify a future MIM project.
- 6.12 Proposals on a project by project basis will contain appropriate equalities documentation.

7 LINKS TO CORPORATE STRATEGIC PRIORITIES/CONTRIBUTION TO STRATEGIC OUTCOMES

- 7.1 Approving the recommendations within this report would give the council the opportunity to participate in a future MIM project should they wish to do so. This option gives the council the most flexibility to ensure the people on Anglesey can thrive and realise their long term objectives, which is one of the objectives within the Council Plan 2017-2022.

WEP STRATEGIC PARTNERING DELIVERY MODEL
SUMMARY OF STRATEGIC PARTNERING AGREEMENT

1 INTRODUCTION¹

- 1.1 The WEP Strategic Partnering Agreement (**SPA**) is the agreement entered into between the Local Authorities and Further Education Institutions (**Participants**)² and WEPCo (being the joint venture company established between the Private Sector Delivery Partner (**PSDP**) and a subsidiary of the Development Bank of Wales).
- 1.2 The SPA provides for how the parties act together over the long term in a collaborative partnering, non-adversarial and open manner to support the effective planning, procurement and delivery of education and community facilities in Wales and the delivery of infrastructure services.
- 1.3 The SPA sets out the high level principles that underpin the delivery of the parties' obligations; the behaviours, vision and values of WEPCo; the establishment of a framework that promotes excellence and value for money; and the monitoring and management of WEPCo's performance.
- 1.4 Under the SPA, WEPCo will be required to provide **partnering services** to the Participants. These services include (i) project development and delivery; (ii) supply chain assembly and management and (iii) other professional services necessary to fund and deliver education and community facilities.
- 1.5 The initial term of the SPA is 10 years. This may be extended by 5 years by any one or more Participants. Certain protections in the SPA continue in force beyond the term of the SPA until the end of the last associated Project Agreement entered into by the Participant(s) for the delivery of individual education facilities.
- 1.6 WEPCo will have the sole and exclusive right for the term of the SPA to nominate a subsidiary of the PSDP (which will be a special purpose vehicle that holds the majority of voting rights, or a wholly owned subsidiary of such a company) (**Project Co**) to deliver MIM Projects, provided that the relevant criteria in the SPA are met. Approved MIM Projects will be developed by WEPCo, but delivered by Project Co which will enter into a Project Agreement with the relevant Participant to deliver the relevant MIM Project.
- 1.7 Participants will be able to request that WEPCo, or a nominated wholly owned subsidiary of WEPCo, provides other **project services** such as the delivery of design and build capital projects for education or community facilities under the SPA, provided that the relevant criteria in the SPA are met. WEPCo and/or its subsidiaries shall enter into all required agreements for the delivery of capital projects and/or FM services directly with the relevant Participant, which in the case of education sector capital projects shall be substantially in the form of the Template Education Design and Build Development Agreement appended to the SPA.

2 NEW PROJECTS

- 2.1 WEPCo shall, if requested to do so by one or more Participants, develop proposals for the implementation and delivery of new projects by a Project Service Provider. For MIM Projects, the Project Service Provider will be the Project Co that will be created for such purpose and for other approved projects shall be WEPCo or a Subsidiary of WEPCo. The role of WEPCo will include the raising of finance, project development, project management and supply chain assembly and

¹ Capitalised terms have the meaning provided for in the Strategic Partnering Agreement unless otherwise stated.
² Note those named as a "Contracting Authority" in the OJEU notice will be entitled to sign and enter into the SPA.

management of a new project up to contractual/financial close, during the construction period and operational period.

- 2.2 The obligations on WEPCo and the relevant Participant in relation to the identification, approval and delivery of a new project are set out in Schedule 5 (*Approval Process for New Projects*).
- 2.3 For an overview of Schedule 5 and a flow chart outlining the Approval Process for New Projects, please see **separate guidance**.
- 2.4 WEPCo is obliged to assist Participants in developing local delivery plans, which will form the basis of an annual Strategic Delivery Plan (**SDP**) developed between the Participants and WEPCo. The Participants' requirements for new projects will in most cases be initiated through the inclusion of such projects in the latest edition of the SDP.
- 2.5 WEPCo will assist Participants in developing proposals for the delivery of new projects, the preparation of an outline business case and the obtaining of all necessary approvals to progress any new project request by a Participant.
- 2.6 With each approved new project, WEPCo will (or will procure a Project Service Provider will) enter into a Project Agreement, a template form of which is appended to the SPA at Schedule 7 (*Template Project Agreements*). For an overview of the Template Project Agreement, please see **separate guidance**. For every MIM Project, the Project Service Provider will enter into a Shareholders' Agreement to establish the relevant Project Co.³
- 2.7 WEPCo must evidence value for money both at the beginning and continuously throughout the development and delivery of new projects in accordance with Schedules 3 (*Partnering Services*), 5 (*Approval Process for New Projects*) and 6 (*New Project Pricing Report*).
- 2.8 The Participants will develop with WEPCo the approach to supply chain assembly for the delivery of a new project, the market testing of design and construction, hard facilities management services and the funding of the new project to ensure value for money. WEPCo and the relevant Participant(s) will work together to ensure that the pricing of a new project provides the relevant Participant(s) with robust, transparent and auditable information as to the costs, fees and prices included within WEPCo's proposals.
- 2.9 WEPCo shall, for all projects, monitor and update (where applicable) the predicted capital, whole life cost and any increase or reduction in estimated costs, the final cost of design and construction and the actual cost of maintaining and repairing each project. WEPCo will be expected to demonstrate to Participants through a WEPCo Performance Report and Annual Review, lower costs and/or greater value for money over the term of the SPA.
- 2.10 Planning permission for approved projects to be delivered by WEPCo must be obtained by WEPCo prior to signing the relevant Project Agreement.

3 PARTNERING SERVICES

- 3.1 WEPCo may provide a range of Partnering Services to Participants.
- 3.2 These fall into three categories:
 - 3.2.1 Ongoing Partnering Services;
 - 3.2.2 Project Development Partnering Services; and

³ This will be substantially in the form of the Template Project Co Shareholders' Agreement appended to the SPA.

