

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 27 MEDI 2021 10.00 o'r gloch	MONDAY, 27 SEPTEMBER 2021 10.00 am
CYFARFOD RHITHIOL WEDI'I FFRYDIO'N FYW	VIRTUAL LIVE STREAMED 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 streamed 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 live stream 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 by any 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 OF THE PREVIOUS MEETINGS (Pages 1 - 12)

To present the minutes of the previous meetings of the Executive held on the following dates -

- 12 July 2021
- 13 September, 2021 (extraordinary)

4 THE EXECUTIVE'S FORWARD WORK PROGRAMME (Pages 13 - 26)

To present the report of the Head of Democratic Services.

5 MONITORING PERFORMANCE: CORPORATE SCORECARD - QUARTER 1, 2021/22 (Pages 27 - 38)

To present the report of the Head of Profession (HR) and Transformation.

6 MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2024/25 (Pages 39 - 58)

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

7 REVENUE BUDGET MONITORING - QUARTER 1, 2021/22 (Pages 59 - 82)

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

8 CAPITAL BUDGET MONITORING - QUARTER 1, 2021/22 (Pages 83 - 96)

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

9 HOUSING REVENUE ACCOUNT BUDGET MONITORING - QUARTER 1, 2021/22 (Pages 97 - 104)

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

10 SOCIAL SERVICES IMPROVEMENT PANEL UPDATE (Pages 105 - 114)

To present the report of the Director of Social Services.

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THE EXECUTIVE

Minutes of the virtual meeting held on 12 July, 2021

- PRESENT:** Councillor Llinos Medi (Chair)
- Councillors Richard Dew, Carwyn Jones, R. Meirion Jones, Alun Mummery, R.G. Parry, OBE FRAGS, Dafydd Rhys Thomas, 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
Director of Social Services
Head of Service (Regulation and Economic Development)
Head of Profession (HR) and Transformation
Digital Services Manager (GC)
Scrutiny Manager (AGD)
Committee Officer (ATH)
- APOLOGIES:** Councillor Ieuan Williams
- ALSO PRESENT:** Councillors Glyn Haynes, Kenneth Hughes, Trefor Lloyd Hughes, MBE, R. Llewelyn Jones, Dafydd Roberts, Head of Housing Services (NM), Lead Case Officer (Major Projects – Social-Economic) (RLIJ), Communications Officer (GJ)
-

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 meeting of the Executive held on 21 June, 2021 were presented for the Executive's approval.

It was resolved that the minutes of the previous meeting of the Executive held on 21 June, 2021 be approved.

4. CORPORATE PARENTING PANEL

The draft minutes of the meeting of the Corporate Parenting Panel held on 8 June, 2021 were presented for adoption by the Executive.

It was resolved that the draft minutes of the meeting of the Corporate Parenting Panel held on 8 June, 2021 be adopted.

5. 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 September, 2021 to April 2022 was presented for consideration with the only change reported being the inclusion of Item 9 – Community Benefit Contributions Strategy as a new item scheduled for consideration at the Executive's 27 September, 2021 meeting.

It was resolved to confirm the Executive's updated Forward Work Programme for the period from September, 2021 to April, 2022 as presented.

6. DRAFT FINAL ACCOUNTS 2020/21 AND USE OF RESERVES AND BALANCES

The report of the Director of Function (Resources)/Section 151 Officer incorporating the draft main financial statements for the 2020/21 financial year along with details of the level of general balances and earmarked reserves held by the Council and recommendations regarding their use was presented for the Executive's consideration.

Councillor Robin Williams, Portfolio Member for Finance reported that the report includes the draft Comprehensive Income and Expenditure Statement for 2020/21 and the draft Balance Sheet as at 31 March, 2021. More detailed information about the Council's general balances and earmarked reserves is provided and the report details the proposed use of reserves and balances in 2021/22 and subsequent years. Also set out is the level of general balances and earmarked reserves which, in the professional opinion of the Council's Section 151 Officer is the level required to cover any financial risks faced by the Council, to meet any existing funding commitments made and takes into account any specific restrictions in the use of the funding e.g. restrictions imposed by grant conditions. The level of risk faced by the Council can change and the level of general balances and earmarked reserves will be kept under review over the coming months. The figures as presented are unaudited and may change as a result of the audit process.

The Director of Function (Resources) and Section 151 Officers advised that the draft Comprehensive Income and Expenditure Statement (CIES) shows the cost of providing the Council's services in accordance with statutory accounting requirements and includes costs which are not charged against Council Tax which explains the figure of £24.231m. These costs which include depreciation and pension adjustments are then reversed out before determining the final position in respect of general balances, earmarked reserves, the HRA account balance and school balances. As a result, the CIES is not directly comparable to the budget outturn reports that were presented to the Executive in June, 2021.

The Council's General Fund Balance as at 31 March, 2021 stood at £11.593m which is equivalent to 7.86% of the net revenue budget for 2021/22. The Executive has set the minimum level of the General Fund Balance as 5% of the net revenue budget which would equate to £7.37m which means the General Fund Balance exceeds the minimum value by £4.223m. Normally, the Section 15 Officer would recommend that their level be maintained for the coming year; however in light of the uncertainty with regard to the impact of the pandemic on the demand for Council services in 2021/22; the continuation or otherwise of Welsh Government financial assistance and the effect of ongoing restrictions and social distancing requirements on the Council's ability to generate income for certain services, it is considered prudent to increase the minimum level of the general fund balance during 2021/22 and possibly 2022/23 until the impacts of the pandemic are clearer. It is the professional opinion of the Section 151 Officer that a minimum value of £9m (6.1% of the net revenue budget for 2021/22) is sufficient to mitigate these risks.

Prior to the pandemic, the Executive had approved in principle the transfer of a level of general balances to create service reserves. The level of the reserve for each service would be capped at 2.5% of the Service's net revenue budget or £75,000 whichever is the higher and the annual contribution to the service reserve would be linked to the Service's financial performance during the year i.e. underspends would be retained by the Service up to the level of the cap to be used for specific projects and overspends apart from those deriving from significant increases in demand would be funded from the Service reserve. Based on the 2020/21 outturn and implementing the cap on the level of reserve, the service reserve for each service would be as outlined in Table 3 of the report (bringing the total Service Reserves to £1.376m) and would be used for the purposes proposed in paragraph 5.6 of the report. After taking into account the requirement to maintain the minimum level of the General Fund Balance at £9m and the use of £1.376m as service reserves, £1.217m would be left to be released for use on one off projects – the Executive is asked to authorise the release of this sum to fund specific projects.

The Council holds earmarked reserves to mitigate potential future risks, to meet increases in the demand for certain services, to fund future capital projects, to fund improvements in business processes and service delivery which are not funded in the annual revenue budget and to hold unused grants and other contributions. The new reserves created during 2020/21 totalling £5,181,646 which the Executive is asked to formally approve, are shown in Table 4 of the report. A full list of all the earmarked reserves is provided in Appendix 4 to the report and they are summarised into the various categories in Table 5 of the report. Appendix 4 identifies the ongoing commitments for each individual earmarked reserve and also identifies reserves which can be released to fund additional one off expenditure. The Executive is asked to approve the use of £2.254m of uncommitted reserves for future projects.

Councillor Robin Williams, Portfolio Member for Finance said that he thought it important also to highlight the fact that despite the welcome reduction in hospital admissions and deaths, Covid 19 has not gone away and its impact is still being felt. The Council faces a number of unknowns going forward especially from a financial perspective including what its funding settlement from Welsh Government for 2022/23 will be; whether Welsh Government will continue to provide Covid related financial support and if so for how long and also whether the level of staff pay awards will be higher than the provision allowed for in the budget. In addition, the Council also has a cumulative backlog of maintenance costs on its roads, schools, leisure centres and libraries; these are some of the funding challenges the Council is facing which the wider public should be aware of. In proposing the recommendations, the Portfolio Member said that he was proposing an amendment to the wording of recommendation 6 to include the words "in principle."

The Executive's members acknowledged that the future does contain uncertainty and risks in light of which they agreed that it is therefore right to be cautious in the use of reserves and to hold sufficient back to ensure the Council is able to deal with the financial challenges it is facing. A question was asked about the impact of the pandemic on debtor days. The Director of Function (Resources)/ Section 151 Officer clarified that the length of time that debts remain outstanding is regularly reviewed and although he was not able to give the exact figures the information not being immediately to hand, he could confirm that Council Tax arrears have increased to £3.8m as more people take longer to pay. The Council did defer Council Tax instalments for the first two months of 2020/21 so the increase in arrears is not unexpected nor unique to Anglesey with all councils in Wales reporting a similar scenario. Welsh Government has recognised Council Tax collection as a potential risk and has provided Anglesey with £768,625 to cover the anticipated increase in the level of Council Tax debt which may have to be written off. This funding is held in reserve and will be released to the revenue account as required to smooth over the effects of loss of Council Tax income.

It was resolved –

- **To note the draft unaudited main financial statements for 2020/21.**
- **To note the position of general balances and earmarked reserves and to approve the creation of the new reserves noted in Appendix 4 of the report totalling £5,181,646.**
- **To note the school balances position.**
- **To approve increasing the minimum level of the General Reserve balance to £9m. This sum will be reviewed again as the 2022/23 revenue budget is set.**
- **To approve the creation of Service Reserves totalling £1.376m as per Table 3, Appendix 1 of the report.**
- **To authorise in principle, the use of up to £3.471m (£1.217m of the General Fund balance and £2.254m of uncommitted earmarked reserves) to fund specific projects designed to meet risks and challenges faced by the Council. The Executive will approve all new projects prior to their commencement.**

7. ANNUAL DIRECTOR'S REPORT ON THE EFFECTIVENESS OF SOCIAL SERVICES 2020/21

The Annual Director's report on the Effectiveness of Social Services in 2020/21 was presented for the Executive's consideration.

Councillor Llinos Medi, Chair and Portfolio Member for Social Services reported that there is statutory requirement for the Director of Social Services to report annually to the Council on the delivery and performance of Social Services for that year. The report provides an overview of activity during the year as well as setting out the focus for improvement for the forthcoming year. Although the report is that of the Director's it is also a document which the Council collectively should take ownership of as a reflection of the hard work and achievement during the year.

The Director of Social Services referred to the unprecedented challenges faced by Social Services in 2020/21 as a result of the Covid pandemic and to the efforts of Social Services staff supported by internal colleagues within the Council and partner organisations outside to ensure that the people of Anglesey remained safe during this period. Similarly, the Authority's foster carers have worked extremely hard to ensure that the children in their care were kept safe and thanks are due to them for their valued commitment. During the Covid 19 pandemic period, Social Services continued to meet its statutory duties and to work closely with Welsh Government and Care Inspectorate Wales (CIW), the Health Board and other partner organisations and was the subject of an assurance inspection of Adults' and Children and Families' Services by CIW from which the feedback was positive. CIW also visited the Service's two small group homes during the year and these visits also resulted in encouraging feedback. Anglesey Social Services continue to play their part in key regional and national discussions ensuring that the citizens of Anglesey have a voice in decisions that affect them. The pandemic brought about a change in working practices as contact and interactions moved online and meetings were conducted remotely; however, Anglesey's Social Services are always looking at opportunities for doing things differently in order to better respond to people's changing needs.

In highlighting key points in Adults' and Children and Families' Services, the Director of Social Services referred to the shift to digital channels citing the setting up of virtual village halls as an example; the purchase of a town centre property in Llangefni to provide Mencap Môn with a hub for people with a learning disability as one of many instances of partnership working which has been especially important in 2020/21 in responding to the pandemic;

working with schools and the Learning Service to identify vulnerable children and arrange appropriate provision, and successfully approving 9 mainstream fostering households and 14 connected persons (family and friends) households in the year. These represent a few of the many activities that took place across the range of Social Services during 2020/21. Despite the Covid 19 pandemic and the ever increasing financial challenges faced, Social Services have continued to make progress in the year whilst also fulfilling their statutory obligations.

The Scrutiny Manager reported from the meeting of the Corporate Scrutiny Committee held on 8 July to which the Annual Director's Report had been presented. In considering the report the Committee noted that the past year had been one of significant challenges because of Covid 19 but notwithstanding Social Services had maintained all of its statutory work and had undertaken some service development work as well. The Committee heard about the impact of effective partnership working both in responding to Covid 19 and in delivering Social Services; joint working with the Housing Service and the Learning Service in particular was noted. The Committee discussed the increasing levels of demand for Social Services' support potentially leading to additional budget pressures. Particular reference was made to uncertainty around Welsh Government grants such as the Integrated Care Fund. The significant contribution of staff across Social Services functions during the pandemic was acknowledged and appreciation for their efforts was expressed. Having considered the report the Corporate Scrutiny Committee was satisfied that it provides a fair reflection of Social Services performance during 2020/21 and its priorities for improvement, and it resolved to recommend the report to the Executive.

Members of the Executive echoed the thanks to the staff of Social Services for their work in responding to the challenges of the past very difficult year and in particular in maintaining statutory services throughout. The significant progress made by Social Services over recent years was likewise acknowledged and particular mention was made of the small group homes and the success of the foster carers recruitment drive and the benefits those had brought to children looked after by the Authority. With regard to foster care and adoption a question was asked about the impact of the pandemic on adoption and whether any foster carers had left or had withdrawn from the fostering approval process. The Director of Social Services confirmed that most foster carers remain in fostering and those that do leave do so for specific reasons. Mainstream (general) foster carers who are not connected to the children they foster as family or friends tend to remain in fostering and the Authority has a close relationship with them; while foster carers do leave due to retirement some foster carers choose to continue fostering beyond normal retirement age. With regard to adoption although some cases have been delayed the adoption process has continued during the pandemic with court hearings moving online; positive feedback has been received from the courts regarding the way Social Services have responded and adapted. Social Services are well-supported by the Council's legal advisors in the court process. A piece of work has been undertaken nationally to garner views on how well these processes have operated during the pandemic.

The Chair concluded the discussion by saying that social workers and social care staff deserve public recognition for their work and for their contribution to the pandemic efforts and the Executive appreciates all they have done over the past year.

It was resolved to accept the Annual Director's Report as an accurate reflection of the effectiveness of Social Services during 2020/21.

8. CHANGES TO THE CONSTITUTION: DELEGATED POWERS – DEVELOPMENTS OF NATIONAL SIGNIFICANCE AND NON-STATUTORY COMMUNITY BENEFITS

The report of the Chief Executive requesting the Executive's endorsement for changes to be made to the Constitution was provided for consideration.

Councillor Carwyn Jones, Portfolio Member for Major Projects reported that the changes proposed which the Executive is asked to endorse are in relation to providing delegated powers to the Head of Regulation and Economic Development in relation to statutory functions of the Council in connection with any development that constitutes a Development of National Significance and developments which require Special Development Orders. In addition, the Executive is asked to approve delegating powers to the Deputy Chief Executive with regard to the negotiation and approval of non-statutory community benefits for a development that constituted a Development of National Significance.

The Head of Regulation and Economic Development advised that the changes to the Constitution are necessary to reflect the current statutory approval framework in Wales which now includes Developments of National Significance and Special Development Orders. The changes will enable the Council to respond effectively and robustly to the associated engagement processes which are usually subject to strict timescales and deadlines. The changes will also support existing communication processes within the Council ensuring that the SLT and Elected Members are kept informed of relevant issues and progress with regard to such developments.