3.2.3 Strategic Support Services.

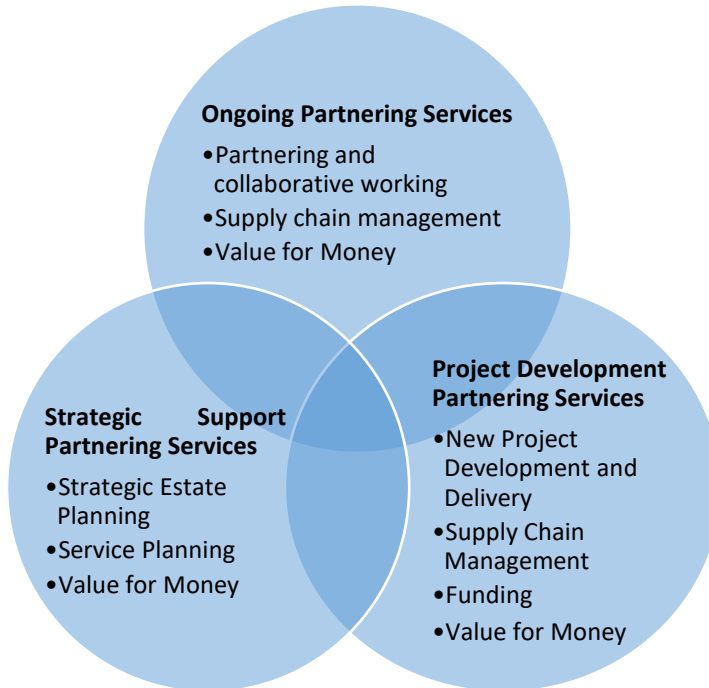


Figure 1 WEPCo Partnering Services

- 3.3 WEPCo shall provide **Ongoing Partnering Services** to the Participants that relate to the day to day operation of WEPCo, the fostering of partnering and collaborative working between the parties, supply chain management and the delivery of value for money.
- 3.4 WEPCo shall provide **Project Development Partnering Services** to implement and deliver projects identified in the SPA and all other 21st Century schools and colleges (Band B) MIM Programme Projects (**Qualifying Projects**) in accordance with the specification, KPIs (including community benefits) and rates set out in Schedule 3 (*Partnering Services*). The role of WEPCo is to develop proposals for a Qualifying Project to meet the Participant’s Requirements including affordability and other agreed approval criteria (services, operational, financial and value for money). The scope and specification of the services to be provided by WEPCo will be agreed between WEPCo and the relevant Participant on a project by project basis, together with the approval criteria.
- 3.5 The relevant Participant will remain as “sponsor” for business case approval purposes. The role of WEPCo will be to support the relevant Participant in preparing agreed outputs at each business case approval stage for the delivery of a Qualifying Project.
- 3.6 WEPCo shall also, where requested, provide **Strategic Support Partnering Services**, to support Participants in strategic estate planning and strategic services planning to plan education sector services and where requested, community services. These are discrete, consultancy support services that may be required by Participants. The Participants and WEPCo will jointly develop a Strategic Delivery Plan for the delivery of new accommodation requirements.
- 3.7 WEPCo must monitor the performance of each of the Partnering Services and Project Services at its own cost and expense, meet value for money requirements and demonstrate continuous improvement wherever practicable achieved through agreed KPIs, as developed in accordance with the SPA throughout the term.

- 3.8 For all Partnering Services, WEPCo must provide the Partnering Services in compliance of the WEP Objectives and all objectives set out in the SDP agreed between the Participants and WEPCo. All Partnering Services must meet the requirements for Value of Money set out in clause 13 and seek to obtain continuous improvement in providing the services.

Payment for Partnering Services

- 3.9 Clause 10 of the SPA governs what WEPCo is entitled to charge a Participant for the provision of Partnering Services.
- 3.10 WEPCo recovers Partnering Services Costs relating to Ongoing Partnering Services and Project Development Partnering Services in accordance with Schedule 4 (*Partnering Services Costs*) of the SPA. Partnering Services Costs are recovered either from the Participant on a “pay as delivered” basis, or as a lump sum at financial close of the relevant approved Project, or such costs are rolled into the financial model for the relevant approved Project and are repaid over the term of the relevant Project Agreement.
- 3.11 WEPCo recovers the costs incurred for the delivery of Strategic Support Partnering Services on a “pay as delivered” basis or as otherwise agreed with the relevant Participant procuring such services from WEPCo. The quantum of such costs will be calculated by reference to the rate card which will be included at Schedule 4 (*Partnering Services Costs*).

Subcontracting of Partnering Services

- 3.12 WEPCo is able to subcontract its obligations in respect of the whole or part provision of the Partnering Services to a Partnering Subcontractor but will remain responsible to the relevant Participants for the provision of the contracted out services.
- 3.13 WEPCo is responsible for ensuring the performance by the Supply Chain Members of their obligations under the relevant Supply Chain Agreements.
- 3.14 On the expiry or earlier termination of the SPA, the handover provisions set out in Schedule 20 (*Handover on Expiry or Termination*) will apply. Any staff engaged in the delivery of Partnering Services will transfer under TUPE regulations to the relevant Participant or third party successor provider of services.
- 3.15 For further detail on the scope of Partnering Services in Schedule 3 (*Partnering Services*) and Schedule 4 (*Partnering Services Costs*), please see ***separate guidance***.

4 PROJECT SERVICES

- 4.1 WEPCo is responsible for providing **Project Services** to Participants. These are services required under a Project Agreement in relation to the design, construction, testing, commissioning and completion of premises (including any temporary works) and the installation of equipment, together with the provision of facilities maintenance (FM) services.
- 4.2 The SPA acknowledges that Participants may have existing providers in place to provide their accommodation requirements and associated services. WEPCo agrees to work with Participants to ensure the existing providers are treated fairly and that the individuals providing the existing services are, where possible, employed by the Project Service Provider.

5 EXCLUSIVITY

5.1 The Participants grant WEPCo the sole and exclusive right for the 10 year term of the SPA to provide:

5.1.1 Ongoing Partnering Services

5.1.2 Project Development Partnering Services in respect of projects identified in the SPA and 21st Century Schools and Colleges (Band B) MIM projects (**Qualifying Projects**)

5.1.3 Project Services in respect of Qualifying Projects that become Approved Projects (as developed through Schedule 5 (*Approval Process for New Projects*)).

After 10 years exclusivity will not apply.

5.2 Participants may request WEPCo to deliver other services:

5.2.1 Project Services relating to Major Capital Projects in the education sector, save for MIM projects for a specified period;

5.2.2 Project Services relating to capital projects required for the provision of education sector services or community services;

5.2.3 Project Services in relation to the provision of FM Services required for the provision of education sector services or community services (not provided as part of any Qualifying Project);

5.2.4 Strategic Support Partnering Services;

5.2.5 Ongoing Partnering Services and/or Project Development Partnering Services after 10 years (where the term of the SPA has been extended);

5.2.6 Project Development Partnering Services in respect of potential New Projects which are not Qualifying Projects.

The above services are not subject to exclusivity.

5.3 The benefits of exclusivity include:

5.3.1 Participants will not have to embark on another regulated procurement for the delivery of Partnering Services or Project Services for the lifetime of the SPA.

5.3.2 Participants can be assured of the appropriate level of commitment from WEPCo to foster the development of a successful partnership and outcomes over the long term.

5.3.3 Participants can be assured regarding value for money and continuous improvement for the delivery of a pipeline of new projects.

5.3.4 Delivery of economies of scale over time through the growth of the WEPCo estate.

5.4 Exclusivity can be suspended if WEPCo fails the "Track Record Test" and will not apply until WEPCo passes a subsequent Track Record Test. This is an assessment of whether in the most recent WEPCo Performance Report shared with Participants on an annual basis, WEPCo has met specified KPIs (including those that relate to community benefits) as evidenced.

6 REPRESENTATIVES AND STRATEGIC PARTNERING BOARD (SPB)

- 6.1 Each Participant will appoint a representative to act on its behalf in relation to the SPA. The identity of the Participant's Representative may change at any time following written notice to WEPCo and all other Participants. Each Participant Representative may also at any time, by written notice to WEPCo, authorise others to exercise the functions and powers of that Participant.
- 6.2 The SPB governs the relationship between WEPCo and the Participants. It will comprise of representatives of each Participant, WEPCo, Welsh Government and other stakeholder representatives as agreed by the Participants.
- 6.3 The SPB will meet at least every three months to review financial and operating issues and provide strategic input into the partnering arrangements including the exchange of ideas in relation to the Participants' accommodation and service delivery requirements.
- 6.4 A quorum of the SPB is proposed to be five Participant's Representatives (one of whom must be a representative of the Welsh Government) and the WEPCo Representative. For any adjourned meeting, the quorum shall be one Participant's Representative (who must be a representative of the Welsh Government) and the WEPCo Representative. WEPCo and stakeholder representatives will not have a vote at SPB meetings. Decisions will be taken by majority vote. A decision that affects a Participant will only bind it if that Participant's representative has voted in favour of it.
- 6.5 The SPB will approve the annual Strategic Delivery Plan, ensure New Project proposals are consistent with the SDP, manage WEPCo's performance against agreed KPIs, approve any extension to the SPA term and approve any proposed disposal of interest in share capital resulting in a loss of control by WEPCo (or subsidiary).
- 6.6 WEPCo will be obliged to report on its KPIs which will be reviewed by the SPB annually. The SPB will assess whether the Track Record Test has been passed and if any significant performance failure has occurred. Any dispute shall be resolved under Schedule 21 (*Dispute Resolution Procedure*).

7 DEFAULT

Participant Default

- 7.1 Participant Event of Default includes:
- 7.1.1 one or more Participants being in breach of clauses 9.1, 9.2 and 9.6 (exclusivity clause);
 - 7.1.2 one or more Participants failing to attend SPB meetings which has a material adverse effect on WEPCo or any Project Service Provider;
 - 7.1.3 one or more Participants being in breach of the SPA which delays the execution of any Project Agreement relating to an Approved Project by more than 40 Business Days;
 - 7.1.4 an expropriation, sequestration, nationalisation or requisition of any Facilities or assets and/or shares of WEPCo or its Holding Company or Project Service Provider by a Participant or any other Relevant Authority (where this occurs due to a Relevant Authority, all Participants will be deemed responsible for the Event of Default); and
 - 7.1.5 any non-payment by a Participant under the SPA exceeding £100,000 60 Business Days after demand.
- 7.2 Where a Participant Event of Default occurs, WEPCo may either:

- 7.2.1 suspend their performance of the SPA in relation to the Participant in default until that Participant can demonstrate to WEPCo's reasonable satisfaction it is capable of performing their obligations; or
- 7.2.2 notify the Participant of the Event of Default.

If the Participant Event of Default is capable of remedy and has not been remedied within 30 Business Days or is not capable of remedy with immediate effect, WEPCo may either serve notice on each Participant in default terminating the SPA in relation to them with immediate effect or simply notify the Participants in default of the effect their default has had. Any Participants in default will be liable to pay compensation to WEPCo in accordance with section 1 of Schedule 14 (*Compensation on Participant Event of Default and Termination*). If the SPA is terminated in its entirety by the default, compensation under section 2 of Schedule 14 (*Compensation on Participant Event of Default and Termination*) will be payable.

- 7.3 If a Participant is served a Participant Default Notice more than once in any 12 months, it will not receive Project Development Partnering Services or any Strategic Support Partnering Services unless paid monthly in arrears.
- 7.4 The Participants have several liability, other than where two or more Participants have suffered an Event of Default leading to a termination of the SPA, in which case, the loss of WEPCo will be split between the defaulting Participants.

WEPCo Default

- 7.5 The SPA provides for a long list of circumstances which constitute a WEPCo Default including amongst others, WEPCo breaching the SPA, WEPCo failing to provide the Partnering Services, WEPCo breaching health and safety laws; WEPCo failing to pay Participants under the SPA which exceeds £10,000 for 60 Business Days on demand; WEPCo or a Project Service Provider suffering an Insolvency Event; and WEPCo (or WEPCo Party) committing a Prohibited Act.
- 7.6 On a WEPCo Event of Default, each Participant can (acting through the Welsh Government) suspend the exclusivity granted to WEPCo which will include any New Projects that have not yet reached Stage 2 approval. The Participants can lift that suspension at any time and the suspension of exclusivity will be lifted on remedy of the default and where the PSDP shares in WEPCo are sold.
- 7.7 The SPA provides for an escalation of remedies following a WEPCo Event of Default, proportionate to the severity of the default, which may be exercised by the Participants (acting through Welsh Government). These include: suspension of exclusivity; requiring a remediation programme to be implemented; an improvement programme to satisfy Participants that the events will not recur; termination of a non-performing supply chain member; and ultimately termination of the SPA.
- 7.8 WEPCo will reimburse each Participant for all reasonable costs incurred by each Participant as a result of WEPCo's breach of the SPA.

8 WEPCO INDEMNITIES

- 8.1 As would be expected under a long term partnering agreement, the SPA includes provisions under which WEPCo indemnifies the Participants, and the Participants indemnify WEPCo, for certain losses. These are limited to Direct Losses, and exclude Indirect Losses (such as loss of profit and loss of business opportunity), and further Participants partially exclude their liability for their negligence (see below) and claims in tort.
- 8.2 The scope of the indemnity provided by WEPCo is slightly wider than the Participants' indemnities to WEPCo, as the Participants' indemnities are limited to Direct Losses sustained by WEPCo as a consequence of any negligent act or omission by that Participant (or a Participant Party relating to that Participant) relating to the performance or non-performance of the Participant's obligations under the

SPA, or a breach of an express provision of the SPA by that Participant. The indemnities provided by WEPCo relate to any act or omission of WEPCo (not just its negligence or breach of an express obligation).

- 8.3 The indemnities cover death and/or personal injury, damage to assets of the other party and third parties. In each case (and subject to the overriding limitation on the scope of the Participants' indemnities described in above), each party is liable for Direct Losses sustained in consequence of any claim for death and/or personal injury of their own employees or persons engaged by them, notwithstanding any act or omission of the other party.
- 8.4 In respect of death or personal injury to third parties, and damage to property, each party indemnifies the other for Direct Losses they cause (save to the extent caused or contributed to by the Participant's own negligence (where WEPCo is indemnifying the Participant) or WEPCo's own acts or omissions (where the Participant is indemnifying WEPCo). Physical damage to property is typically an insured risk, and the indemnity given by the Participants to WEPCo excludes insured losses. Where damage to property has been caused (or contributed to) by the Participant's own negligence, and they are claiming under the WEPCo indemnity, the Participant is responsible for the deductibles under any policy of insurance, and any sums over the maximum amount required to be insured under the SPA insurance policies.

9 DISPUTE RESOLUTION

- 9.1 Disputes are dealt with in accordance with the resolution procedure set out in Schedule 22 (*Dispute Resolution Procedure*). If a Dispute occurs, the parties must consult in good faith. If that is unsuccessful, the Dispute must be escalated to senior personnel. If that is unsuccessful, the Dispute will be escalated to mediation and failing that to arbitration. The exception to this is where a party requires an order restraining another party from doing any act or compelling another to do any act or a judgement for a liquidated sum where there is no arguable defence.

10 INSURANCE

- 10.1 The insurances listed in Schedule 9 (*Insurances*) and any others required by law must be taken out by WEPCo, subject to insurance being available in the market to cover WEPCo in its role during the lifetime of the SPA. The insurance will cover any indemnity claims against WEPCo in relation to any death or bodily injury or third party property damage arising out of or in connection with the Partnering Services.
- 10.2 If a Project Service Provider notices a risk becoming an Uninsurable Risk under the relevant Project Agreement, the Participants and WEPCo will hold a SPB meeting within 7 Business Days and will use their reasonable endeavours to agree a position with regards to the risk within 20 Business Days of notice.

11 INTELLECTUAL PROPERTY RIGHTS

- 11.1 WEPCo grants a free, irrevocable, non-exclusive and transferable (but only to any assignee or transferee of any rights or benefits under the SPA or following termination of the SPA) licence to each Participant to use the Intellectual Property Rights which are vested in WEPCo and where possible, where vested in third parties. WEPCo will indemnify Participants where they receive a claim as a result of the Participant infringing third party Intellectual Property Rights (other than as a result of the Participant acting outside of the terms of the SPA).

12 ASSIGNMENT AND SUBCONTRACTING

- 12.1 WEPCo cannot assign or dispose of the SPA without the prior written consent of the Participants, other than where granting security rights in a form approved by the Participants prior to grant.

- 12.2 A Participant cannot assign or dispose of the SPA other than to a limited set of organisations set out in clauses 28.4.1 to 28.4.4, including the Welsh Ministers, an agency of the Welsh Ministers, Government or Local Authority, any other Further Education Corporation or Designated Institution or any person with the legal capacity or sufficient financial resources to perform the obligations of the Participant. Depending on the transferee, the obligations may need to be guaranteed by the Participant.