In response to a question, the Director of Function (Council Business) and Monitoring Officer confirmed that the report does reflect the Monitoring Officer's input on this matter.

It was resolved –

- **To recommend that Full Council delegate to the Head of Regulation and Economic Development the carrying out of all statutory functions of the Council in connection with any development that constitutes a Development of National Significance (DNS) as defined under the Planning (Wales) Act 2015 which amends the Town and Country Planning Act 1990 (“the Act”) and the Developments of National Significance (Wales) Regulations 2016 (as amended) and subsequent Regulations as both Local Authority, Local Planning Authority and Local Highway Authority.**
- **To recommend that Full Council delegate to the Head of Regulation and Economic Development the carrying out of all statutory functions of the Council in connection with any development that constitutes a Special Development Order (e.g. Border Control) under section 59 (3) of the Town and Country Planning Act 1990.**
- **That the Executive delegates to the Deputy Chief Executive the authority to carry out all non-statutory community benefit negotiations and to make all decisions relevant to such negotiations in connection with, or arising from a development that constitutes a Development of National Significance in consultation with the Chief Executive and the Leader of the Council.**
- **To recommend that section 3.5.3 of the Constitution be updated to reflect the above delegations.**

9. EXCLUSION OF THE PRESS AND PUBLIC

It was considered and 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. IOACC DIGITAL CHANNELS TRANSFORMATION

The report of the Head of Profession (HR) and Transformation outlining a proposed project to transform the Council's digital channels was presented for the Executive's consideration.

Councillor Dafydd Rhys Thomas, Portfolio Member for Corporate Business reported that the project is part of the Council's continuing endeavours to improve the services it provides to the citizens of Anglesey including through digital technology. The Covid19 pandemic has shown the value of digital technology in maintaining the delivery of services and in keeping lines of communication open; to continue with the positive work that has been done requires investment in the Council's systems hence the proposal.

The Head of Profession (HR) and Transformation agreed that the project is essential if the Council is to make progress on its digital improvement journey and in order to provide staff and customers alike with a better experience in their digital interactions with the Council.

The Director of Function (Resources) and Section 151 Officer explained the funding implications were the project to be approved in terms of the initial capital outlay and ongoing revenue commitments and how these would be met.

Councillor Robin Williams, Portfolio Member for Finance commented that systems investment is necessary if the Council is to fulfil its commitment to continue improving customer service.

Having considered the information presented via the report and verbally at the meeting, the Executive supported the proposal.

It was resolved to accept the report and to proceed accordingly.

**Councillor Llinos Medi
Chair**

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THE EXECUTIVE

Minutes of the extraordinary virtual meeting held on 13 September, 2021

- PRESENT:** Councillor Llinos Medi (Chair)
- Councillors Richard Dew, Carwyn Jones, R. Meirion Jones, Alun Mummery, R.G. Parry, OBE FRAgS, Dafydd Rhys Thomas, 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 Democratic Services
Head of Profession (HR) and Transformation
Programme, Business Planning and Performance Manager (GM)
Committee Officer (ATH)
- APOLOGIES:** Councillor Ieuan Williams
- ALSO PRESENT:** Councillors Kenneth Hughes, Trefor Lloyd Hughes, MBE, Aled M. Jones, Dylan Rees, Dafydd Roberts
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1. DECLARATION OF INTEREST

No declaration of interest was received.

2. EXCLUSION OF PRESS AND PUBLIC

It was considered and 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.

3. LLANGEFNI AREA SCHOOLS' MODERNISATION – SOC/OBC FOR YSGOL TALWRN AND YSGOL Y GRAIG

Councillor R. Meirion Jones, Portfolio Member for Education, Libraries, Youth and Culture presented the report by the Director of Education, Skills and Young People which incorporated the Strategic Outline Case and Outline Business Case (SOC/OBC) to secure 65% of the finance under the Welsh Government's 21st Century Schools and Colleges Programme for a new Foundation Phase block at Ysgol Y Graig.

Councillor R. Meirion Jones recapped on the background up to this point whereby a statutory consultation on the future of Ysgol Y Graig and Ysgol Talwrn was held between 6 February and 20 March, 2020 following consideration of the proposal paper by the Corporate Scrutiny Committee and the Executive in January, 2020. The report on the outcome of the statutory consultation was presented to the Corporate Scrutiny Committee on 10 December, 2020 which having considered the information presented and the representations made, resolved to recommend to the Executive that it proceed with the original proposal as the most appropriate way forward namely, to increase capacity of Ysgol Y Graig to accommodate pupils from Ysgol Talwrn, close Ysgol Talwrn and review the catchment area of Ysgol Y Graig and Ysgol Talwrn. This proposal was subsequently approved by the Executive on 17 December, 2020.

The Programme, Business Planning and Performance Manager reported that the development of the Strategic Outline Case and Outline Business Case marks a specific point in the process of bringing the schools' modernisation process to a conclusion in this part of Llangefni. Following the Executive's decision on 17 December, 2020 to proceed with increasing the capacity of Ysgol Y Graig to accommodate pupils from Ysgol Talwrn and to close Ysgol Talwrn, a statutory notice to this effect was issued. The Outline Business Case sets out the expected investment in Ysgol Y Graig on the part of Welsh Government which will provide 65% of the cost of the project and on the part of the Council which will contribute the remaining 35%. The Council's investment will be through a mix of unsupported borrowing, capital receipts and housing developer funds from housing developments within the Ysgol Y Graig catchment area. The Business Case also includes an analysis of the alternative options for delivering the investment objectives in line with Welsh Government's Business Case methodology. The Programme, Business Planning and Performance Manager highlighted that the project as well as delivering all-important educational benefits will eliminate the current and projected maintenance spend at Ysgol Y Graig and Ysgol Talwrn and contribute to revenue savings.

The SOC/OBC will be subject to scrutiny and challenge by two Welsh Government panels – the Business Case Scrutiny Group meeting on 16 September, 2021 and the Programme Investment Panel meeting on 14 October, 2021 following which the Full Business Case will be submitted to the Executive at a later date.

The Executive thanked the Officers, specifically the staff of the Transformation Service for the work that had gone into producing such a detailed document and commented that this matter has long been under consideration. In discussing the report, the Executive sought clarification on two points the one being in relation to pupil places and the other in relation to the Welsh Government's panels meeting schedule on which the Programme, Business Planning and Performance Manager was able to provide assurance.

The Portfolio Member for Education, Libraries, Youth and Culture confirmed that the Chair of the Council had on 3 September, 2021 acceded to the request made to him on 1 September, 2021 that should the recommendations be approved, the decisions arising therefrom be exempted from the scrutiny call-in procedure due to the requirements of the Welsh Government's timetable for considering the matter.

It was resolved –

- **To approve the Strategic Outline Case and Outline Business Case (SOC/OBC) for the new Foundation Phase block at Ysgol Y Graig.**
- **To approve the submission of the SOC/OBC to Welsh Government.**
- **To approve ring fencing capital receipts for the construction of the new school building Foundation Phase block at Ysgol Y Graig.**

- To delegate authority to the Director of Education, Skills and Young People in consultation with the Head of Function (Resources/Section 15 Officer and the Director of Function (Council Business/Monitoring Officer) to amend the SOC/OBC if necessary – if the changes do not result in material changes (in terms of policy, principles, financial contribution, risks and harm to third parties).
- To ring fence developer funds from housing developments within the Ysgol Y Graig catchment area to contribute towards the cost of the project.
- With the prior agreement of the Council Chair, to exempt Scrutiny's right to call in the decision, as Welsh Government needs to consider the Strategic Outline Case/Outline Business Case at its meeting on 16 September, 2021. Any delay in delegating the funding would be detrimental to how quickly the project could be implemented.

Councillor Llinos Medi
Chair

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Isle of Anglesey County Council	
Report to:	The Executive
Date:	27 September 2021
Subject:	The Executive's Forward Work Programme
Portfolio Holder(s):	Cllr Llinos Medi
Head of Service / Director:	Lynn Ball Director of Function – Council Business / Monitoring Officer
Report Author: Tel: E-mail:	Huw Jones, Head of Democratic Services 01248 752108 JHuwJones@ynysmon.gov.uk
Local Members:	Not applicable

A –Recommendation/s and reason/s
<p>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.</p> <p>The Executive is requested to:</p> <p>confirm the attached updated work programme which covers October 2021 – May 2022;</p> <p>identify any matters for specific input and consultation with the Council's Scrutiny Committees;</p> <p>note that the forward work programme is updated monthly and submitted as a standing monthly item to the Executive.</p>

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 – Assessing the potential impact (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, including those directly affected by the decision? Please explain how.	
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	

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).
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E – Who did you consult?		What did they say?
2	Finance / Section 151 (mandatory)	It is also circulated regularly to Heads of Services for updates.
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	Under normal circumstances, 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	

F - Appendices:

The Executive's Forward Work Programme: October 2021 – May 2022

The Executive's Forward Work Programme

Period: October 2021 – May 2022

Updated 14 September 2021



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 16 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: October 2021 – May 2022

Updated 14 September 2021

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)	
October 2021							
1	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 25 October 2021	
2	Consultation on the level of Council Tax Premium for second homes		Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel 9 September 2021	The Executive 25 October 2021	
3	Community Benefit Contributions Strategy Approval of revised strategy.		Regulation and Economic Development	Christian Branch Head of Regeneration and Economic Development Cllr Carwyn Jones		The Executive 25 October 2021	
4	Annual Performance Report (Improvement Plan) 2020/21		Corporate Transformation	Carys Edwards Head of Profession – HR and Transformation Cllr Dafydd Rhys Thomas	Corporate Scrutiny Committee 14 October 2021	The Executive 25 October 2021	Full Council 26 October 2021

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5	Highways Damage Prosecution		Highways, Waste and Property	Huw Percy Head of Highways, Waste and Property Cllr R G Parry OBE		The Executive 25 October 2021
November 2021						
6	2022/23 Budget (S) To finalise the Executive's initial draft budget proposals for consultation.	This is a matter for the Executive as it falls within the Council's Budget Framework.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel 28 October 2021 Corporate Scrutiny Committee 1 November 2021	The Executive 8 November 2021 Date to be confirmed, subject to Welsh Government timescale.
7	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 29 November 2021

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8 Corporate Scorecard – Quarter 2, 2021/22 (S) Quarterly performance monitoring report.	This is a matter for the full Executive as it provides assurance of current performance across the Council.	Corporate Transformation	Carys Edwards Head of Profession – HR and Transformation Cllr Dafydd Rhys Thomas	Corporate Scrutiny Committee 16 November 2021	The Executive 29 November 2021	
9 Revenue Budget Monitoring Report – Quarter 2, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel 11 November 2021	The Executive 29 November 2021	
10 Capital Budget Monitoring Report – Quarter 2, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel	The Executive 29 November 2021	
11 Housing Revenue Account Budget Monitoring Report – Quarter 2, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel	The Executive 29 November 2021	

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12	Council Tax Base 2022/23 To set the Tax Base for 2022/23	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams		The Executive 29 November 2021	
13	Peboc Site	Regulation and Economic Development	Christian Branch Head of Regeneration and Economic Development Cllr Carwyn Jones		The Executive 29 November 2021	
December 2021						
14	The Executive's Forward Work Programme (S) Approval of monthly update.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 13 December 2021	
15	AONB Management Plan 2021-2025	Regulation and Economic Development	Christian Branch Head of Regulation and Economic Development Cllr Richard Dew		The Executive 13 December 2021	Full Council 22 February 2022

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16	Establishing a Port Health Authority for Holyhead Port	Regulation and Economic Development	Christian Branch Head of Regulation and Economic Development Cllr Carwyn Jones		The Executive 13 December 2021	
17	Road Maintenance and Highways Asset Management Policy	Highways, Waste and Property	Huw Percy Head of Highways, Waste and Property Cllr R G Parry OBE		The Executive 13 December 2021	
18	Housing Challenge: IOACC's response to the local housing situation	Housing	Ned Michael Head of Housing Services Cllr Alun Wyn Mummery	Corporate Scrutiny Committee 16 November 2021	The Executive 13 December 2021	
19	Local Housing Strategy 2022-2027	Housing	Ned Michael Head of Housing Services Cllr Alun Wyn Mummery	Corporate Scrutiny Committee 16 November 2021	The Executive 13 December 2021	Full Council 22 February 2022

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January 2022						
20	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 24 January 2022
February 2022 - Date to be confirmed, subject to Welsh Government timescale						
21	Revenue Budget Monitoring Report – Quarter 3, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel	The Executive 14 February 2022
22	Capital Budget Monitoring Report – Quarter 3, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel	The Executive 14 February 2022

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23 Housing Revenue Account Budget Monitoring Report – Quarter 3, 2021/22 (S) Quarterly financial monitoring report.	This is a matter for the full Executive as it provides assurance of current financial position across the Council.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel	The Executive 14 February 2022	
24 Medium Term Financial Strategy and Budget 2022/23 (S) Adoption of final proposals for recommendation to the County Council.	This is a matter for the Executive as it falls within the Council's Budget Framework.	Resources	Marc Jones Director of Function – Resources / Section 151 Officer Cllr Robin Wyn Williams	Finance Scrutiny Panel (date to be confirmed) Corporate Scrutiny Cttee 9 February 2022	The Executive 14 February 2022	Full Council 22 February 2022
25 The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 14 February 2022	

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March 2022						
26	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 21 March 2022
27	Corporate Scorecard – Quarter 3, 2021/22 (S) Quarterly performance monitoring report.	This is a matter for the full Executive as it provides assurance of current performance across the Council.	Corporate Transformation	Carys Edwards Head of Profession – HR and Transformation Cllr Dafydd Rhys Thomas	Corporate Scrutiny Committee 7 March 2022	The Executive 21 March 2022
28	Homelessness Strategy and Housing Support Grant		Housing	Ned Michael Head of Housing Services Cllr Alun Wyn Mummery	Corporate Scrutiny Committee 7 March 2022	The Executive 21 March 2022 To be confirmed
29	Social Services Improvement Programme Progress Report		Social Services	Fôn Roberts Director of Social Services Cllr Llinos Medi	Social Services Improvement Panel 15 February 2022 Corporate Scrutiny Committee 7 March 2022	The Executive 21 March 2022

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April 2022						
30	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive 25 April 2022
May 2022						
31	The Executive's Forward Work Programme (S) Approval of monthly update.	The approval of the full Executive is sought to strengthen forward planning and accountability.	Council Business	Huw Jones Head of Democratic Services Cllr Llinos Medi		The Executive May 2022

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ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	EXECUTIVE COMMITTEE
Date:	27 th SEPTEMBER 2021
Subject:	SCORECARD MONITORING REPORT - QUARTER 1 (2021/22)
Portfolio Holder(s):	COUNCILLOR DAFYDD RHYS THOMAS
Head of Service / Director:	CARYS EDWARDS
Report Author:	GETHIN MORGAN
Tel:	01248 752111
E-mail:	GethinMorgan@anglesey.gov.uk
Local Members:	n/a

A –Recommendation/s and reason/s	
1.1	This is the first scorecard report of 2020/21. It is to be considered within the context of the additional pressures emanating from our response to the coronavirus pandemic during Q1.
1.2	It portrays the position of the Council against its operational objectives as outlined and agreed earlier in the year.
1.3	The Committee is requested to scrutinise the scorecard and note the areas which the Senior Leadership Team are managing to secure improvements into the future. These can be summarised as follows – <div style="margin-left: 40px;"> <p>1.3.1 Underperformance is recognised and managed with mitigation measures completed to aide improvement during Q2 and that a close eye is kept on the indicators currently affected by the coronavirus pandemic.</p> <p>1.3.2 The removal of indicator 8 – the percentage of high risk businesses that were subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation – from the Scorecard for this year due to the current Covid-19 pandemic and in line with the expectations within the Food Standards Agency Recovery Plan.</p> </div>
1.4	The Committee is asked to accept the mitigation measures outlined above.

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

E – Impact on our Future Generations(if relevant)		
1	How does this decision impact on our long term needs as an Island	<p>The Corporate Scorecard Report gives a snapshot of the KPI performance against the Council Plan’s 3 objectives at the end of each quarter.</p> <p>All 3 objectives, below, consider the long term needs of the Island</p> <ol style="list-style-type: none"> 1. Ensure that the people of Anglesey can thrive and realise their longterm potential 2. Support vulnerable adults and families to keep them safe, healthy and as independent as possible 3. Work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment <p>The measurement of the KPIs against each objective demonstrates how decisions are making an impact on our current performance.</p>
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	Performance of some KPIs could potentially have an impact on future costs however mitigation measures proposed looks to alleviate these pressures.
3	Have we been working collaboratively with other organisations to come to this	Elements of the work monitored within the Scorecard is undertaken in a collaborative manner with other organisations such as Betsi Cadwaladr University Health Board, Welsh

	decision, if so, please advise whom:	Government, Keep Wales Tidy, Careers Wales, Sports Wales, GWE, amongst others.
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	N/A
5	Outline what impact does this decision have on the Equalities agenda and the Welsh language	N/A

DD – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	This was considered by the SLT and their comments are reflected in the report
2	Finance / Section 151 (mandatory)	No comment
3	Legal / Monitoring Officer (mandatory)	No comment
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	Was considered by Corporate Scrutiny on the 14/9. The Committee Chairman will feedback in this meeting.
9	Local Members	

F - Appendices:
Appendix A - Scorecard Quarter 1

FF - Background papers (please contact the author of the Report for any further information):
<ul style="list-style-type: none"> 2020/21 Scorecard monitoring report - Quarter 4 (as presented to, and accepted by, the Executive Committee in June 2021).

SCORECARD MONITORING REPORT – QUARTER 1 (2021/22)

1. INTRODUCTION

- 1.1 The Isle of Anglesey County Council are required to put in place arrangements which allow us effectively to understand local needs and priorities, and to make the best use of our resources and capacity to meet them and evaluate the impact of our actions.
- 1.2 Our Council Plan for 2017 to 2022 identifies the local needs and wellbeing priorities and sets out our aims for the period in conjunction with our Annual Delivery Document.
- 1.3 This scorecard monitoring report is used as part of this process to monitor the success of our identified Key Performance Indicators (KPIs), a combination of local and nationally set indicators, in delivering the Councils day to day activities. The report also identifies any mitigating actions identified by the Senior Leadership Team (SLT) to drive and secure improvements.
- 1.4 This year's indicators included within the scorecard were agreed during a workshop with the Elected Members and Senior Management on the 13th July 2021. This will be the final annual scorecard agreed for this elected Council before the Local Government Elections in May 2022.
- 1.5 The scorecard (appendix 1) portrays the current end of Q1 position and will (together with this report) be considered further by the Corporate Scrutiny Committee and the Executive during September.

2. CONTEXT

- 2.1 The performance monitoring KPIs continue to be aligned to the Councils' three wellbeing strategic objectives:
 - Objective 1 - Ensure that the people of Anglesey can thrive and realise their long-term potential
 - Objective 2 - Support vulnerable adults and families to keep them safe, healthy and as independent as possible
 - Objective 3 - Work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment
- 2.2 It will not be possible to publish information for all KPIs on the Scorecard on a quarterly basis due to the nature of data collection methods. When this is the case, a note will indicate how often the KPI is monitored and when the data will be available for collection, e.g. (annual) (Q4), (termly) (Q3).
- 2.3 The publication of the PAM national indicators was restarted this year following cancellation due to the Covid-19 pandemic last year. However, the PAM results are not yet available to help with the target setting process this year. Targets for the year have therefore been agreed based on previous

year's performance and also based on how they have been affected by the Covid-19 pandemic.

3. CORPORATE HEALTH PERFORMANCE

- 3.1 It is encouraging to note that the majority (75%) of the indicators monitored are performing well against targets (Green or Yellow RAG). Some of the highlights are noted below.
- 3.2 Attendance at work is an area which is reported on monthly and is analysed to ensure improvement. A challenging target of 8.75 days lost to absence per FTE has been agreed this year following on from the 6.68 days lost to absence per FTE in 2020/21.
- 3.3 At the end of Q1 the Council is YELLOW against its target with 2.23 days lost to absence per FTE in the period against a target of 2.1 days lost to absence per FTE. This performance is almost identical to the levels seen pre-pandemic in Q1 2019/20 where 2.24 days were lost to absence per FTE.
- 3.4 Our digital strategy has proved successful throughout this pandemic. There have been many developments to our digital channels including the use of social media accounts within our Services. The importance of social media cannot be underestimated as a communication tool for sharing information with both residents and visitors whilst attempting to positively influence behaviours during this time.
- 3.5 The accounts managed within Services have helped reach people who would not perhaps have followed the main Anglesey County Council accounts. This year, we will be including the Service led social media accounts to indicator 14 within the Customer Service section, the number of 'followers' of IOACC Social Media.
- 3.6 The additional followers will be taken from accounts including:
- Gwasanaeth Ieuencid Môn / Anglesey Youth Service,
 - Teulu Môn,
 - Archifau Ynys Môn / Anglesey Archives,
 - Môn Actif,
 - Gwasanaeth Ailgylchu a Gwastraff / Recycling and Waste Service,
 - Visit Anglesey / Croeso Môn,
 - Oriel Môn,
 - Swyddi Môn Jobs,
 - and others
- 3.7 Following feedback in the workshop from the Elected Members, we will be developing a system to measure the customer service satisfaction of the Council's telephone service. Work has begun on the system which will offer customers the option to take part in a customer satisfaction survey after their initial call is dealt with by officers. It is planned that the new system will be in place ready for reporting in the Q3 Scorecard report.

- 3.8 The indicators currently monitored within the Customer Service section do not highlight any cause for concern as the indicators are performing well against targets on the whole. Whilst this is positive, we also acknowledge that further work is needed as is noted above in 3.7 to implement additional customer satisfaction indicators for inclusion in the Q3 report. The only indicator that is underperforming against its target currently is indicator 04b – the total % of written responses to complaints within 15 days (Social Services) with a performance of 50% against a target of 80%. Despite the performance it is reassuring that 13 of the 14 complaints received in the quarter were discussed with the complaint within 5 working days and for 5 of the 7 late responses (71%) an extension was previously agreed.
- 3.9 The financial management section currently forecasts at the end of the first quarter is that the budget will be underspent by £2.540m for the year ending 31 March 2022. The service budgets are expected to underspend by £1.286m and corporate finance is forecast to also underspend by £0.675m. An underachievement of £0.039m is expected on the standard Council Tax. Surplus income of £0.668m is forecast on the Council Tax Premium. The Adults Service budgets are under pressure due to increasing demand and the transition of a costly placement from Children’s Services. It is the normal pattern for the final outturn position to be better than the first quarter estimate, however, if the projected overspend transpires it would be funded from the Council’s general balances, which would increase to £9.961m.
- 3.10 Further work is required to model the impact and a revised Medium Term Financial Plan will be submitted to the Executive in September 2021, prior to the commencement of the 2022/23 budget process.
- 3.11 The forecast underspend on the Capital Programme for 2021/22 is £12.619m, with this being potential slippage into the 2022/23 Capital Programme. The funding for this slippage will also slip into 2022/23 and will be factored in when producing the Treasury Management Strategy Statement, Capital Strategy and Capital Programme for 2022/23.
- 3.12 These results and the associated projected expenditure shows that the majority of projects are on target to be completed within budget. Covid-19 continues to have an impact on capital schemes and the speed in which they can progress due to various reasons and on a number of schemes, slippage is already expected. The Council has secured many different external grants and work is progressing well or expected to, on most of these schemes. The Council is also expecting to receive £0.852m of Capital Receipts in 2020/21 to contribute towards the funding of the Capital Programme.
- 3.13 Further information on financial management can be seen in the ‘Revenue Budget Monitoring Report for Q1’ and the ‘Capital Budget Monitoring for Q1’ reports which will be discussed in The Executive meeting on the 27th September.
- 3.14 This demonstrates reasonable assurance can be provided through the use of the scorecards analysis that the Council’s day to day activities in managing its

people, its finances and serving its customers are delivering against their expectation to a standard which is appropriate and agreed by Members. This is also reflected in the fact that the indicators from a performance management perspective are also demonstrating satisfactory performance.

4. PERFORMANCE MANAGEMENT

- 4.1 At the end of Q1 it is encouraging to note that the majority (85%) of the performance indicators are performing above target or within 5% tolerance of their targets. We do note however that four indicators are underperforming against their targets and are highlighted as being Red or Amber in the Scorecard.
- 4.2 Performance for our wellbeing **Objective 1** where we are working to ensure that the people of Anglesey can thrive and realise their long-term potential, at the end of Q1 has been good with only one indicator against this objective currently underperforming.
 - 4.2.1 Indicator 8 – The percentage of high risk businesses that were subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation – is RED with a performance of 19% against a target of 45% which is an improvement on the 0% undertaken in Q1 2020/21.

This work has been affected as a result of the Covid-19 pandemic, where only 31 of the 163 planned inspections were able to take place during Q1. This was mainly due to the redeployment of staff in response to the pandemic and the guidance issued by the Food Standards Agency (FSA) which states that for action in terms of food safety, namely where ever possible - new businesses should be prioritised. This guidance has been followed fully. In this respect, it is encouraging to note that all new businesses due for inspection in Q1 were inspected. However, the new requirements to prioritise new business inspection is not compatible with the requirements of this indicator resulting in an inaccurate presentation of the actual performance.

The FSA Recovery Plan indicates that there is no expectation to complete these planned inspections until 2022/23. To date, no confirmation has been received on how inspections will be prioritised post-pandemic from a national perspective and therefore, as a result of this, **it is recommended that this indicator is removed from the Scorecard for the 2021/22 year and monitored in house.**

- 4.3 Performance against the indicators for wellbeing **Objective 2** where we are supporting vulnerable adults and families to keep them safe, healthy and as independent as possible demonstrate good performance once again. Only one indicator of the 15 monitored in Q1 (7%) is currently underperforming for the objective.
 - 4.3.1 Indicator 17 – The percentage of adults who completed a period of reablement and have no package of care and support 6 months later – is

AMBER with a performance of 56.58% against a target of 62%. This is a decline on the 60.76% seen in Q1 2020/21 and the 61.8% seen in Q1 2019/20.

We are currently seeing an increase in the level of clients with complex and higher support needs deciding to remain at home in response to the Covid-19 pandemic. This increases the level and demand for ongoing care & support from us. This will have an impact on the reablement rate of ongoing care moving forward as more complex cases remain in their communities.

The service has had to amend its practice in terms of hospital discharges and Social Workers and Occupational Therapists are working 7 days a week in Penrhos Stanley in order to assist the flow of discharges from Ysbyty Gwynedd. This change in practice has been done in partnership with our Health Colleagues.

A further analysis will be undertaken in Q2 to establish the reasons behind this demand to ensure that the service provision is adequately resourced into the future and the necessary levels of support are being offered in line with expectations.

- 4.4 The performance of indicators to monitor our wellbeing **Objective 3** where we work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment have on the whole been good with 71% above target. The 2 indicators which are underperforming during this quarter are:
- 4.4.1 Indicator 32 – Percentage of waste reused, recycled or composted – is RED with a performance of 64.55% against a target of 70% for the quarter. This performance is down on the 67.07% seen in Q1 2020/21 and the 72.79% seen in Q1 2019/20.

There are many reasons for this decline in performance in comparison with previous years. The Covid-19 pandemic remains one of these reasons due to a reduction in the use of our Household Waste Recycling Centres and an increase in black bin household waste as more people work from home. Other reasons include the difficulty in obtaining outlets to recycle some materials including carpets, wood and mattresses which is also a concern for other North Wales Councils.

Following on from the new chargeable Green Waste service implemented from April 2021, we have seen a decrease in the tonnages collected, and therefore composted – some of this green waste will have been placed in black bins by householders. Such a reduction can be evidenced from 2,456T in Q1 2020/21 to 1,863T at the end of Q1 2021/22.

This decrease was identified as a risk when agreeing to the new chargeable green waste collection service in January 2020 where it was stated that –

“Although there are potential major financial benefits for charging for Green Garden Waste collection, there are risks involved, most notably the likely

reduction in annual recycling levels which could increase the risk of not achieving the 70% 2024/25 statutory recycling target, resulting in Welsh Government fines.”

To mitigate the current underperformance, a new steering group has been established which includes senior officers, senior politicians and partners from the WLGA and WRAP Cymru. The aim will be to evaluate current working practices and identify how best to improve performance in respect to this indicator and work towards the targets set by the Welsh Government by 2025.

- 4.4.2 Indicator 35 – Percentage of all planning applications determined in time – which is RED with 73% against a target of 82%.

Capacity issues within the Planning team, arising as a result of long term illness, the secondment of an experienced team leader, protracted recruitment and backfilling processes, as well as other work pressures such as the impact of the ongoing pandemic, including a backlog of applications has resulted in the performance seen in Q1.

We are currently working to strengthen the Planning capacity through the Planning Improvement Plan and an improvement in the performance of this indicator will be realised once the increased capacity is in place.

The Planning Function has secured the placement of a Trainee Planning Officer and despite being unsuccessful in recruiting thus far it is anticipated that this additional capacity will be in place by March 2022. There are also plans underway to utilise Function reserves to create two additional (initially temporary) posts within the Development Management team, that are currently progressing through the recruitment process and if successful it is anticipated that this additional capacity will be in place by the end of the year.

- 4.5 We are currently developing further indicators for Objective 3 to demonstrate the carbon footprint of our Council Fleet and business miles. These new indicators will be in place for the Q2 report but are envisaged to include –

- A - Net change in Greenhouse Gas Emissions (tCO₂e) - Council fleet (Annual) (%)
- B - Council fleet approx. consumption of fossil fuels (tCO₂e)
- C - Grey fleet (employee vehicles) approx. consumption of fossil fuels (tCO₂e)

5. RECOMMENDATIONS

- 5.1 The Committee is requested to scrutinise the scorecard and note the areas which the Senior Leadership Team are managing to secure improvements into the future.
- 5.2 These can be summarised as follows –

- 5.2.1 Underperformance is recognised and managed with mitigation measures completed to aide improvement during Q2 and that a close eye is kept on the indicators currently affected by the coronavirus pandemic.
 - 5.2.2 The removal of indicator 8 – the percentage of high risk businesses that were subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation – from the Scorecard for this year due to the current Covid-19 pandemic and in line with the expectations within the Food Standards Agency Recovery Plan.
- 5.3 The committee is asked to accept the mitigation measures outlined above.