Bevan Brittan LLP

11 May 2020

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ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	The Executive
Date:	15 June 2020
Subject:	Update of the Council's response to date to the COVID -19 crisis
Portfolio Holder(s):	Councillor Llinos Medi, Council Leader
Head of Service / Director:	Annwen Morgan, Chief Executive
Report Author: Tel: E-mail:	Dylan Williams, Deputy Chief Executive / J Huw Jones, Head of Democratic Services 01248 752499 DylanWilliams3@anglesey.gov.uk
Local Members:	All Elected Members of the Council

A –Recommendation/s and reason/s
<p>The Executive Committee is requested to:</p> <p>R1 Accept the report and the Council's response to the crisis to date.</p> <p>R2 Confirm that the SLT should report progress on relaxing lockdown issues and Recovery work to the two standing Programme Boards. In addition, to extend membership of the boards to include the 4 group leaders.</p> <p>R3 Authorise officers to prepare an update on the preparations and the Recovery work for submission to the next meeting of the Executive.</p>

B – What other options did you consider and why did you reject them and/or opt for this option?
<p>The importance of updating the Executive in light of the implications of the crisis on the Council's work.</p>

C – Why is this a decision for the Executive?
<p>Operational issues in response to the crisis.</p>

CH – Is this decision consistent with policy approved by the full Council?
<p>Yes</p>

D – Is this decision within the budget approved by the Council?
N/A

E – Impact on our Future Generations (if relevant)		
1	How does this decision impact on our long term needs as an Island	The impact of the pandemic is widespread across Anglesey - residents, society and the economy, and has had a direct impact on Council services / work programmes and business continuity.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	The crisis will need to be dealt with indefinitely as well as a work programme for a recovery period. This is a national issue and clarity will be required on future spending and the impact of this on the Council's strategic programme.
3	Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:	It is important that crisis and mitigation decisions are consistent with regional / national expectations.
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	
5	Outline what impact does this decision have on the Equalities agenda and the Welsh language	In maintaining key services to date during the crisis, ensuring access to services for all is paramount.

DD – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	
9	Local Members	

F - Appendices:

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

EXECUTIVE SUMMARY

1. Covid-19 is an infectious disease affecting over 200 countries throughout the world¹. This includes the United Kingdom.
2. The British and Welsh Governments have been seen to put in place emergency planning arrangements to guide the national response to the pandemic.
3. This national governance structure has been replicated at regional level in North Wales and also at local authority level by the Isle of Anglesey County Council.
4. An emergency team² was established to lead and co-ordinate the Council's response to the effects of the virus
5. The period of the crisis has been challenging in terms of responding effectively and safely.
6. Planning and preparation for the local surge in mid-May, 2020 was undertaken, based on the national modelling in partnership with other organisations.
7. To date, the number of local cases and those across the region have not been as high as predicted, however there is a risk of a further surge later this year.
8. Locally, we have prioritised the following areas:
 - a) Protect and safeguard the Council workforce
 - b) Ensure adequate and standard PPE supply
 - c) Protect and support vulnerable individuals and children of key workers
 - d) Interpret and implement national guidance
 - e) Maintain frontline statutory services
 - f) Implement new services in direct response to the crisis
 - g) Plan for a significant number of deaths
 - h) Administration of national grants eg business support; direct payments for free school meals
 - i) Adapt the workforce in a short space of time and creating the conditions for different ways of working
 - j) Pilot the 'Test and Trace' system
 - k) Timely and regular communication and sharing of information, both internally and externally
 - l) Co-operate effectively at a local, regional and national level.

¹ World Health Organisation stated that 207 countries, areas or territories have cases as at 03/04/2020

² Emergency Management Response Team (EMRT) established on 18 March, 2020

It must also be emphasised that day-to-day work has continued during the crisis period across several Services, but that the approach has been adapted to keep the workforce and residents of the Island safe.

The situation continues to change daily, but the information in this report is correct at the day of completion (8 June 2020).

1.0 Introduction

1.1 The British Prime Minister announced that Britain was entering a period of social restrictions on 23 March. These arrangements were reviewed by the British Prime Minister on 16 April, 10 May and 28 May. On 29 May, the First Minister announced measures to relax some of the current arrangements, allowing people from two different homes to meet outside locally.

1.2 Dealing with the Covid -19 crisis has been a significant challenge for the Council - not only in maintaining key front-line services and conducting normal business where possible, but also in ensuring health and safety arrangements are in place to protect the authority's staff whilst providing services. In terms of business continuity, the Leader has exercised her executive decision-making powers since the outbreak of the crisis. Since 17 March, the Chief Executive has also exercised emergency powers during the crisis in accordance with the Constitution. See the link below:

<https://www.anglesey.gov.uk/en/Council/Councillors-AMs-MPs-MEPs/Executive-decisions-taken-by-the-Portfolio-Holders-Officers-and-the-Council-Leader/April-2020.aspx>

1.3 The impact of the current crisis is far reaching for the island's residents, society and economy. It has had a significant impact on the Council's ability to continue with its strategic work programme of service modernisation and transformation and the Welsh Government needs to clarify the impact on local authorities' financial position in the short, medium and long term. It is anticipated that dealing with the effects of the crisis, the likely relaxation stages, and the subsequent recovery phase will be a priority for the Council and key partners for some time to come. It must also be remembered, at the time of preparing this report, that Covid -19 positive levels on the island continue to rise, and that testing processes have been extended. Based on original modelling work for the region, we predicted that we are currently at the peak of the surge. However, recent modelling assumes a slightly better picture overall than originally assumed for this period, but it must be emphasised that there is the possibility of a second surge later in the year since the impact of relaxation measures on the modelling needs to be assessed.

1.4 The purpose of this report is to update the Executive on the governance arrangements put in place to respond to the crisis; a service level outline of the main actions taken to date, and finally a focus on the next phase of learning and establishing the new normal (as an authority and an Island), through the recovery phase.

1.5 The next section of the report summarises the national arrangements; regional structures under the North Wales Resilience Forum and the governance structure, to respond to the local crisis by the Council. The Council has played a full part in working together and operating consistently with the regional structures on agreed actions. The Council's systems, support, and resilience of information technology provision have been vital to enable the safe and effective adaptation and continued operation. There will be many lessons and good practice here to consider for the future.

2.0 Governance Arrangements

2.1 There are several elements to this at a national, regional and local level when dealing with the crisis and sharing information:

National

- COBRA meetings - crisis management across the UK
- (Welsh Government- a guide for Councils (Regulations and Guidance)
- Weekly meetings - Welsh Government Leaders and Ministers.
- Weekly meetings of North Wales Leaders.
- Daily information from Welsh Government and the WLGA.
- Weekly meetings of Chief Executives at national and regional level.
- The Leader / Officers attending these meetings update and report back to the EMRT on a daily basis.

Regional

At a regional level, the Council has also been involved in several planning / response and information sharing fora:

- The North Wales Local Resilience Forum has established a Regional Strategic Co-ordinating Group (SCG) which plans the region's response against a worst-case scenario against health modelling.
- A regional Tactical Group (**TCG**) - reports to the SCG, focusing on operational issues e.g. PPE supplies. There are a number of sub-groups reporting to the TCG - health and care, field hospital planning; excess deaths, community and partner support, communication and the press.
- Officers who attend the regional meetings report back to the EMRT on a regular basis.