Appendix A - Cerdyn Sgorio Corfforaethol - Corporate Scorecard Ch-Q1 2021/22

Rheoli Perfformiad / Performance Management	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Tuedd Bl i Fl / Yr on Yr Trend	Canlyniad 20/21 Result	Canlyniad 19/20 Result
Objective 1 - Ensure that the people of Anglesey can thrive and realise their long-term potential							
1) Percentage of pupil attendance in primary schools (tymhorol) (Q3)	-	-	-	-	94.60%	-	94.90%
2) Percentage of pupil attendance in secondary schools (termly) (Q3)	-	-	-	-	93.90%	-	93.90%
3) Percentage of Year 11 leavers not in Education, Training or Employment [NEET] (annual) (Q4)	-	-	-	-	3%	4.2%	2%
4) Percentage of pupils assessed in Welsh at the end of the Foundation Phase (annual) (Q4)	-	-	-	-	85%	-	87.50%
5) Percentage of year 11 pupils studying Welsh [first language] (annual) (Ch4)	-	-	-	-	65%	-	65.01%
6) Percentage of Quality Indicators (with targets) achieved by the library service (annual) (Q3)	-	-	-	-	75%	-	75%
7) Percentage of food establishments that meet food hygiene standards	Gwyrdd / Green	-	98%	95%	95%	98%	98%
8) Percentage of high risk businesses that were subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation [Local Indicator]	Coch / Red	-	19%	90%	90%	43%	92%
9) Percentage of NERS clients who completed the exercise programme (Ch3)	-	-	-	50%	50%	-	75%
10) Percentage of NERS clients whose health had improved on completion of the exercise programme (Ch3)	-	-	-	80%	80%	-	84%
11) Number of empty private properties brought back into use	Gwyrdd / Green	-	29	12	50	94	104
12) Number of new homes created as a result of bringing empty properties back into use	-	-	0	0	3	9	7
13) Landlord Services: Average number of days to complete repairs	Gwyrdd / Green	-	7.56	18	18	8.1	16.44
14) Percentage of tenants satisfied with responsive repairs (annual) (Q4) [Local Indicator] (Ch4/Q4)	-	-	-	-	-	-	-
Objective 2 - Support vulnerable adults and families to keep them safe, healthy and as independent as possible							
15) Rate of people kept in hospital while waiting for social care per 1,000 population aged 75+ (Q3)	-	-	-	-	3	-	6.88
16) The percentage of adult protection enquiries completed within statutory timescales	Gwyrdd / Green	-	90.00%	90%	90%	92.31%	91.30%
17) The percentage of adults who completed a period of reablement and have no package of care and support 6 months later	Ambr / Amber	-	56.58%	62%	62%	60.36%	63.08%
18) The rate of older people (aged 65 or over) whom the authority supports in care homes per 1,000 population aged 65 or over at 31 March [Local Indicator]	Gwyrdd / Green	-	14.82	19	19	15.36	17.57
19) The percentage of carers of adults who requested an assessment or review that had an assessment or review in their own right during the year	Gwyrdd / Green	-	98.00%	93%	93%	98.20%	98.00%
20) Percentage of child assessments completed in time	Gwyrdd / Green	-	90.45%	90%	90%	86.87%	89.62%
21) Percentage of children in care who had to move 3 or more times	Gwyrdd / Green	-	1.97%	2.50%	10%	12.34%	8.39%
22) The percentage of referrals of children that are re-referrals within 12 months [Local Indicator]	Gwyrdd / Green	-	12.50%	15%	15%	32.00%	12.75%
23) The average length of time for all children who were on the CPR during the year, and who were de-registered during the year (days)	Melyn / Yellow	-	277	270	270	258	224
24) The percentage of referrals during the year on which a decision was made within 1 working day	Gwyrdd / Green	-	99.29%	95%	95%	99.56%	98.88%
25) The percentage of statutory visits to looked after children due in the year that took place in accordance with regulations	Melyn / Yellow	-	85%	90%	90%	87.74%	86.30%
26) Percentage of households successfully prevented from becoming homeless	Gwyrdd / Green	-	78.20%	70%	70%	74.74%	74.91%
27) Percentage of households (with children) successfully prevented from becoming homeless	Gwyrdd / Green	-	85.71%	70%	70%	75.47%	77.70%
28) Average number of calendar days taken to deliver a Disabled Facilities Grant	Melyn / Yellow	-	178.54	170	170	169	159.58
29) The average number of calendar days to let lettable units of accommodation (excluding DTLs)	Melyn / Yellow	-	41.8	40	40	45.6	21.9
30) Landlord Services: Percentage of rent lost due to properties being empty	Gwyrdd / Green	-	1.72%	2.00%	-	1.98%	1.42%
Objective 3 - Work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment							
31) Percentage of streets that are clean	Gwyrdd / Green	-	98%	95%	95%	92.00%	93.79%
32) Percentage of waste reused, recycled or composted	Coch / Red	-	64.55%	70%	67%	62.96%	67.26%
33) Average number of working days taken to clear fly-tipping incidents	Gwyrdd / Green	-	0.88	1	1	0.95	0.96
34) Kilograms of residual waste generated per person	Gwyrdd / Green	-	55.98kg	60kg	240kg	214kg	206.17kg
35) Percentage of all planning applications determined in time	Coch / Red	-	73%	82%	82%	79%	90%
36) Percentage of planning appeals dismissed	Gwyrdd / Green	-	67%	65%	65%	58%	78%
37) Percentage of planning enforcement cases investigated within 84 days	Gwyrdd / Green	-	91%	80%	80%	74%	74%
38) Percentage of A roads in poor condition (annual) (Q4)	-	-	-	3%	2.90%	4.60%	4%
39) Percentage of B roads in poor condition (annual) (Q4)	-	-	-	4%	3.80%	3.80%	3.80%
40) Percentage of C roads in poor condition (annual) (Q4)	-	-	-	9%	8.70%	8.50%	8.20%

Red - more than 10% below target and/or needing significant intervention Amber - between 5% & 10% below target and/or requiring some intervention
 Yellow - within 5% of target Green - on or above target Trend arrows represent quarter on quarter performance All above indicators are reported Nationally unless stated otherwise

Appendix A - Cerdyn Sgorio Corfforaethol - Corporate Scorecard Ch-Q1 2021/22

Gofal Cwsmer / Customer Service	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Canlyniad 20/21 Result	Canlyniad 19/20 Result
Siarter Gofal Cwsmer / Customer Service Charter						
01) No of Complaints received (excluding Social Services)	Gwyrdd / Green	-	10	19	43	67
02) No of Stage 2 Complaints received for Social Services	-	-	4	-	6	-
03) Total number of complaints upheld / partially upheld	-	-	2	-	8	-
04a) Total % of written responses to complaints within 20 days (Corporate)	Gwyrdd / Green	-	88%	80%	88%	94%
04b) Total % of written responses to complaints within 15 days (Social Services)	Coch / Red	-	50%	80%	75%	-
05) Number of Stage 1 Complaints for Social Services	-	-	14	-	24	-
06) Number of concerns (excluding Social Services)	-	-	37	-	104	136
07) Number of Compliments	-	-	107	-	662	618
08) % of FOI requests responded to within timescale	Gwyrdd / Green	-	83%	80%	79.4%	82%
09) Customer Satisfaction Telephone Service - TBC (Q3)	-	-	-	-	-	-
Newid Cyfrwng Digidol / Digital Service Shift						
10) No of Registered Users on AppMôn / Website	-	-	41.5k	-	33.5k	15k
11) No of reports received by AppMôn / Website	-	-	30k	-	58k	10.8k
12) No of web payments	-	-	8.5k	-	18.5k	13k
13) No of telephone payments	-	-	2k	-	7k	6.5k
14) No of 'followers' of IOACC Social Media	-	-	84k	-	-	-
15) No of visitors to the Council Website	-	-	248k	-	1.03M	783k

Rheoli Pobl / People Management	CAG / RAG	Tuedd / Trend	Canlyniad / Actual	Targed / Target	Canlyniad 20/21 Result	Canlyniad 19/20 Result
01) Number of staff authority wide, including teachers and school based staff (FTE)	-	-	2169	-	2180	2181
02) Sickness absence - average working days/shifts lost	Melyn / Yellow	-	2.23	2.1	6.68	9.4
03) Short Term sickness - average working days/shifts lost per FTE	-	-	0.87	-	1.94	4.2
04) Long Term sickness - average working days/shifts lost per FTE	-	-	1.36	-	4.74	5.2
05) Local Authority employees leaving (%) (Turnover) (Annual) (Q4)	-	-	-	-	6%	9%

Rheolaeth Ariannol / Financial Management	CAG / RAG	Tuedd / Trend	Cyllideb / Budget	Canlyniad / Actual	Amrywiad / Variance (%)	Rhagolygon o'r Gwariant / Forecasted Actual	Amrywiad a Ragwelir / Forecasted Variance (%)
01) Budget v Actuals	Coch / Red	-	£31,874,000	£31,500,000	-1.17%	-	-
02) Forecasted end of year outturn (Revenue)	Coch / Red	-	£147,120,000	-	-	£145,509,437	-1.09%
03) Forecasted end of year outturn (Capital)	-	-	£31,692,000	-	-	£25,366,000	-19.96%
04) Income v Targets (excluding grants)	Gwyrdd / Green	-	-£3,403,325	-£3,419,737	0.48%	-	-
05) Amount borrowed	-	-	£7,188,000	-	-	£0	-100.00%
06) Cost of borrowing	Gwyrdd / Green	-	£4,550,756	-	-	£4,000,380	12.09%
07) % of Council Tax collected (for last 3 years)	Melyn / Yellow	-	-	98.1%	-	-	-
08) % of Business Rates collected (for last 3 years)	Gwyrdd / Green	-	-	98.6%	-	-	-
09) % Housing Rent collected (for the last 3 years)	Melyn / Yellow	-	-	100.5%	-	-	-
10) % Housing Rent collected excl benefit payments (for the last 3 years)	-	-	-	99.63%	-	-	-

Isle of Anglesey County Council	
Report to:	Executive
Date:	27 September 2021
Subject:	Medium Term Financial Plan 2022/23 – 2024/25
Portfolio Holder(s):	Cllr Robin W. Williams – Portfolio Holder for Finance
Head of Service / Director:	Marc Jones – Director of Function (Resources) / Section 151 Officer
Report Author:	Marc Jones
Tel:	01248 752601
E-mail:	rmjfi@ynysmon.gov.uk
Local Members:	Not applicable
A – Recommendation/s and reason/s	
<p>Recommendations</p> <p>The Council is required to put in place a robust system to monitor and control its revenue budget and a key element of that system is a Medium Term Financial Plan (MTFP). The plan sets out the Council’s budget strategy over the next three year period and sets out the assumptions which will be taken forward to the annual budget setting process.</p> <p>The Executive is requested to note the contents of the plan, to approve the assumptions made and to consider how to bridge the funding gap identified in the report as part of the process to set the 2022/23 revenue budget.</p> <p>The detailed report is attached as Appendix 1.</p>	
B – What other options did you consider and why did you reject them and/or opt for this option?	
<p>The Medium Term Financial Plan is based on a number of assumptions, which are based on the best available information. Therefore, no other options are considered.</p>	
C – Why is this a decision for the Executive?	
<p>Paragraph 4.3.2.2.1 of the Council’s Constitution requires the Executive to publish a pre-budget statement before 30 September each year.</p>	
Ch – Is this decision consistent with policy approved by the full Council?	
<p>Yes as per paragraph 4.3.2.2.1 of the Council’s Constitution.</p>	
D – Is this decision within the budget approved by the Council?	
<p>The decision, although impacting on the budget for 2022/23, will not result in the incurring of any additional costs or generate any additional income in the 2021/22 financial year. As a result, the decision will not impact on the budget approved by the Council for 2021/22.</p>	

Dd – Assessing the potential impact (if relevant):		
1	How does this decision impact on our long term needs as an Island?	The MTFP sets out the financial position for the Council over the next 3 financial years. This impacts on the level of services which the Council can provide to meet the needs of the Island and its residents.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Setting out and agreeing the medium term financial position allows the Council to plan for the cost of future services. Good financial planning will allow for the avoidance of unnecessary future costs.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	The Council, along with the other 21 Welsh Local Authorities and the Welsh Local Government Association have set out the financial position across Wales to Welsh Government. The Council also works closely with the other 5 North Wales authorities on the detailed assumptions used in the plan.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The annual revenue and capital budgets are subject to a public consultation process. The outcome of the Consultation is considered by the Executive before it makes its final budget proposal to the full Council in March each year.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The MTFP makes no spending decisions. Any spending decisions would form part of the annual budget and individual proposals would be assessed on their impact on groups protected by the Equality Act 2010 at that point.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The MTFP makes no spending decisions. Any spending decisions would form part of the annual budget and individual proposals would be assessed on their impact on those experiencing socio-economic disadvantage at that point.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact
E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The report was considered by the SLT at its meeting on 6 September 2021. Comments from the Chief Executive and the other members of the SLT were incorporated into the final draft.
2	Finance / Section 151(mandatory)	The Section 151 Officer is the report author
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the SLT
4	Human Resources (HR)	Not applicable
5	Property	Not applicable
6	Information Communication Technology (ICT)	Not applicable
7	Procurement	Not applicable
8	Scrutiny	
9	Local Members	

F - Appendices

Appendix 1 – Detailed Report on the Medium Term Financial Plan
Appendix 2 – MTFP Assumptions
Appendix 3 - Estimated Net Revenue Budget 2022/23 – 2024/25

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

1. INTRODUCTION AND BACKGROUND

- 1.1. The Medium Term Financial Plan sets out the Council's likely resource requirement for the next three financial years and details how the Council plans to balance the resource requirement with the funding available.
- 1.2. The Medium Term Financial Plan has been drawn up during a continued period of economic uncertainty. Despite the fact that the Covid lockdown period has come to an end, it is still unclear what impact it has had on the UK's economy and how quickly the economy will return to its pre-pandemic levels. The UK may have left the European Union, but it will take a number of years for the impact of Brexit on the UK economy in the long term to be assessed. Both are major events which will impact on future levels of public expenditure.
- 1.3. A comprehensive spending review has been planned by the UK Government for two to three years, but has yet to be fully completed. This, in turn, impacts on the Welsh Government's ability to provide Welsh local authorities with an indication on the level of potential funding over the next 3 years. It is anticipated that Welsh Government will, once again, only provide the local authorities with the financial settlement for the forthcoming year when it announces its provisional settlement later in the year.
- 1.4. Once again the provisional settlement is not expected to be announced by Welsh Government until late December 2021, with the final settlement not being published until early March 2022. This makes it extremely difficult to determine what any potential funding gap will be for 2022/23 and beyond.
- 1.5. The Medium Term Financial Plan takes account of all known changes that are required to be built into the 2022/23 base budget, and makes assumptions on the main factors that impact on the Council's revenue budget (pay costs, pensions, general inflation, Welsh Government funding, demographic and demand pressures).

2. THE COUNCIL'S CURRENT FINANCIAL POSITION

- 2.1. In March 2021, the Council set the following budget:-

Table 1
2021/22 Revenue Budget

	£'m
2020/21 Final Net Revenue Budget	142.146
Contractual and Other Committed Changes	2.642
Pay and Price Inflation	2.087
Transfer of Grants and New Responsibilities into the Settlement	0.090
Budget Pressures	0.455
Budget Savings	0.000
2021/22 Final Net Revenue Budget	147.420
Funded By:	
Aggregate External Finance	104.825
Council Tax (including Premium)	42.295
Reserves	0.300
Total Funding 2021/22	147.420

- 2.2.** The Aggregate External Finance (AEF) increased by 3.41% (after adjusting for the change in the taxbase and grants transferred into the settlement). The Council Tax debit increased by 2.8%. The Band D charge increased by 2.75%, with the remainder of the increase in Council Tax debit as a result of the change in the taxbase.
- 2.3.** 2020/21 could not be considered as a normal operating year, with Council services reduced during the year, additional costs being incurred and income being lost. The Welsh Government provided significant additional funding to all local authorities, with Anglesey receiving £6.035m to cover additional costs, and £2.311m to cover lost income.
- 2.4.** At the end of the 2020/21 financial year, the Council reported a net underspend of £4.204m (2.85%), with all Services reporting an underspend against their budget. This resulted in an increase in the Council's general balances to £11.593m, which is equivalent to 7.86% of the 2021/22 net revenue budget. This compares to the target figure of £7.37m (5%) which was approved by the Executive.
- 2.5.** As the pandemic eases and services begin to return to normal during 2021/22, there is a significant risk that the demand for services increases during 2021/22. This can be due to a pent up demand for services being released in 2021/22, or that the reduction in services during 2020/21 has generated issues and problems which could lead to higher demand, particularly in Social Services. In order to mitigate this risk of a potential overspend, the Executive agreed that the minimum level of general balances should be increased to £9m for 2021/22.
- 2.6.** Earmarked reserves, which are maintained by the Council to fund one off committed projects, to fund anticipated future costs (e.g. uninsured losses) and unutilised grant funding, stood at £14.079m at 31 March 2021, an increase of £5.319m during the year. The majority of the rise can be accounted for by £2.277m of additional unhyposcated Welsh Government funding, which was provided to help Councils to meet the cost of undelivered revenue savings, potential increased losses in Council Tax income, delivering on digital transformation and to cover the costs of making grant payments on behalf of Welsh Government. £0.522m relates to specific grant funding which was received late in 2020/21 and will be spent in 2021/22. £0.625m relates to a contribution received from a Developer which the Council will use to fund works in 2021/22.
- 2.7.** School Balances also rose significantly during 2020/21, rising from £0.197m to £4.016m. This was, in part, due to the fact that schools were closed or partly closed during a large part of 2020/21 and also as a result of additional grant funding from Welsh Government, which was received late in 2020/21 but will not be spent until 2021/22. As schools begin the process of recovering from the pandemic, it is anticipated that these balances will fall significantly during 2021/22.
- 2.8.** For the first time in over a decade, it was not necessary to include any revenue budget savings in order to balance the Council's revenue budget for 2021/22. This was, in part, due to the fact that the AEF rose by £3.46m (3.4%), to £104.825m which, along with the 2.75% increase in Council Tax, was sufficient to achieve a balanced budget. However, it should be noted that the AEF for 2021/22 was only £4.6m higher than the AEF the Council received in 2013/14. Had the AEF risen by 2% per annum since 2013/14, and after taken into account of funding for new responsibilities and grants that have transferred into the settlement, the AEF would have been around £123.5m.

- 2.9.** Since 2013/14, the Council has implemented a total of £24.616m savings across all services. These have been achieved by making efficiency savings, reducing staffing levels, outsourcing services, stopping some non statutory services and increasing fees and charges above inflation. It is now becoming increasingly difficult to continue to find efficiency savings and the staffing levels in some services are at the minimum. If future savings are required, they will only be achievable by cutting services or modernising the way services are delivered.

3. THE UK ECONOMIC OUTLOOK AND BUDGET

- 3.1.** Although the Council's central funding comes from the Welsh Government, the UK Government provides the Welsh Government with its entire funding and what is happening with the UK economy and budget impacts directly on the Welsh Government and local government funding. An assessment of the UK situation is an important element of the Medium Term Financial Plan.
- 3.2.** The global pandemic, and the action that the UK Government has taken to support the economy since March 2020, has changed the economic position significantly, with borrowing now exceeding £2.2 trillion, which is 98.8% of the country's GDP. During 2020/21, the Government borrowed £298bn, which is 14.2% of GDP, this is the highest borrowing in any financial year since World War 2. For 2021/22, borrowing already has reached over £70bn.
- 3.3.** As the pandemic eases and the restrictions are taken away, the economy has started to recover, but the recovery has been slowed due to staffing shortages as a result of Brexit and the need for people to self isolate.
- 3.4.** As the economy reopened and people started spending money in shops, inflation (Consumer Prices Index) began to rise, reaching 2.5% in June 2021, but has now started to fall back, down to 2% in July. Short term shortages of some goods, along with increases in fuel and energy prices, are expected to push up inflation during the remainder of 2021, possibly reaching 4% by the end of 2021, before falling back in 2022.
- 3.5.** The Bank of England base rate was cut to 0.1% in March 2020, and has remained at this very low level since then. Despite inflation expected to exceed the target rate of 2%, the Bank of England's Monetary Policy Committee (MPC) is not expected to increase rates in the foreseeable future, with potentially no change until mid 2024.
- 3.6.** Assessing how well the economy will recover over the coming months is difficult. If the number of Covid cases increases rapidly with larger numbers requiring hospital treatment, then there may be a need to re-introduce restrictions, which could have a significant impact on the recovery. Although the Brexit process has been completed and the UK has left the European Union, the impact of Brexit are continuing and could again worsen should there be disagreements on the implementation or operation of the Withdrawal Agreement.
- 3.7.** The Government is also under increasing pressure to reward the key public sector workers through higher than inflation pay awards e.g NHS staff will receive a 3% pay award. Staffing is the major cost in the public sector and higher than inflation pay awards does have a significant impact on the cost of the public sector and must be funded by the Government i.e. cutting other budgets, increasing taxes or increasing borrowing.

- 3.8.** In the short term, the Government may continue with its policy of funding additional expenditure through increased borrowing but, once the impact of the pandemic has reduced and the issues surrounding Brexit are resolved, the Government will be in a better position to take a long term view on the state of the economy and how the level of borrowing can be reduced. This may be through generating more income through taxation, but it is likely that cuts in public expenditure will be part of the strategy. Prior to the pandemic, it was the strategy of the Conservative Government to eliminate the deficit and begin to reduce the level of debt as a percentage of GDP. It is unlikely that the Conservative Government will change this policy in the medium to long term and, given they are not normally a Government which likes to increase taxation levels, their only option to begin to reduce debt will be to reduce public expenditure. However, the recent announcement on the increase in employee and employer national insurance contributions may indicate a change in Government policy and that tax rises are now considered part of the solution to eliminate the deficit and to reduce the level of debt.
- 3.9.** If the UK government does decide to reduce the level of public expenditure in England, it will result in a reduction in the funding that Wales receives through the Barnett formula. It will be a decision for the Welsh Government as to how much of the reduction is passed on to Local Government in Wales.

4. FUNDING FROM WELSH GOVERNMENT

- 4.1.** Funding of Local Government in Wales has changed significantly over the past decade. Wales Fiscal Analysis have calculated that the value of Welsh Government grants to local government has fallen by 16.8% in real terms, whilst funding from Council Tax and Business Rates has increased by 39.3% and 5.8% respectively. This has meant that, in overall terms, local government expenditure in Wales has fallen by 6% over the period.
- 4.2.** Over the period, expenditure on Social Services has increased by 20% in real terms, but all other services have seen real term reductions in expenditure, with Culture and Recreation services seeing cuts of over 40% and Planning and Development services seeing cuts of over 50%.
- 4.3.** The Welsh Government's budget for 2021/22 rose by 4.6% compared to 2020/21 (excluding the additional funding to meet the costs of dealing with Covid).
- 4.4.** Wales Fiscal Analysis have assessed two scenarios and considered their impact on the level of Aggregate External Finance. The first scenario is based on current UK Government spending plans and the second is based on the UK Government's pre pandemic plans. Under scenario 1, AEF and other specific grants are estimated to grow by 0.9% in 2022/23, followed by increases of 2.6% in 2023/24 and 2.9% in 2024/25. Under scenario 2, the growth is estimated to be 4.3% in 2022/23, followed by increases of 3.3% and 3.2% in the subsequent two years.
- 4.5.** The figures from Wales Fiscal Analysis shows the potential impact that dealing with the pandemic will have on the Welsh Government's budget, but it should be noted that the position may have changed again since their analysis was published in April 2021. Their analysis is dependant on Welsh Government increasing the AEF in line with the anticipated growth in the Welsh budget. However, there is a significant funding gap between the consequential sums that the Welsh Government will receive as a result of increased NHS spending in England and the sums needed to deal with the post pandemic NHS backlog and new demands on the NHS. Wales Fiscal Analysis estimate that the funding gap is £740m in 2022/23 and £360m thereafter. Therefore, Welsh Government will be under considerable pressure to direct additional resources to the NHS in Wales and this will invariably lead to reductions in funding for Local Government.

5. NATIONAL AND LOCAL BUDGET PRESSURES

5.1. Local Government generally is facing a number of budget pressures, particularly in Social Care, but also in dealing with Covid on a long term basis. Wales Fiscal Analysis estimate that the budget pressures faced by local authorities in Wales ranges from £575m to £1,182m in 2022/23 and then increase by between £200m and £300m annually thereafter.

5.2. The following areas are considered the main budget pressures facing the Council over the term of this plan:-

i. Pay Increases – Non Teaching Pay

The non teaching pay award is set across England and Wales based on an agreement between the Employers and the Unions. For 2021/22, the current offer is an increase of 1.75%. In setting the 2021/22 budget, an increase of 1% was allowed for. The additional 0.75% will increase the non teaching pay expenditure by approximately £375k. Funding has been identified to meet this additional cost in 2021/22, but it will require an increase in the base budget for 2022/23. For the purposes of the plan, it is assumed that the subsequent pay awards for each of the 3 years of the plan are 2%. This adds just over £1m to the annual pay bill.

ii. Pay Increases – Teachers Pay

Teachers pay is set by the Welsh Government, with the pay award being effective from September each year. As with the non teaching pay, the pay award has been set at 1.75%, which is 0.75% above the sum provided for in the 2021/22 budget. This increases the costs in 2021/22 by £135k, although, as the increase is as a consequence of a decision taken by the Welsh Government, they provide additional grant funding to meet the cost and then include the grant in any future settlements. The full year effect of the additional pay award is £230k. The plan allows for a 2% increase in each of the 3 years of the plan, which increases the expenditure by just over £500k per annum.

iii. National Insurance

The UK Government has announced its intention to increase national insurance contributions for both employees and employers by 1.25% to fund the increasing cost of social care. This takes the employer contributions from their current level of 13.8% to 15.05%, an increase of just over 9%. Therefore, this proposal, along with the pay award, increases the annual national insurance cost for the Council by £685k. Any increase in the employees' tax burden will also put pressure on pay rises as Unions seek to make up for any income lost to tax through higher pay awards. It is too early to say at this point what impact the proposed increase in national insurance will have on future pay awards.

iv. Major Service Contracts

A number of the Council's Services are outsourced, including refuse collection and disposal, highway maintenance, school meals, the majority of the homecare service, school transport and public service bus contracts. The majority of the contracts are long term agreements which will end after the end of the period covered by this plan. The school meals contract came into operation from 1 September 2021 and will result in savings of around £300k. The budget for 2022/23 onwards will be adjusted accordingly.

- v. Elderly Nursing, EMI and Residential Care Home Fees**
For a number of years, the annual fee increase for nursing, EMI and residential care home fees have been determined using a standard tool kit which all 6 North Wales authorities use as the basis for their fee increase. However, in 2020, the Welsh Government provided funding to increase these fees on a temporary basis by £50 per bed per week. The increase allowed homes to fund the increased costs arising from Covid. The additional funding remains in place for 2021/22, although it begins to taper down from October 2021 onwards. There will be significant pressure from the Care Home sector for the Council to maintain this higher fee level. It is unclear at this point whether the Welsh Government will be willing to fund all or part of these costs through an uplift to the settlement. It is estimated that the full year cost of the increase is £750k.
- vi. Real Living Wage to Care Provider Staff**
The National Living wage is the statutory minimum which an employer must pay (currently £8.72 per hour for over 25s). The Real Living wage is determined by the Living Wage Foundation and is their assessment of the minimum that people require to meet their living costs. This is currently £9.50 per hour i.e. £0.78 per hour above the National Living wage. Although the Council pays above the real living wage, the majority of the Council's external care providers pay less than the real living wage. In light of the pandemic, there is pressure to reward care staff better by increasing the pay they receive up to the Real Living wage. In order for care providers to do this, it would require the Council to increase the fees that it pays to care homes, supported accommodation providers and homecare providers. It is estimated that this would increase the Council's costs by £340k per annum.
- vii. Children's Services**
The Council has made significant progress in recent years to bring the cost of its Children's Services within its budget. Although additional investment has been made into the Service, the average cost of a placement has fallen due to the increased recruitment of foster carers and the opening of Carterfi Clyd. This has reduced the need for children to be placed in expensive out of county placements. During the lockdown period, the number of referrals from other agencies and schools fell, however, it is anticipated that the numbers of children entering care will begin to increase in 2021 and beyond. The plan allows for a 5% increase in the budget above inflation in 2022/23, which adds £560k to the budget.
- viii. Adult Social Care Services**
As with Children's Services, there is a significant risk that the demand for Adult Social Care services (elderly, mental health, learning disability etc.) will increase as we come out of the pandemic. A 5% increase in demand has been allowed for in 2022/23, which will increase costs by approximately £500k. This is in addition to any inflationary rise in costs.
- ix. Out of County School Placements**
As part of the 2019/20 revenue budget, an additional £202k was allocated to this budget to meet the rising costs of placements and the increased demand. As the Children's Services team has succeeded in placing children with care providers on Anglesey, the need for out of county placements has reduced, which also has resulted in a lower number of educational out of county placements. Although 2020/21 was not a representative year because of Covid, the budget underspent by £750k. There is a projected underspend for 2021/22, but not to the same level, however, there is still scope to reduce the budget by £400k. It should, however, be noted that the number of out of county placements can increase quickly if children come into the county who's needs cannot be catered for by the education provision provided on the Island and, as a result, there may be a need to increase this budget again in the future.

x. Council Tax Reduction Scheme

Since the funding for the Council Tax Reduction scheme transferred into the local government settlement, Welsh Government funding has remained unchanged. As the levels of Council Tax increase, the cost falls on the taxpayers of Anglesey. Despite the pandemic, we have yet to see significant increases in the numbers applying for assistance through the scheme. However, as the furlough scheme comes to an end and businesses try and return to normal trading, there is a risk that businesses may begin to fail and unemployment will increase. Recent estimates show that the level of job losses is likely to be lower than was previously estimated, but the plan allows for a 5% increase in the caseload in 2022/23 and then falls back to the 2021/22 level over the subsequent 2 years. A 5% increase in the caseload adds around £300k to the required budget. In addition, each 1% increase in the level of Council Tax, increases the costs by a further £60k.

xi. Capital Financing Charges

In addition to interest payments on existing and new loans, the Council is required to make a provision in respect of future loan repayments (known as Minimum Revenue Provision or MRP). MRP is determined in line with the MRP Policy, which has been approved by the Council. Normally, capital expenditure requires some level of additional borrowing and, as the level of borrowing increases, the provision required under the MRP policy and associated interest also increases. This has been factored into the MTFP to take into account the level of supported borrowing which is allowed for in the funding settlement and the Council's planned expenditure on new schools at Ysgol Cornhir and Ysgol Y Graig.