The authority had to urgently set up a new governance arrangement as a result of the crisis. The overview of how the authority's activities are managed is given below:

Council's Response Structure

- Daily Emergency Response Management Team (EMRT) meetings involving the Leader and Deputy Leader of the Council have met formally since 18th March.
- The Management Team is responsible for co-ordinating the Council's response to the Coronavirus crisis; discussing key service delivery, new activities, workforce planning, communication and information sharing, and health and safety

- The purpose of the Management Team is to "**lead and co-ordinate actions to protect the workforce and residents, while working together effectively to provide essential and new (or increased) local services in response to the COVID - 19 public health crisis**".
- Senior Officers acting as Senior Responsible Officers with specific areas.
- Core principles for action, including staff health and safety, maintaining key services, and utilising the workforce - daily meetings.
- Weekly work programme reviewed and updated weekly.
- Weekly monitoring of EMRT actions through the 4action system.
- Daily Situation Report (sit rep) prepared along with a weekly version for the regional SCG.
- Collect and monitor staff data on a daily basis for workforce planning and redeployment.
- **Remote Working Arrangements** - The Council has adopted new technology to respond to the crisis and works remotely using Microsoft Teams where possible.
- Key data dashboard has been developed – e.g. Covid-19 position on the Island, PPE, schools and daily staffing.

Sub-groups

- Sitting under the Management Team (EMRT) there are specific sub-groups at a local level that align with the risk areas; PPE, Community, Excess Deaths, Surge Planning and Preparation of Impact Assessments (maintaining key frontline services), Health and Safety - Planning for the recovery phase in terms of building use. Tracking and tracing - pilot.

Risk Register

- The Covid-19 Risk Register is in place - it is updated weekly by the EMRT. It is important to profile and reconcile risk information in the daily situation report and to forward risks at a regional / Wales level.
- The Risk Register is used to prioritise time, effort and resources to minimise local impact.

3.0 Overview of Service level response

The Council's response to the crisis to date is outlined in Appendix 1. The situation continues to change on a daily basis.

4.0 Financial impact

4.1 The impact of the pandemic has had a direct impact on the Council's finances but it will also have a significant impact in the future. In the short term, the Council has suffered the additional cost of

dealing with the pandemic (£52k in March and £279k in April). These costs include extra IT costs to enable people to work from home, purchasing additional PPE, accommodating homeless people, providing community support, setting up School Care Centres, paying families for free school meals instead of free school meals, higher cleaning costs. These things will be paid for by the Welsh Government but it is expected that costs will continue to rise in May and June, with the Council making additional payments to residential and private nursing homes and due to the increasing number of children in receipt of direct payments in lieu of free school meals.

4.2 The closure of services has reduced the Council's income level, with a loss of £360k in April and is expected to rise to around £400k per month during the summer months. The main sources of lost income include leisure centre fees, school meals income, car park income, planning fees etc. In addition, the Executive decided not to impose a rent on occupiers of Industrial Units and Miscellaneous Property and not to charge mooring fees for the first 3 months of the financial year. As the crisis continues, the level of lost income continues to rise and if services do not go back to normal during 2020/21, the lost income will be millions of pounds. Although the level of income lost by the Council is considerable, it is not as high as some other Councils in Wales. The Welsh Government has recognised that the lost income will have a significant impact on Welsh Councils and has announced additional funding although they have not yet agreed how that funding will be distributed between the 22 authorities.

4.3 The closure of services has meant a reduction in the authority's expenditure for April and this saving has been estimated at around £100k. The main areas of reduced expenditure were in relation to fleet costs and travel costs, reduced payments to main contractors (school meals, bus operators, road maintenance) reduced energy costs at leisure centres and lower administrative costs in offices (paper, photocopying etc).

4.4 Looking a little further ahead, the pandemic has clearly had an impact on the economy and will cause more unemployment. As the number of unemployed people increases, the Council will receive more applications through the Council Tax Reduction Scheme. The current budget is £6m and although a large proportion of this is funded through the RSG, any increase will fall on the Council to fund it, unless the Welsh Government provides additional support. At present, the increase in claims is low with an increase of only 0.7% in cases between 31 March 2020 and 8 May 2020. However, this is likely to increase significantly once the furlough scheme comes to an end and when businesses have to decide whether to continue employing staff or dismissing them.

4.5 To date, the level of Council Tax collected is in line with previous years. However, the Council has not issued any reminder letters or initiated legal action in respect of any outstanding debts in the 2020/21 financial year. These processes usually generate a response from taxpayers and additional income comes in once some of these processes start. As no recovery work has been undertaken, it is anticipated that the level of income received will be lower than in previous years, as we move into the summer months. It is also anticipated that more people will get into financial difficulties and eventually get debt relief orders or go bankrupt. This will increase the value of the debts that will be written off but this is unlikely to affect the Council's accounts until 2021/22.

5.0 Democratic Arrangements

5.1 Members have already been briefed on the Coronavirus Act and its implications for the Council's statutory obligations. In relation to Committee meetings, it has not been possible to conduct business as usual. The Local Authorities (Coronavirus) (Meetings) (Wales) Regulations 2020 reduce the legal

obligations on local authorities in relation to meetings, while allowing Members to attend meetings remotely for any required meetings. It is in the context of these new provisions that the Council has reviewed the regular Committee timetable and prepared a "Strategy for Committee Meetings" which was approved by the group leaders on 12 May 2020. This includes what essential work will be given priority in committees. See Appendix 2.

5.2 The first 'remote' meeting of the Planning and Orders Committee was held on 20 May using Microsoft Teams and a recording of the meeting is available on the Council's website: <https://ynysmon.public-i.tv/core/portal/webcasts>. The meeting was a successful one - Members and officers have quickly adapted to using Microsoft Teams and it is recognised that this is a positive development leading to the new way of working - the new normal. Work is continuing on learning and testing methods for remote meeting including live streaming and translation.

5.3 There are plans to switch back gradually to some remote meetings in the short term - regular meetings of the Executive and Planning and Orders and full Council in September (to include an Annual Meeting). However, the arrangements will need to be reviewed monthly by the group leaders in light of the prevailing circumstances and may need to be adjusted.

6.0 Information Sharing

Sharing and updating information is a key element in an emergency - to influence and ensure timely information for the public, especially the vulnerable. It has been a challenging time in terms of responding, interpreting information and implementing numerous regulations. Communicating the most up-to-date information to the public in terms of food sharing networks for the vulnerable and grant aid to the business sector has been crucial. The following arrangements have been established to ensure the flow of information, Member briefings and information to Anglesey residents:

- Daily update for staff and Members by the Chief Executive (e-mail).
- Weekly management bulletin and weekly well-being bulletin for staff
- Weekly Tuesday and Thursday meetings for Group Leaders.
- Minutes and request for all leaders to share information to their groups
- WLGA daily update for Members circulated (e-mail).
- Weekly briefings - Member of Parliament and Assembly Member.
- Weekly meetings - BCUHB Chair.
- Regular contact with Public Health Wales
- Sharing information with Town and Community Councils via e-mail.
- Emphasis on keeping the website up to date for the public - specific section to share information on Covid-19.
- Extensive use of Teams to update information to the EMRT including an information library on all regulations / guidance

- Extensive use of social media to share key information and messages
- Nightly updates on the Council's response to the crisis on Môn FM
- Sharing information with partners.
- Regular press releases.
- Regular acknowledgment of and thanks to the dedication and work of key staff and partners.

7.0 The Relaxation and Recovery periods

7.1 A significant period of time is envisaged where there will be different periods of relaxation in moving towards the 'next normal' in a safe and prudent manner. The timing, speed (or slowness), and the nature of the relaxation will be driven by Welsh Government directions and guidance. The Council's role will change again, in its preparation, support, management, and enforcement. The relaxation period will be uncertain and challenging, and prudent and thorough action will be required to avoid further surges towards the end of the year (or earlier).

7.2 Many areas of the Council's work will require attention as they move through the relaxation periods. Adapting and changing the service method will require sound principles (which will prioritise safety), together with risk and impact assessments that will identify where and how to relax effectively and safely. This work has already started looking at different work placements.