However it should be noted that the cost of building works has increased since the easing of the lockdown, with a shortage of materials and labour forcing up prices. These increase may be short term and costs may begin to reduce in 2022 but, if this does not happen, then the cost of capital projects will increase which may result in additional borrowing, which will then result in an increase in the capital financing costs. Given the current uncertainty, no allowance has been made for this potential risk in the current plan.

xii. Changing Working Practices

It is likely that the Council will never return to the pre-pandemic way of working, with office based staff attending the office 5 days a week and meetings taking place on a face to face basis. There will have to be an investment, over a number of months, in both hardware and software, to ensure that staff and Members can attend meetings on a hybrid basis (a mix of physical attendance and remote attendance), but this will also provide an opportunity for revenue savings. It is estimated that the reduction in attending local, regional and national meetings will result in around £110k of savings. Increased home working will result in savings on office expenses (paper, photocopying, postage, telephones) estimated to be around £85k and there will also be a saving on electricity costs of around £10k. These potential savings have been factored into the plan.

xiii. Committed Changes and One Off Costs

Decisions taken in the current financial year may set an ongoing budget requirement and, in addition, other changes may take place which require additional funding or funding on a one off basis.

The local council elections will take place in May 2022, and one off funding of £200k will be required to fund the costs of holding the election. In addition, the election will result in the number of Members increasing from 30 to 35. Each of the 5 additional Members will be paid the standard Members Allowance, which increases the Members Allowance budget by £75k.

Annually, an adjustment is made to reflect changes in pupil numbers. In previous years, this figure has been significant due to a shift in pupils from the primary sector to the secondary sector and an increase in pupils at Canolfan Addysg y Bont (CAYB). From 2022/23, the shift in pupil numbers from the primary to the secondary sector will slow and, also, CAYB is now close to capacity. As a result, no significant additional funding is required as a result of changes in pupil numbers.

No other significant committed changes (i.e. costs which the Council are contractually obliged to fund or which are required to maintain the service to the current level) have been identified at this point, but this may change as the detailed budget preparation work is undertaken.

The need to set up a Performance Assessment Panel as a result of the new Local Government and Elections (Wales) Act 2021, will result in additional costs for the Council. It is estimated that the cost will be £35k per annum, but this may be funded by the Welsh Government through the AEF.

xiv. Other Budget Increases

As part of the budget preparation process, service review meetings have taken place between Members and Officers to discuss potential areas where budgets may need to be increased to meet changes in the level of services that have to be delivered.

The Executive has already made decisions on a number of requests, which will add additional costs to the ongoing revenue budget amounting to £344k.

Further discussions will take place as part of the 2022/23 budget setting process as to whether additional investment is necessary in some of the Council's support services and performance management processes. There is also consideration being given to employing a further cohort of trainee staff as part of the Council's workforce development strategy. Currently, the potential additional costs amount to £439k.

The Property Service are currently in the process of drafting the Council's Asset Management Strategy for the next 5 years which will outline the Council's needs in terms of buildings to provide services into the future and the investment required to maintain those buildings. Although the majority of the investment required will be funded from the capital budget it is also likely that the annual repairs and maintenance revenue budget will have to be increased. An assumption has been made in this plan that an additional £100k per annum will be required in order to ensure that the Council's buildings remain fit for purpose and that their condition do not deteriorate significantly.

xv. General Price Inflation

Annual non pay budgets are inflated each year to take account of general or specific inflation. Where contracts do not specify a specific price index that should be applied, or where a specific expenditure heading is not seeing a significantly higher or lower inflation rate, then the Consumer Prices Index (CPI) is used as the inflation factor. CPI is currently 2% and is expected to increase in the short term, but the long term view is that CPI will remain at or around 2%. Based on this assumption, non pay inflation will increase the annual budget by around £1.5m per annum.

6. INCOME

- 6.1.** The Council's current income budget (excluding AEF, Council Tax and specific grant funding) amounts to £22.6m. This is made up of grants and reimbursements from public bodies, fees and charges set by statute or regulated by the Government or a long-term rental agreement, and fees and charges where the Council has the discretion to set the fee or charge.
- 6.2.** It has been the Council's policy to increase the discretionary fees and charges by 3% per annum, although, in some services, increasing the fees and charges by more than inflation has resulted in the Council's fees getting significantly closer to the fees charged by the private sector e.g leisure services. For the purposes of this plan, it has been assumed that the discretionary fees and charges will continue to rise by 3% per annum over the life of the plan. The statutory fees and charges are assumed to increase by CPI.
- 6.3.** In 2020/21, the Council introduced a charge for the collection of green garden waste. The estimate was that 10,000 people would subscribe to the service and this would generate £350k in additional income. In reality, approximately 15,400 have subscribed for the service, generating an additional £216k. However, it is anticipated that some may choose not to take the service in the second year, and an assumption has been made that 14,000 will take up the service in 2022/23. This additional income has been factored into the plan.
- 6.4.** In addition to income from fees and charges a significant amount of grant income is received. The grants received can be to fund specific projects or services, but others are more general in nature and support core services. Given the uncertain position regarding public sector funding, there is a risk that grants are targeted and reduced in order to reduce public spending, rather than a reduction in the general financial settlement the Council receives from Welsh Government. Where grants fund specific projects, then it is possible to bring the project to an end if the grant ends, but this is more difficult where services are provided through a mix of core budget and grants.
- 6.5.** Assessments are currently being undertaken as to whether the Council could become the Port Health Authority for the port of Holyhead. This may provide the Council with the opportunity to generate additional net revenues. It is too early to say whether this is possible, but it is likely that, initially, that a breakeven position would be the likely outcome, with income being sufficient to meet running costs. As a result, no allowance has been made for this potential additional income in the plan.
- 6.6.** Over the period of the pandemic, the Council has experienced a loss of income, in particular in Leisure Services and in town centre car parking income. These losses have been covered by additional grant funding from Welsh Government, with £315k claimed for the income lost during the first quarter of 2021/22. Although the loss during quarter 2 should be significantly less, there is a risk that some services may not be able to return to the pre-pandemic capacity or that the level of service users is reduced. Given this, there is a potential for a long term reduction in income. It is too early to estimate the long term impact and, as such, no allowance has been made for this in the plan.

7. PROJECTED BUDGET FOR 2022/23 – 2024/25

- 7.1.** By taking into account all of the issues detailed in paragraph 5 and 6, and using the assumptions set out in Appendix 2, it is possible to estimate the revenue budget for the following 3 years, and this is set out in Table 2 below:-

Table 2
Projected Net Revenue Expenditure Budget 2022/23 to 2024/25

	2022/23 £'m	2023/24 £'m	2024/25 £'m
Previous Year Final Budget	147.420	153.987	157.178
Non Teaching Pay Award	1.329	1.086	1.107
Teaching Pay Award	0.499	0.687	0.701
Increase in National Insurance Contributions	0.681	0.000	0.000
Major Service Contracts	(0.103)	0.324	0.330
Social Care National Funding Pressures	1.092	0.000	0.000
Children's Services Demand	0.560	0.125	0.130
Adult Services Demand	1.057	0.197	0.203
Education Out of County & Pupil Numbers	(0.278)	0.082	(0.089)
Council Tax Reduction Scheme Caseload	0.314	(0.170)	(0.171)
Capital Financing Charges	(0.320)	0.215	0.253
Non Pay Inflation	1.168	1.478	1.513
Income – Additional Income & Inflation	(0.650)	(0.596)	(0.538)
One Off Expenditure / Committed Changes	0.200	(0.237)	0.000
Other Budget Pressures	1.018	0.000	0.000
Estimated Net Revenue Budget	153.988	157.178	160.617
Annual Increase	6.567	3.191	3.439

7.2. The estimated Net Revenue Budget represents an increase of 8.95% over the 3 year period.

7.3. More detail on the estimated Net Revenue Budget and the assumptions that support the plan are attached as Appendix 2 and 3.

7.4. The figures shown above take no account of the cost of dealing with the pandemic and delivering services which reduce the risk of transmission of the virus. If a solution to the virus is not found and social distancing and increased cleaning become the norm, then this will not only increase costs e.g. cleaning, reduced capacity on public and school transport, potential for increased sickness costs, but it will also impact on the Council's major sources of income from leisure centres, car parks etc.

8. AGGREGATE EXTERNAL FINANCE AND COUNCIL TAX

8.1. The estimated standstill budget is funded from the level of Aggregate External Finance (AEF) received from the Welsh Government (Revenue Support Grant and NDR Pool Funding) and from the Council Tax raised locally.

8.2. As stated in paragraph 4 above, the situation regarding the local government settlement for 2022/23 is unclear and very difficult to predict, and trying to predict the likely settlement for the 2 subsequent years is even more difficult.

8.3. In 2020/21, Anglesey received £104.825m in Aggregate External Finance from the Welsh Government.

- 8.4. In September 2017, the Executive resolved to maintain the average Council Tax increase to 5% each year (21.55% for the 4 years up to 2021/22). Based on this resolution, the Band D Council Tax charge for 2021/22 should be £1,322.46. In reality, the increases have varied each year; 2018/19 – 4.8%, 2019/20 – 9.5%, 2020/21 – 4.5%, 2021/22 – 2.75% (23.22% for the 4 years up to 2021/22), with the Band D Council Tax charge for 2021/22 set at £1,340.64.
- 8.5. Table 3 below shows the additional income that various changes in AEF and increases in Council Tax would have on the Council’s funding:-

Table 3
Impact on Council Funding for Changes in AEF and Council Tax 2022/23

		Change in AEF Cash Sum							
		- 2%	-1%	0%	+1%	+2%	+3%	+4%	+5%
		£'m							
Council Tax Rise (net of rise in CTRS)	0%	-2.10	-1.05	0.00	+1.05	+2.10	+3.14	+4.19	+5.24
	1%	-1.67	-0.63	+0.42	+1.47	+2.52	+3.57	+4.62	+5.66
	2%	-1.25	-0.20	+0.85	+1.89	+2.94	+3.99	+5.04	+6.09
	3%	-0.83	+0.22	+1.27	+2.32	+3.37	+4.41	+5.46	+6.51
	4%	-0.40	+0.64	+1.69	+2.74	+3.79	+4.84	+5.88	+6.93
	5%	+0.02	+1.07	+2.11	+3.16	+4.21	+5.26	+6.31	+7.36

9. BRIDGING THE FUNDING GAP

- 9.1. It should also be noted that the current Council will only be responsible for setting the annual revenue budget for the next financial year and it will be for the new Council to determine its priorities and set the annual revenue budget for the final two years covered by this plan. Changing priorities will have an impact on the revenue budget and could lead to an increase or decrease in the funding gap.
- 9.2. It can be seen from Table 3 that a reduction in AEF in 2022/23 would require an increase of between 4% and 5% in Council Tax merely to maintain the current level of funding in cash terms.
- 9.3. In order to fully meet the funding gap for 2022/23, it would require a 5% increase in AEF, along with a 3% rise in Council Tax, to fully fund the additional net expenditure. The situation improves in the subsequent two years, with a 2% rise in AEF requiring a Council Tax rise of between 2% and 3% to bridge the funding gap.
- 9.4. Although the WLGA and the Local Authorities have presented the case for additional funding to Welsh Government and in, particular, the need to fund the additional pressures in social care, the Welsh Government’s budget may not allow for an increase of 5%, or they may choose to prioritise other spending areas e.g. health. Therefore, it may, once again, be necessary to identify savings in order to bring the net expenditure budget down to a level that can be funded by any increase in the AEF and an increase in Council Tax which will be supported by a majority of Members.
- 9.5. It will, therefore, be necessary to consider implementing some level of savings in order to set a balanced budget in 2022/23. Included in the net revenue budget are a number of budgets where it is not possible to implement any savings, these include:-

Fire Authority Levy – £3.69m in 2021/22
Capital Financing Costs – £7.48m in 2021/22
Council Tax Reduction Scheme – £6.29m in 2021/22
Historic Pension Costs – £1.04m in 2021/22
Local Government Scheme Annual Deficit Payment – £0.83m in 2021/22
Members Allowances – £0.77m in 2021/22
Joint Services with Other Local Authorities - £2.7m in 2021/22
General and Specific Contingencies – £0.62m in 2021/22

- 9.6.** Therefore, any savings have to come from the remaining budgets (£124m in 2021/22). If a mid point assumption is made in the increase in AEF (2%) and Council Tax (3%), this would reduce the funding gap from £6.57m to £3.20m. This equates to savings of 2.2% from the net revenue budget, or 2.6% from the budgets where it is possible to implement savings.
- 9.7.** Work has commenced to identify savings, but the previous strategy of efficiency savings, increasing income, better procurement, reducing overheads and utilising unused budgets, has exhausted the savings possible. An initial review has identified around £700k of potential savings for 2022/23 across all services, which may not be sufficient to bridge the funding gap if the settlement from the Welsh Government is at the lower end of the estimated increase. In order to achieve a significant level of savings, the plans need to be more radical and it may be necessary to implement further service reductions. In addition, it is estimated that around £200k of savings are possible as a result of the changes in working practices following the pandemic (less face to face local, regional and national meetings, more home working leading to less office expenses, greater use of electronic communication reducing paper, postage and telephone costs).
- 9.8.** The Council has commenced programmes of work to modernise services and deliver them at a lower cost, e.g. the school modernisation programme, provision of social care day services, but these processes take time to complete and have met with resistance from the public and service users. It is unlikely that following the strategy to date will achieve the level of savings required should the local government settlement be poor, with little or no growth in cash terms. To achieve a balanced budget, difficult decisions will have to be made and there are a number of risks which may prevent the Council in delivering all of these actions. These include:-
- A continued increase in the demand for services;
 - An expectation from the public that the Council will continue to provide services to the same level that it has previously done;
 - Welsh Government assesses service delivery and still expects service improvements;
 - Public opinion against above inflation increases in Council Tax, particularly if the range of services provided is reducing – paying more for less;
 - Strong resistance from communities and Members to the closure of facilities in their areas;
 - The capacity to deliver change within the Council. As management structures have been reviewed and reduced, the numbers of experienced staff have reduced and this makes it more difficult for the remaining staff to manage the existing services whilst implementing significant changes.

10. CONCLUSIONS

- 10.1.** The Medium Term Financial Plan sets out the estimated net revenue budget for the next 3 years using a number of assumptions, some of which are more certain than others. The plan allows the Council to determine its future funding strategy, but there are a number of issues which increase the uncertainty surrounding the plan. These include estimating the future demand for services as the country moves out of the pandemic and into a recovery phase, and the future funding of Local Government in Wales. The level of support from Welsh Government is a key element of the Medium Term Financial Plan, and the lack of accurate future forecasts on the level of funding does reduce the level of assurance that the plan can give.
- 10.2.** The demand for services and the pressure to increase the pay of certain parts of the Council's workforce (both for the Council's own employees and employees working in contracted services) will drive up costs significantly, particularly in 2022/23. If these additional cost pressures are not reflected in the funding settlement from Welsh Government, then the Council will have to implement further cuts to services and / or higher than inflation increases in Council Tax in order to set a balanced budget, which allows the Council to meet its statutory obligations and accurately reflects the costs of providing those services.

APPENDIX 2

MEDIUM TERM FINANCIAL PLAN ASSUMPTIONS

	Final		
	2022/23	2023/24	2024/25
Teachers Pay Award	1.60%	2.0%	2.0%
Teachers Pension	0.0%	0.0%	0.0%
NI Rates	9.05%	0.0%	0.0%
Non Teaching Pay Award	2.81%	2.0%	2.0%
Non Teaching Pension	0.0%	0.0%	0.0%
Staff Turnover Adjustment	0.0%	0.0%	0.0%
Incremental Drift	0.2%	0.2%	0.2%
Historic Pension Costs	2.0%	2.0%	2.0%
Members Allowances (rise to 35 Members in 2022)	2.0%	2.0%	2.0%
Car Allowance Inflation	0.0%	0.0%	0.0%
CPI	2.0%	2.0%	2.0%
RPI	3.0%	3.0%	3.0%
Energy Inflation	3.0%	3.0%	3.0%
Non Statutory Income	3.0%	3.0%	3.0%
Children's Placement Caseload	10.0%	2.0%	2.0%
Out County School Placements	0.0%	0.0%	0.0%
Homelessness Caseload	50.0%	2.0%	2.0%
Refuse Disposal Tonnage	0.0%	-2.0%	-2.0%
CTRS Caseload	5.0%	-2.5%	-2.5%
Interest Rates Increase	0.3%	0.5%	1.0%
Fire Levy	2.0%	2.0%	2.0%
AEF Projections	2.0%	2.0%	2.0%
Council Tax Increase	3.0%	3.0%	3.0%
Refuse Collection	2.0%	2.0%	2.0%
Refuse Disposal	-9.0%	2.0%	2.0%
Highway Maintenance	2.0%	2.0%	2.0%
School Meals	2.0%	2.0%	2.0%
School Transport	2.0%	2.0%	2.0%
Public Service Bus Contracts	2.0%	2.0%	2.0%
Elderly Service Provision	5.0%	1.0%	1.0%
Phys Dis Service Provision	5.0%	1.0%	1.0%
LD Service Provision	5.0%	1.0%	1.0%
Mental Health Service Provision	5.0%	1.0%	1.0%
Elderly / Nursing Home Fees £50 pw per bed	£750,000	£0	£0
Real Living Wage to Care Provider Staff	£342,000	£0	£0
Green Garden Waste	-£140,000	£0	£0
School Meals Contract	-£300,000	£0	£0
Out of County School Placements	-£400,000	£0	£0
Members Allowances (rise to 35 Members in 2022)	£75,000	£0	£0
Gwynedd Môn Partnership Savings	-£80,000	£0	£0
Change in Working Practices Savings - Premises	-£10,000	£0	£0
Change in Working Practices Savings - Car Allowances	-£87,000	£0	£0
Change in Working Practices Savings - Transport	-£30,000	£0	£0
Change in Working Practices Savings - Supplies & Services	-£78,000	£0	£0

ESTIMATED NET REVENUE BUDGET 2022/23 - 2024/25

	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Delegated Schools Budget				
School Pay Costs	34,597.96	35,517.98	36,409.59	37,278.59
Other School Costs	8,030.36	8,212.74	8,403.15	8,598.14
Pupil Number Adjustment	-	121.52	82.39	- 89.24
Total Schools Delegated Budget	42,628.32	43,852.24	44,895.13	45,787.50
Staff Related Costs (Non Schools)				
Pay Related Costs (Non Schools)	44,209.82	45,799.33	47,400.89	48,422.65
Staff Expenses	606.48	519.48	519.48	519.48
Additional Pension Contributions	1,867.09	1,887.88	1,909.10	1,930.74
Other Staff Costs	809.88	826.08	893.60	911.47
Apprenticeship Levy	351.97	362.45	370.28	378.26
Total Staff Related Costs (Non Schools)	47,845.24	49,395.22	51,093.35	52,162.61
Main Council Contracts				
Refuse Collection	5,462.96	5,572.22	5,683.66	5,797.33
Refuse Disposal	1,338.36	1,217.91	1,217.91	1,217.91
Highway Maintenance	4,558.66	4,649.83	4,742.83	4,837.69
School Meals	2,348.61	2,089.58	2,131.37	2,174.00
School Transport	3,013.03	3,073.29	3,134.75	3,197.45
Public Service Bus Contracts	776.02	791.54	807.37	823.52
Joint Services with Other Local Authorities	2,834.95	2,810.05	2,866.25	2,923.58
Total Main Council Contracts	20,332.59	20,204.42	20,584.15	20,971.47
Demand Led Services				
Children's Services	5,595.36	6,266.80	6,517.47	6,778.17
Adult Services	19,683.99	22,153.86	22,789.05	23,442.71
Out of County Placements	1,351.62	978.65	998.22	1,018.19
Homelessness and Housing Related Services	230.81	308.56	319.18	330.18
Total Demand Led Services	26,861.78	29,707.87	30,623.93	31,569.25
Other Council Expenditure				
Premises Related	3,974.40	4,064.07	4,297.93	4,405.52
Transport Related	72.79	43.64	44.52	45.41
Supplies and Services	10,501.93	10,632.41	10,982.47	11,202.12
Members Allowances	773.21	869.94	923.04	941.50
Levies	3,695.21	3,769.00	3,844.28	3,921.06
Council Tax Reduction Scheme	6,289.80	6,792.98	6,826.95	6,861.08
Recharge of Central Service Costs to HRA	- 1,325.46	- 1,362.71	- 1,389.96	- 1,417.76
Capital Financing Costs	7,482.38	7,161.99	7,377.26	7,630.29
Total Other Council Expenditure	31,464.25	31,971.34	32,906.48	33,589.21
Income				
Grants / Public Bodies Reimbursements	- 6,189.95	- 6,313.75	- 6,440.03	- 6,568.83
Statutory Income	- 10,582.25	- 10,793.90	- 11,009.78	- 11,229.97
Non Statutory Income	- 5,804.47	- 6,118.60	- 6,302.16	- 6,491.23
Total Income	- 22,576.68	- 23,226.26	- 23,751.97	- 24,290.03
Contingencies and One Off Costs	864.48	1,064.48	826.98	826.98
Potential Increases to Meet Service Demands	-	1,017.72	-	-
Net Revenue Expenditure	147,419.97	153,987.03	157,178.05	160,617.00

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Isle of Anglesey County Council	
Report to:	EXECUTIVE COMMITTEE
Date:	27 SEPTEMBER 2021
Subject:	REVENUE BUDGET MONITORING, QUARTER 1 2021/22
Portfolio Holder(s):	COUNCILLOR ROBIN WYN WILLIAMS
Head of Service / Director:	MARC JONES
Report Author: Tel: E-mail:	BETHAN HUGHES OWEN 01248 752663 BETHANOWEN2@YNYSMON.GOV.UK
Local Members:	n/a
A –Recommendation/s and reason/s	
<ol style="list-style-type: none"> 1. On 9 March 2021, the Council set a net budget for 2021/22 with net service expenditure of £147.420m, to be funded from Council Tax income, NDR and general grants. This includes a total for general and other contingencies amounting to £1.333m. The budget for the Council Tax Premium was reduced by £0.121m to £1.514m. £0.300m was used from general reserves to ensure that a balanced budget was set with the agreed Council Tax rise of 2.75%. 2. Unlike previous years, the budget for 2021/22 does not include any requirements on the services to make savings. The increase of 3.4% in funding from Welsh Government was a welcome increase. The Welsh Government have not been able to provide any indication on the proposed level of funding beyond 2021/22 due to the fact that the UK Government’s Comprehensive Spending Review has been cancelled due to dealing with the Coronavirus pandemic. 3. This report sets out the financial performance of the Council’s services at the end of quarter 1, 30 June 2021. The projected position for the year as a whole is also summarised. It should be noted that predicting the final year-end position at the end of quarter 1 is difficult and the position can change considerably as we move through the remainder of the financial year. For 2021/22, predicting the final year end position is even more difficult because it is still unclear when some of the Council’s services will return to normality and what the additional costs will be in providing those services in a way that minimises the risk of the spread of the virus e.g. additional PPE, increased cleaning, reduced service capacity impacting on income levels. 4. This financial year, one claim has been made in relation to the Covid 19 crisis to the Welsh Government, totalling £1.276m, for extra expenditure incurred during quarter 1, with £0.746m having been received. The Welsh Government has stated that further funding will be released to cover the loss of income during the remainder of the financial year, but this has not been taken into account in the forecast. The receipt of this additional funding will improve the final position of some services compared to this forecast. 5. These figures do not take into consideration winter pressures. Historically, winter pressures can be seen within the Highways and Adult services and it can be hard to quantify the full extent of extra costs which could be incurred this early in the financial year. The full extent of the forecasts and costs will be noted in the quarter 3 and quarter 4 reports respectively. 6. The overall projected financial position for 2021/22, including Corporate Finance and the Council Tax fund, is a projected underspend of £2.540m. This is 1.73% of the Council’s net budget for 2021/22. 	

7. It is recommended that:-

- (i) To note the position set out in Appendices A and B in respect of the Authority's financial performance to date and expected outturn for 2021/22. This position is dependent on the continued support from Welsh Government to fund the loss of income and the additional costs which the Council face during the remainder of the financial year as a result of the Coronavirus;
- (ii) To note the summary of Contingency budgets for 2021/22 detailed in Appendix C;
- (iii) To note the position of the invest to save programmes in Appendix CH;
- (iv) To note the monitoring of agency and consultancy costs for 2021/22 in Appendices D and DD.

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

Not applicable

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 – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	The report is for monitoring purposes only and is used along with other reports to set the medium term financial strategy and annual budget. In setting the annual budget, the impact on the long term needs of the Island will be assessed.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Not applicable
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Not applicable
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The citizens of Anglesey were consulted as part of the 2021/22 budget setting process and will be consulted on future budgets,
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	Not applicable
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	Not applicable

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The report has been considered by the SLT at its meeting on 6 September 2021 and the comments made incorporated into the report.
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer’s report
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the SLT.
4	Human Resources (HR)	N/A
5	Property	N/A
6	Information Communication Technology (ICT)	N/A
7	Procurement	N/A
8	Scrutiny	The financial position at the end of quarter 1 was reviewed by the Finance Scrutiny Panel at its meeting on 9 September 2021.
9	Local Members	N/A
F - Appendices:		
<ul style="list-style-type: none"> • Appendix A – Provisional Revenue Outturn Report for 2021/22 • Appendix B - Table of Provisional Outturn 2021/22 • Appendix C - Summary of Contingency Budgets position for 2021/22 • Appendix CH - Review of the Invest-to-Save projects 2021/22 • Appendix D - Information regarding monitoring of Agency Staff 2021/22 • Appendix DD - Information regarding monitoring of Consultants 		
Ff - Background papers (please contact the author of the Report for any further information):		
2021/22 Revenue Budget (as recommended by this Committee on 2 March 2020 and adopted by the County Council on 9 March 2021).		

REVENUE BUDGET MONITORING – QUARTER 1

1. General Balance

The Council Fund held £14.080m of earmarked reserves and school reserves amounting to £4.015m at the start of the financial year. The draft outturn for 2020/21 resulted in a general balance at the start of the current financial year of £11.593m. This was an improvement on the opening balance for the previous year, 2019/20, where the general balance stood at £7.060m. The draft underspend of £4.204m contributed to this and movements in reserves, such as the return of earmarked reserves no longer needed. This may, however, be subject to change with any post-audit adjustments.

The position of General balances at the end of the quarter is as follows:-

Executive Meeting	Amount £m	Purpose
Draft opening balance	(11.593)	Draft audited general reserve at 31 March 2021.
Amlwch Harbour Repairs	0.050	Delegated decision taken by the Section 151 Officer in consultation with the Portfolio Holder - Finance
Transfers In from Unrequired Earmarked Reserves	(0.643)	
Revised Council Fund General Balance	(12.186)	As mentioned above, this may change following any post-audit adjustments.

Due to the timing of this report, further decisions have been taken in relation to the General balances, with £1.376m being agreed by the Executive on the 12 July 2021 to transfer funding to create Service Reserves for departments. £1.500m also being agreed by the Executive on the 29 July 2021 for the roof repairs at Canolfan Addysg y Bont in Llangefnï. The balance of the General balances is, therefore, £9.310m at the time of the presentation of this report.

The current predicated outturn for 2021/22 is an estimated underspend of £2.540m. If this forecast is accurate, the Council General Balance would increase to £11.850m by the year-end. Given the current uncertainties in the demand for services, the Section 151 Officer has recommended to the Executive that the level of general balances should be higher than the normal level of 5% of the net revenue expenditure budget, and that it would be prudent for the Council to hold a minimum of £9m as General Balances for 2021/22. If the level of underspending forecast at the end of the first quarter becomes the final outturn position at the end of the year, then this will improve the Council's financial resilience even further.

2. Financial Performance by Service

2.1 The details of the financial performance by service for the period and the projected outturn position for each is set out in Appendix B. An underspend of £1.236m on services is predicted as at 31 March 2022. An underspend of £0.815m is estimated on Corporate Finance. In addition, an under achievement of income of £0.039m is predicted on the collection of the standard Council Tax. However, a surplus of £0.668m on the Council Tax Premium offsets the Council Tax shortfall. The current total revenue forecast for 2021/22 is an underspend of £2.540m, which equates to 1.73% of the Council's total net revenue budget.

2.2 Table 1 below summarises the significant variances (circa £100k or higher):-

Table 1

	(Under)/Overspend £'000
Learning	(592)
Adults	438
Children's Service	(324)
Waste	(310)
Transformation	(157)
Resources	(103)
Corporate and Democratic Costs	(153)
Corporate Finance	(675)
Unbudgeted uncontrollable costs - insurance, capital pension costs and bad debt	200
Funding	(629)
Other (total of variances less than £100k)	(235)
Total Variance over/(under)spend	2,540

3. Explanation of Significant Variances

3.1 Lifelong Learning

3.1.1 Delegated Schools Budget

Once the Council sets the budget for schools, responsibility for the budget is delegated to the schools and annual under or overspends are held in individual school reserves. The balances of the schools reserves now stands at £4.015m, compared to £197k at 31st March 2020. However, grants were received by schools in March from the Welsh Government which covered expenses already incurred, which means that their core budget was not spent. In addition, some grant funding was received on condition that it is spent in 2021/22. Over this financial year, schools will be recovering from the impact of the pandemic and it is anticipated that school balances will fall significantly by the end of the 2021/22 financial year as additional resources are directed to help pupils catch up following the periods of school closures.

Central Education

3.1.2 This service was underspent by £91k (14.81%) at the end of quarter 1. The forecast for the year-end is an underspend of £592k (13.02%). Many of these budgets are demand-led.