On 24 April 2020, the Welsh Government published: Leading Wales out of the coronavirus pandemic: a framework for recovery. <https://gov.wales/leading-wales-out-coronavirus-pandemic>. This framework is based on three pillars:

- Measures and evidence to judge current levels of infection and coronavirus transmission rates in Wales
- Principles for relaxing the limits based on scientific evidence and wider social and economic impacts
- A system for monitoring and responding to public health, so that the virus can be traced throughout Wales

7.2 On 15 May, this was supplemented by the publication of 'Relaxing the constraints on our society and economy: publishing a roadmap for Wales'. <https://gov.wales/unlocking-our-society-and-economy-wales-roadmap-published>. This document outlined the Welsh Government's approach to unlocking and deploying a traffic light system across Wales. It will apply to:

- Re-opening schools and childcare facilities
- Seeing family and friends
- Travelling here and there
- Playing sports, games and relaxing
- Working or running a business
- Shopping

- Using public services
- Practicing faith and special occasions

7.3 However, the First Minister has pointed out that it is essential for us to recognise that this is not a short-term crisis. It is likely that, until a vaccine or effective treatments are obtained, we will have to live with the disease in our society and try to control its spread and mitigate its effects.

7.4 In addition, as we anticipate the possibility of a second wave of the virus later in the year on the basis of existing modelling (with additional winter pressures), this will need to be reflected in civil emergency plans.

7.5 The Strategic Co-ordinating Group (SCG) has recognised that the transition from the current crisis to the management of the new normal is not a quick fix, and will require a parallel arrangement for a considerable period of time that will align with Welsh and British Government strategies. At its meeting on 27 May 2020, the North Wales Leadership Board approved the establishment of a Regional Collaborative Group, with the aim of preparing a regional recovery strategy using existing regional structures to deliver the remedial work. This would include the functions of the public service boards. The Regional Collaborative Group will report to the Welsh Government and the North Wales Leadership Board.

7.6 Given the nature and effects of the Covid-19 pandemic, the recovery strategy will focus on the following strategic areas:

- Health, public health and social care
- Community resilience, vulnerability and isolation, wellbeing and poverty
- Economy and business

8.0 Rebalancing the Council - Crisis, Business as Usual and Recovery

8.1 It is evident that the Council's priorities in the short term will need to continue to focus on 3 key areas:

- Continue to focus on managing the impact of the Covid-19 pandemic
- Conduct business as usual, as best we can.
- Manage the lockdown period, prepare and implement recovery plans.

8.2 Managing the new normal will be a key focus for the Council and will require consistency between local interventions and regional / national priorities. It will also be necessary to identify the lessons and good practice that have emerged from the crisis to embed it into the new way of working, in order to be more effective and efficient. A programme of restoration works is being developed, including the safe use of Council property during the relaxation of restrictions.

8.3 It is recommended that the Senior Leadership Team reports on progress to the two standing Programme Boards and that membership is extended to include Group Leaders in order to strengthen accountability.

8.4 In terms of business as usual during the period of crisis, arrangements have been established for each Head of Service to update work programmes on a monthly basis for monitoring purposes by SLT

/ Heads of Service. Many areas of work have been modified to operate safely and effectively, while others have been temporarily suspended due to the risks to staff and users.

Appendix 1

Social Services
Progress Update
<ul style="list-style-type: none">• PPE - The ability to obtain an adequate supply of PPE equipment to the required standard has been a significant challenge, both nationally and locally during the first weeks of the pandemic. We are now using PPE at level 3 as supply levels have improved. Quality, adequacy and reliability continue to be a concern locally, regionally and nationally. Several officers across the authority supported the PPE efforts.• Testing - Lack of ability to test has been an outstanding challenge, but there is now a robust process in place for receiving referrals for key worker testing.• Care Homes - There is a process of collecting data on the incidence of care homes, and measures are in place to limit the spread of the virus.• One of the Council's risks is the ability to staff care homes as the number of cases generally increases. Arrangements are being put in place for a contingency plan to mitigate a situation of failure to staff adequately.• Shielding letters - tracking and responding to shielding letters, a total of 3398 letters, and successfully contacted 3292 to offer support, with arrangements in place to visit in person those whom we did not succeed to contact. This workstream will continue in line with national expectations.• Supporting Vulnerable Families - The service has been in contact with vulnerable children over the period, and distributed activity and welfare packages to the children. The service has been supporting struggling parents during the period, and been in regular contact with them. However, there is concern that there are a low number of referrals to Children and Family Services. The referrals are monitored daily, and the "Eyes and Ears" campaign was implemented in response to this.• Implementing temporary Safeguarding procedures during week 2, setting out the standards of practice.• Continuing to meet all Statutory Duties and Performance Indicators and Data.• Working and challenging partners appropriately when necessary.• Receiving regular detailed reports from all service areas - details of case activities, themes and staff wellbeing.

- Planning for a potential surge in referrals over the coming months.

Themes in Moving Forward

1. Continued emphasis on responding to additional shielding letters and contacting these individuals.
2. Continue to implement the testing and collection of results.
3. Continued focus on capacity modelling and staffing in care homes.
4. Address the reduction in the number of referrals to Children's Service.

Education

Progress Update

Anglesey school buildings closed on 20 March and, since then, the education of children and young people has continued remotely, with significant work done in supporting headteachers and keeping them updated on the situation on a regular basis.

Through effective collaboration between the Council and the schools (regular meetings with Headteacher Strategic Forums) succeeded to:

Establish care centres for children of key workers and vulnerable children in each catchment area, with a flexible model responding to local requirements in operation - 8 am–5pm, 5 days a week and weekend provision if required;

Provide and deliver a packed lunch for children who are eligible for free school meals - this has evolved with most families now receiving a direct payment of £19.50 a week into a bank account - the remainder continue to receive a packed lunch;

Ensure that the island's children and young people are **educated remotely** using a variety of digital platforms with clear, agreed requirements and guidance around safeguarding elements;

Agree an **effective approach** between the Learning Service, the Additional Learning Needs and Inclusion Team, the Children's Team and stakeholders in schools to ensure that we maintain regular contact with the vulnerable children, with particular focus on the

elements of wellbeing and mental wellbeing;

Update and keep in touch with our key stakeholders, e.g. Welsh Government, Estyn, GwE, unions, and governors;

Start planning for "re-opening schools" in line with Welsh Government guidance and guidelines – a regional operational group and a local sub-group is in operation.

Themes in Moving Forward

Continued emphasis on the following areas:

1. The welfare of children and young people
2. The workforce, including wellbeing in general
3. Provision for vulnerable pupils and families - including free school meals / direct payments
4. Continuity of effective distance learning, teaching and planning
5. Planning and modelling for "re-opening school buildings"
6. Communicating effectively with stakeholders.

Housing Service

Progress Update

Maintenance Work - All maintenance work was postponed at the start of the pandemic, but the service has now resumed emergency maintenance arrangements in line with national Guidance and Regulations.

Supporting vulnerable individuals in the community- The service has provided support to vulnerable individuals in the community through the food banks, providing a shopping and prescription service for shielding individuals, and contacting individuals living on their own. Two new food banks have been set up in response to growing demand. There is a network of 595 volunteers operating in 36 teams across the island, undertaking this role of providing community support. An effective governance and monitoring mechanism has been created, in partnership with Menter Môn and Medrwn Môn.

Supporting the Homeless- There has been a significant increase in the number of homeless people, and the service has proactively supported them by placing them in emergency accommodation, and by introducing cabins for homeless individuals on the

Plas Penlan site.

Community Safety- Weekly reports prepared; a Community Inclusion report which reassures the Council that robust arrangements are in place in this area, and tension monitoring reports. The Team has worked successfully in partnership with North Wales Police to resolve and avoid any local tensions that have been vital during the crisis as the cases increased significantly.

Themes in Moving Forward

1. Continuing concern that there has been a 25% reduction in the number of domestic violence referrals in recent weeks, work in collaboration with Gorwel, and North Wales Police to address this.
2. Continue the network of volunteer arrangements to support vulnerable individuals.
3. Continue to develop provision to support homeless individuals during the pandemic.

Highways, Waste and Property

Progress Update

Waste Arrangements - Prioritisation of the most critical services in consultation with Biffa, and a decision to continue to collect domestic waste at the usual level, other than bulky waste collection and replacement of damaged bins, and staff were redeployed to achieve this. The Recycling Centres were closed but the Penhesgyn Recycling Centre has been reopened to the public since 2 June, with a traffic management plan in place, and an advance slot booking system via AppMon. Arrangements were put in place for the service to resume bulky waste collection from 26 May.

Highways - All highway maintenance stopped at the start of the crisis, but highway maintenance work has now resumed, with sub-contractors returning to work on essential works such as weed killing, drainage and path repairs.

Property – There has been a response to new guidance by closing coastal car parks, coastal paths, parks and beaches, with signage displayed to indicate this. The service is assessing possible options to make the HQ building and other buildings safer and more suitable for social distancing between desks, signs, one way walkways etc.

Themes in Moving Forward

1. Continue to maintain waste collection and recycling arrangements including bulky waste collection.
2. Monitor the reopening Penhesgyn Recycling Centre plan (Recovery phase).

3. Continue the structure of partial resumption of capital programmes in line with National Guidance.

Resources

Progress Update

Grant Applications- The service has established a new system for processing and paying business grant applications on behalf of the Welsh Government and, to date, the total payments made to 1,518 businesses on the Island are £17.7m. There has been good collaboration with the Economic Development Unit to engage, advise, and share information with local businesses in a timely and effective manner.

Free School Meals Direct Payments- The service processes weekly free school meals payments, with a weekly average of 1,489 children, totaling £29,035 being processed, along with food packages for a small number of children. There is good collaboration with the Learning Service.

Routine work - The normal operation of the service has continued throughout the crisis with staff working from home processing council tax payments etc, and there has been no significant change in the way the service operates as a result of the crisis.

Themes in Moving Forward

1. Continue to process business support grants.
2. Continue to release direct payments for free school meals.
3. Ongoing monitoring of the Council's financial position and balances.

Council Business and Legal

Progress Update

COVID-19 Guidance and Regulations Library- The service has been updating, analysing and considering the Welsh Government Library of Guidance and Regulations and considering their implications for Council services. The service prepared a response to the Welsh Government's consultation on guidance for Council meetings and its committees under the Coronavirus Act measures.

Committee Meetings Strategy - Following the Welsh Government's Regulations on convening Committee meetings remotely, the Council's Committee Meetings Strategy has been created for the period up to 30 April 2021 which identifies what statutory items must go before a Council Committee.

Guidance on Remote Meetings- The local guidance has been published, following a period of consultation with Officers and Elected Members. In accordance with the statutory requirement to continue to hold some mandatory Committees remotely. The first virtual meeting of the Planning Committee was held on May 20, 2020 following bespoke training. As a result of this meeting, it was decided to continue the practice of holding monthly Planning Committee meetings from July.

Minuting and Tracking Actions- Members of staff at the Council's Business Department have been minuting daily EMRT and other emergency meetings held in response to the emergency, and tracking actions arising from the meetings on 4action software.

Themes in Moving Forward

1. Continue to implement the Remote Meeting Strategy.
2. Update and monitor the Guidance and Regulations Library.
3. Continue the process of tracking and updating key actions through 4action software.

Human Resources, Transformation and Communication

Progress Update

Communication Strategy - Effective and proactive work in producing regular press releases on various aspects and changes to Council services as a result of the current crisis. They have shared important messages about the need and importance of staying home, staying away from the Island, and continuing to protect the NHS on social media, as well as sharing the messages of other organisations. The Council's social media has been used to the full, working with partners to ensure that key messages are consistent and timely. A member of the team has also been sharing important messages and information on MônFM on a daily basis, as well as creating information leaflets for residents who are not on social media.

Staff Redeployment Arrangements- The Human Resources Department has been collecting staff data on a daily basis to enable workforce planning and redeployment of staff to ensure the continuation of vital frontline services in the face of the crisis. They have put in place a corporate redeployment process to match the skills of staff to the demands of pressured services. A database has been established to identify key skills needed, with individual services feeding their requirements into the database.

Care modules have been launched on Learning Pool for staff who will undertake temporary care work in response to staffing pressures in the field. Weekly updates are sent to Managers via a Managers Newsletter, and modules and information on health and

wellbeing issues for all Council staff are shared to support staff.

Data collection- Transformation staff have been very proactive in collecting data on all aspects of COVID-19, and a dashboard has been developed for this purpose.

IT and Remote Working Arrangements- The Service has put structures and systems in place to allow all Council staff to work remotely, including Microsoft Teams software which enables the sharing of information amongst Council staff, documents and holding virtual meetings. With the requirement to hold Committee meetings remotely, the team has been experimenting with the aspect of offering simultaneous translation at meetings.

Supporting Vulnerable Children- The team has been working hard on updating the Council's obsolete laptops so that children who do not have access to IT equipment at home can complete homework and continue with their remote education.

Recycling Centre Online System- An online system has been developed to arrange a slot at the recycling centre (Penhesgyn) which makes re-opening the centre safe and effective.

Themes in Moving Forward

1. Continue to implement a robust Communication Strategy, both internally and externally.
2. Continued development of the Council's IT infrastructure to meet the business needs of the Council.
3. IT service resilience and capacity.
4. Continue the redeployment process as required to alleviate any pressure on front line Council services.

Regulation, Economic Development, and Public Protection

Progress Update

Economic impacts- The Service has been actively engaging with local businesses to better understand the issues and challenges faced and to offer support and guidance. The information and evidence gathered has been used to inform and influence discussions with the Welsh Government and the UK to ensure that Anglesey businesses are fully understood and that national support mechanisms are planned and refined to address these. The Service has participated in weekly Regional meetings and produces weekly economic impact reports to ensure that the Council understands, and is aware of, the nature and scale of the socio-economic impacts of the pandemic - as well as identifying priorities on which to focus during the recovery phase.

Business Support - The service continues to support businesses that are closed as a result of the crisis, and processes and allocates Arfor grants, Covid-19, and the Economic Resilience Fund to eligible businesses.

Holyhead Port- Concerns were raised about the commercial viability of the ferry companies during the pandemic, in particular the impact of reduced transport levels and number of sailings, and the effects (both direct and indirect) on local employment. The Deputy Chief Executive and the Service have continued to hold various discussions with key stakeholders to ensure the importance of the Port in the long and short term is recognised, and work with both Governments to seek an appropriate Support package from the UK Government.

Collaboration with the Health Board and Field Hospital- The service has assisted the Health Board in relocating temporary services in response to the emergency, including Penrhos Stanley Hospital Physiotherapy department to Cefni Hospital, and Midwifery Services to Plas Arthur and Holyhead Leisure Centres. The service has played a key role in establishing the Rainbow Hospital.

Contact Tracing Team- The service is involved in the local and regional efforts to establish a contact tracing team and is participating in a national pilot alongside Public Health Wales and Betsi Cadwaladr University Health Board to limit the spread of the virus, with the team operational since 26 May.

Increasing the Capacity of the Registrar Service - Due to an ongoing increasing demand on the Registration Service, additional capacity is being created through the redeployment process to respond to this demand, with bespoke training provided for these staff.

Guidance Compliance- The team has been working on ensuring compliance with the new guidance and regulations as a result of the Coronavirus Act, and has been undertaking an enforcement role in closing buildings and premises, and dealing with a number of calls and complaints about businesses or premises not complying with the Act. The service has a good relationship with North Wales Police and they monitor the situation carefully and on an ongoing basis. The service will need to undertake robust monitoring to ensure resources are available to respond to outbreak control investigations as well as the relaxation of lockdown regulations that could create further work for the team.

Environmental Health- Environmental Health Officers have been liaising very closely with Social Services and Public Health Wales to monitor any suspected and confirmed cases in Residential Homes. The service has been providing infection control training to Residential Homes on the Island, and has been working closely with specific Care Homes that have experienced outbreaks of the virus in an attempt to limit its spread.

Excess Deaths - Public Protection Officers have contributed to the development of a regional plan for arrangements for excess deaths. In particular, the function has worked

with other authorities and emergency services to design and build a temporary mortuary in Mochdre for the region. The service has also been working closely with local funeral directors to prepare requirements and discuss PPE capacity, staffing and supply concerns.

Themes in Moving Forward

1. Ensure that national and regional recovery plans enable the Island's businesses and economy to thrive again including national interventions for the protection of the Port of Holyhead.
2. Continue to develop contact tracing arrangements in line with national expectations and the regional framework.
3. Maintain sufficient capacity in the Registrar service to meet business needs.
4. Secure resilient arrangements in the preparation of public spaces due to the relaxation of movement restrictions.
5. Continue to adapt internal arrangements to meet Covid-19 enforcement requirements.
6. Ensure adequate staffing capacity and expertise for the Environmental Health Team.

SUMMARY OF THE STRATEGY FOR COMMITTEE MEETINGS UP TO 30 APRIL 2021

COMMITTEE (as identified in the Council's Constitution)	DECISION OF GROUP LEADERS 12.05.2020
Planning and Orders Committee	- Meetings to be arranged, by remote attendance, on a monthly basis beginning in July 2020.
Appeals Committee	- Meetings to be held, by remote attendance, only when required
Schools Exclusion and Admissions Appeals Committee	- Meetings to be held only when required - Remote attendance provisions do not currently apply. This may change (if Welsh Ministers pass further Regulations).
Social Services – Appeals Committee	- Meetings to be held, by remote attendance, only when required
Standards Committee	- One ordinary meeting to be held, by remote attendance, before 30 April 2021 - If a referral is received from Public Services Ombudsman for Wales, meetings will be arranged - If an application is received for dispensation, meeting(s) will be arranged - Annual Report for 2019/2020 to be submitted to the Council's AGM (8 September 2020)
Audit and Governance Committee	- One ordinary meeting to be held, by remote attendance, before 30 April 2021, to include, as a minimum, the annual internal audit report - Further meetings to be arranged in accordance with the Director of Function (Resources) / section 151 Officer's requirements, to deal with matters including: <ul style="list-style-type: none"> ▪ Review the Annual Governance Statement (AGS) prior to Council approval ▪ information to feed into the AGS ▪ Treasury Management Code of Practice ▪ Treasury Management Policy review - Annual Report for 2019/2020 to be submitted to the Council's AGM (8 September 2020)
Appointments Committee	- Meetings to be held, by remote attendance, only when required
Licensing Committee	- Meetings to be held, by remote attendance, only when required
Joint Planning Policy Committee	- Meetings to be agreed with Gwynedd County Council. Currently being discussed between officers.
Democratic Services Committee	- One ordinary meeting to be held, by remote attendance, before 30 April 2021 - Annual Report for 2019/2020 to be submitted to the Council's AGM (8 September 2020)
Investigation Committee	- Meetings to be held, by remote attendance, only when required
Disciplinary Committee	- Meetings to be held, by remote attendance, only when required
Scrutiny Committees	- General comments:

SUMMARY OF THE STRATEGY FOR COMMITTEE MEETINGS UP TO 30 APRIL 2021

COMMITTEE (as identified in the Council's Constitution)	DECISION OF GROUP LEADERS 12.05.2020
	Call-in, and entitlement to call extraordinary meetings, remains unchanged so meetings may be required in order to deal with such requests.
Scrutiny Committee – Corporate	<ul style="list-style-type: none"> - Corporate Budget Setting – timetable to be arranged in accordance with Constitutional requirements and subject to the advice of the Head of Function (Resources) / Section 151 Officer - Any additional meetings to be arranged, by remote attendance, subject to Head of Democratic Services' requirements, in accordance with the Committee's decision in relation to its work programme, and any guidance by the Welsh Local Government Association, and may include (but not a statutory requirement of this Committee but must go to full Council): <ul style="list-style-type: none"> o Annual Report of the Statutory Director of Social Services (as soon as reasonably practicable) o Annual Report on Social Services Complaints (as soon as reasonably practicable)
Scrutiny Committee – Partnership and Regeneration	<ul style="list-style-type: none"> - To sit as Crime and Disorder Panel – to review / scrutinise decisions made and actions taken by responsible authorities in respect of their crime and disorder functions – before 12 November 2020 - Public Services Board Progress Report – to be considered before 11 March 2021 - Public Services Board Annual Report – to be considered before 30 April 2021 - Any additional meetings to be arranged, by remote attendance, subject to Head of Democratic Services' requirements, in accordance with the Committee's decision in relation to its work programme, and any guidance by the Welsh Local Government Association, and may include (but not a statutory requirement of this Committee but must go to full Council): <ul style="list-style-type: none"> o North Wales Partnership Board annual report (before 11 July 2020) o North Wales Safeguarding Board annual report (before 4 February 2021)

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DDIM I'W GYHOEDDI NOT FOR PUBLICATION

(Teitl yr Adroddiad: Rhoi estyniad I gontract cyfredol am 12 mispellach /Title of Report: Extending an existing contract for a further 12 months)

PRAWF BUDD Y CYHOEDD PUBLIC INTEREST TEST

<p>Paragraff(au) 14, 16 Paragraph(s) 14, 16</p> <p>[un neu fwy o /one or more of 12,13,14,15,16,17,18,18A,18B,18C]</p>	<p style="text-align: center;">Atodlen 12A Deddf Llywodraeth Leol 1972 Schedule 12A Local Government Act 1972</p>
<p>Y PRAWF – THE TEST</p>	
<p>Mae yna fudd y cyhoedd wrth ddatgan oherwydd / There is a public interest in disclosure as:-</p> <p>Bydd y cyhoedd yn elwa o dryloywder mewn perthynas â materion dan gontract sy'n ymwneud â darparu addysg.</p> <p>The public will benefit from transparency in relation to contracted matters involving education provision.</p>	<p>Y budd y cyhoedd with beidio datgelu yw / The public interest in not disclosing is:-</p> <p>Gan fod yr adroddiad yn cadw gwybodaeth am agweddau ariannol a masnachol y cytundeb yn y dyfodol agos, byddai manylion y darparwr presennol yn cael eu rhannu gyda'r cyhoedd. Gallai manylion y cytundeb cyfredol a nodir yn yr adroddiad gael effaith ar y Cyngor a'r darparwr ar gyfer cyfleoedd tendro a allai godi yn y dyfodol.</p> <p>Mae goblygiadau i'r adroddiad a phe bai'r wybodaeth ariannol a masnachol, ynghyd â'r cyngor cyfreithiol a hysbyswyd, yn cael ei datgelu i'r cyhoedd, yna gallai roi'r Cyngor mewn perygl o her gyfreithiol.</p> <p>As the report holds information regarding both financial and commercial aspects of the agreement in the near future, the details of the current provider would be shared with the public. Details of the current agreement that are noted in the report could have an impact on both the Council and provider for future tender opportunities that may arise.</p> <p>The report has implications and if the financial and commercial information, along with the legal advice notified, was to be revealed to the public, then it could expose the Council to a risk of a legal challenge.</p>

Argymhelliad: *Mae budd y cyhoedd wrth gadw'r eithriad yn fwy o bwys na budd y cyhoedd wrth ddatgelu'r wybodaeth

Recommendation: *The public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Document is Restricted

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