3.1.3 There are a number of over and underspends across the Service. The most significant of which are listed below:-

- The school meals provision is forecasted to be underspent by £217k. A new contract has been awarded at a lower cost, which is due to commence in September 2021. This will result in an underspend, however, this is partly offset by an increase in the free school meals uptake, resulting in an increased cost. The new school meals contract has allowed the Authority to reduce the cost of school meals from £2.50 to £2.20.
- The out-of-county placements budget had reduced demand in 2020/21 due to eleven children leaving out-of-county placements (due to turning 16+ or returning to placements on Anglesey) and only four new placements taking place in 2019/20. An underspend of £631k is forecast for out-of-county placements. As the financial year progresses, the number of children requiring out-of-county placements may begin to rise, which will impact the forecasted underspend.
- Clwb gofal plant is forecasted to overspend by £55k. This budget is, again, demand led and, with the increase in the number of parents working from home and some Covid restrictions still being in place the demand for this provision has decreased.

3.1.4 Culture

3.1.4.1 This service was £232k (53.56%) underspent during the period, and the forecast outturn for the year is an underspend of £32k (2.65%). There are vacant posts within the Library Service which are expected to give rise to a £71k underspend at year end, however, a recruitment exercise is currently being undertaken in order to fill those vacancies. The current projections for the Oriel is an overspend of £24k due to unachieved income. The Archives service is forecasting an overspend of £10k due to not being able to rent out storage space, as much of the space is taken up by internal use.

3.2 Adults Social Care

3.2.1 This service was £381k (6.56%) underspent for the period, and is forecast to overspend by £438k (1.58%) at year end.

3.2.2 The elements within the outturn variance are as follows:-

- Services for the Elderly: Forecast overspend of £413k. There are various over and underspends within the Service, however, the largest underlying forecast overspends are within residential care £91k and nursing care for older people £143k, which is after allocating £111k from the Social Care Workforce Grant. The homecare provision has seen an increase in demand for the service and, therefore, even after allocating £259k from the Social Care Workforce Grant, the year-end forecast is an overspend of £355k. However, there are vacant posts within Assessment and Care Management which help reduce the overall overspend, these are forecast to be £90k underspent at year end.
- Physical Disabilities (PD): The provision is forecasting to overspend £174k for the year – the largest forecasted overspend is in Residential Care £105k which is the direct result of clients changing placements. There are expected overspends in Assessment and Care Management £9k, Equipment and Adaptions £17k due to the new right sizing care costs and Home Support. There has been a significant increase in demand for Home Support over the last 12 months and after allocating the Social Care Workforce Grant, the forecast for year end is an overspend of £49k
- Learning Disabilities (LD): Is overspent by £326k for the period and is forecasted to overspend by £582k by year end. Homecare is projected to overspend by £169k, this is after applying £170k from the Social Care Workforce Grant. The Service is working on increasing the number of clients receiving direct payments rather than the commissioned Homecare. Supported and other accommodation provision is forecasting and overspend of £458k, even after allocating £200k from the Social Care Workforce Grant. This is partly due to an expensive care package, whilst historical underfunding has also contributed to this significant variance. This provision of this service was due to go to tender in 2020/21, with the aim of generating significant savings, however due to the Covid Pandemic, the tendering process was put on hold.
- Mental Health (MH): The service was overspent by £12k for the period, however, the current forecast for the year end is an overspend of £159k – Residential Care is still expected to overspend £238k, following receipt of the Social Workforce Grant. This is a demand led service which, again, is predominantly high cost low volume placements. Supported Living is forecasted to overspend by £72k at year end, which mainly relates to the cost for adult placements, however Community Support still has vacant posts and is expected to be underspent by £120k at year end.
- Provider Unit and Management and Support: This area is forecasting an underspend of £672k at year end. The forecasted underspend in this area is, in large part, the result of various vacant posts and the day care facilities having not being open due to the Covid restrictions. Work will be undertaken during the financial year to harmonise the budget between the Provider Unit and the Commissioning Services.

3.3 Children's Services

3.3.1 The service is overspent by £1,036k (31.15%) for the period however it is forecasted to be underspent by £324k (2.90%) at year end.

3.3.2 The Looked After Children's budget is overspent by £221k up to period 3, however, the forecast presently is at year end there will be an underspend of £103k. The £103k is made up of £839k underspend in Out of County placements which is a demand led service which can be extremely volatile. Non-standard Placements overspend of £100k, Foster Care placements overspend of £241k and Adoption section £34k. Also, Small Group Homes are forecasted to spend £363k as no budget has been allocated here as yet. The Commissioning and Social Work section sees a forecast underspend of £194k, this is the result of funding of staffing from the ICF funding and vacant posts.

Integrated Family support is forecasted to underspend to the sum of £145k, mainly due to vacant posts. Youth services is also forecasting an underspend of £50k which again is related to staffing

3.4 Housing (Council Fund)

3.4.1 This service was underspent by £14k (3.05%) at the end of period 3 and is forecasting to be in a breakeven position at year end. Homelessness and homeless prevention is the biggest forecasted underspend, £20k which is in relation to staff vacancies

3.5 Regulation and Economic Development

3.5.1 Economic and Community (includes Destination and Leisure)

3.5.1.1 The service, overall, was underspent by £352k (61.28%) for the period but it is forecasted to be overspent by £47k (2.40%) at year end.

3.5.1.2 The Economic Development element of the service is expected to be overspent by £23k at year end. This is in part to the income target for staffing to projects such as Wylfa Newydd and National Grid. Without these avenues of funding the budgeted income expectation will not be met. This expectation is £72k. The senior management restructure is expected to result in an underspend of £72k which will be compensated for the unachieved income. The other pressure points within the section are the centre facilities, graphic design and subscription budgets which combined are likely to be overspent to the sum of £28k.

3.5.1.3 The Destination section is forecasted to be £35k underspent by year end. The current international travel restrictions have increased the number of people holidaying in the UK and has benefited the destination budgets. The coastal attractions are busier than ever and Maritime income targets for registrations and launches being achieved by the end of Q1. Most of these fees cover the whole season but there should still be income over the summer months for day launches. Mooring fees should return to a similar level to pre pandemic, resulting in the possibility of a surplus on Maritime income targets for the year. A surplus of £10k is being forecast. Seasonal beach warden staff and support budgets are under spending as in previous years—and a surplus similar to last year can be expected in the region of £55k. The yearly pressure on Countryside income targets is likely to manifest itself again and there is also a review of the use of the Menai Straits being carried out by consultants. These items could result in an over spend of £30k combined.

3.5.1.4 The Leisure section is currently forecasting an overspend at year end of £59k. There is no longer a café provision in the centres but there are still income expectations. The outturn forecast for the leisure centres itself is hard to estimate, as historic trends are not as reliable due to the Covid pandemic with the leisure centres being closed for long periods of time in 2020/21. The public's confidence in using the facilities and the fact that the Centres are operating at a reduced capacity will need to be factored in over the financial year in order to forecast more accurately. Covid related loss of income is expected to be supported via the Welsh Government's Hardship Fund.

3.5.2 Planning and Public Protection

- 3.5.2.1** This service is £101k underspent (22.99%) for the period and is forecasted to be underspent by £37k (1.65%) at outturn.
- 3.5.2.2** The Public Protection Section was underspent by £52k for the period and the forecasted outturn position is £32k underspend. Dog and pest control income targets are not expected to be achieved by £33k as well as the markets and fair income by £5k. However, there are underspends within Licencing, forecasted to be £25k, due to licencing receipts in excess of budget, Environmental Health is forecasted to have a £42k underspend due to staffing issues.
- 3.5.2.3** The Planning section is underspent by £49k at period end and is forecasting an underspend of £5k at year end. Building Control is forecasted to be underspent by £5k at year end due to their income performance however all other sections are expected to breakeven at year end.

3.6 Highways, Waste and Property

3.6.1 Highways

- 3.6.1.1** This service was £221k (15.70%) overspent for the period. The forecasted position at year end is £93k underspent (1.48%). The majority of the sections within Highways are predicted to be underspent at year end. The most notable are Departmental Support £40k, which will have arisen from staffing cost savings, street works income is expected to overachieve against the income budget by £80k. Development control has exceeded its income expectations and, therefore is forecasting an underspend for the provision of £60k. Môn Community Transport is also forecasting an underspend to the sum of £50k. This is the result of less demand for the service following the Covid pandemic and restrictions. However, the works budget is expected to overspend to the sum of £50k by year end. This forecast excludes winter maintenance costs as it is too early in the year to predict the outturn on these costs. Any significant winter costs could worsen the outturn estimated this quarter, although an earmarked reserve is held to mitigate the risk if the costs rise significantly during the winter. Car Park income is also forecasting to be £50k over budget at year end.

3.6.2 Waste

- 3.6.2.1** The Waste service was £322k (22.30%) underspent for the period and the service is predicted to have an outturn position of a £310k underspend (3.54%).
- 3.6.2.2** The forecast for the year end includes overspends and compensating underspends within different sections of the department. The most notable of the variances include a £200k underspend on the Waste Collection, which includes the new waste collection contract costs. To date the income on the green waste has exceeded its target by £245k, part of this income is funding two posts. The Recycling section is also expected to be underspent at year end, due to its achieving more than its target income.

3.6.3 Property

- 3.6.3.1** The service's position for the period is a £49k (8.32%) underspend, with a forecast for the year end position being breakeven (0%).
- 3.6.3.2** The position for a number of budget headings varies with some showing an overspent position, whilst other, underspending. Vacant posts within the Service are assisting in maintaining a forecasted break even position.

3.7 Transformation

3.7.1 The Transformation function overspent by £407k at the end of the period.

3.7.1.1 The HR function was overspent by £25k (6.48%) for the period and projected to be £89k (6.46%) underspent at year end. The projected underspend is derived from the central training budgets.

3.7.1.2 The ICT section was overspent by £417k (31.14%) for the period and is expected to be breakeven at year end. All software and hardware budgets across the Council, excluding schools, have been centralised and are now managed within the ICT section, The projected year end position for the centralised software budget currently is an overspend of £142k. The staffing and software licences give a net projected underspend of £177k.

3.7.1.3 The Corporate Transformation Section was underspent by £35k (20.53%) for the period and expected to be underspent at the year end by £157k (18.08%), this the result of savings in salary expenses within both the Corporate Transformation team and Cyswllt Môn alongside an underspend of £91k for the Ynys Môn Gwynedd Partnership.

3.8 Resources (excluding Benefits Granted)

3.8.1 The Resources function budget is £92k (10.49%) underspent for the period, with the projection for the outturn being an underspend of £103k (3.18%).

3.8.2 Staffing issues and the need to use agency staff to deal with a backlog of work within the Council Tax team has resulted in a forecasted overspend of £31k for Revenues and Benefits. A small overspend of £3k is forecast for the Accountancy team. The Procurement Section is expected to be £110k underspent due to initiatives in purchasing, i.e. centralised purchasing budgets and procurement card rebates and lower demand for certain expenditure which are covered by the central procurement budgets as a result of increased home working (paper, photocopiers, stationery, furniture).

3.9 Council Business

3.9.1 The function was £47k (10.67%) underspent for the period, with the forecast for the year end position being a £29k (1.70%) overspend.

3.9.2 Legal Services are expected to be overspent by £43k at year end, in large part due to legal agency staff employed to cover staff vacancies/absences. Democratic Services are forecasted to underspend in each of its functions, with the largest underspend being within the Committee Services (£14k) due to savings on staffing expenses and the use of consultants.

3.10 Corporate and Democratic Costs

3.10.1 The function was underspent by £5k (0.53%) for the period and the forecast year end position is an underspend of £153k (5.08%).

3.10.2 Members Support & Expenses have a combined £26k projected underspend. Pandemic restrictions has led to significant underspending of the travel and training and conferences budgets.

3.10.3 The corporate budgets, overall, are showing an underspend of £97k. There are underspends in grant audit fees £90k and historic pension payments to the Pension Fund £41k. However, there has been a £20k overspend on Staff Counselling, there is no budget for this expenditure. Secondary pensions contributions are expected to be £36k higher than anticipated. There are various other compensating under and overspend, within other budget heads for the section.

3.11 Corporate Management

3.11.1 The function was £19k (11.91%) underspent for the period and it is forecasted to underspend by £60k (9.44%) at outturn. This relates to the residual budget following the management restructure in 2019/20 and small underspends on transport and general office supplies.

4. Corporate Finance (including Benefits Granted)

4.1 Corporate Finance, including Benefits Granted, is expected to underspend by £675k at year end.

4.2 The budget for 2021/22 included some items retained centrally as contingency budgets, these amounted to £1,333k. The majority of these budgets will be transferred into Service budgets during the year. Appendix C provides a summary of the contingencies budget, this shows that £17k has already been vired to approved budgets.

4.3 The capital financing budget is made up of 3 elements; the sum set aside to meet future repayments (Minimum Revenue Provision - MRP), interest payable on outstanding loans and interest received on cash balances held in the Council's bank accounts and other investments. Delays in capital projects, in particular the 21st Century Schools programme, lowered the Council's borrowing requirement which, in turn, has led to lower MRP and interest costs. During the pandemic, the Council maintained a higher than normal cash balance, although investment returns are very low (on average less than 0.2% during the year). As a result, the Capital Financing budget is forecasted to underspend to the sum of £649k.

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 2020. It does not provide for arrears collected from previous years, adjustments to liabilities arising from previous years (exemptions, single person discounts, transfers to business rates 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. Covid-19 is also impacting on the collection of Council Tax and an increase in the bad debt provision has been made to reflect this impact. The current core Council Tax income is forecasted to be £39k lower than the budget.

5.2 The Council Tax premium is designed to encourage owners of empty properties and second homes to return the property to general use and, as such, there is a risk that the number of properties paying the premium can reduce significantly during the year. In order to mitigate this risk, the tax base for premium properties is set at 80% and, if the numbers of properties paying the premium does not fall significantly then the budget will generate a surplus. Again, the transfer of properties from the domestic to the Business Rates register has reduced the premium payable on second homes but, despite the transfer of properties, overall the numbers of second home properties remained fairly constant and, as a result, the Council Tax premium budget is forecasting a surplus of £668k at the end of the financial year.

6. Budget Savings 2021/22

6.1 No Budget Savings were required by the services for the financial year 2021/22.

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, £858k has been spent or committed from this allocation of funding up to and including 2021/22. All projects are at various stages of development, with some closer to completion than others, although progress to complete these projects has been impacted by the Coronavirus pandemic. 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 2022/23 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, £243k was spent on Agency staff. These were, in the main, part-funded from staffing budgets as they related to staff vacancies, while £57k related to staff cover vacant posts. The Waste Service spent £65k for site agents at the recycling centres. The full details can be seen at Appendix D.
- 8.2** A total of £133k was spent on Consultancy during the period April to June 2021, with £67k funded through grant or external sources. A full summary of expenditure per service, and additional details of the expenditure, can be seen at Appendix DD.

9 Welsh Government Covid-19 Grant Funding to date

- 9.1** The Welsh Government has provided significant financial support to the Welsh local authorities on Coronavirus related additional costs and loss of income, without which the outturn would be a sizeable overspend. Table 2 below shows that the Council claimed £0.930m for additional costs arising from the pandemic for this financial year, £0.746m has already been paid to the Council, leaving a balance of £0.184m remaining, which will be paid during 2021/22.

Table 2 Covid-19 related expenditure April to June 2021 funded by Welsh Government

	Adult Social Services	Excess Deaths	Free School Meals	General	Homelessness	TTP	Childcare	School Cleaning	Testing in Care Homes	IT/ Home Working	Self Isolation	Children	SSP Enhancement	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Claimed	417,682	-	42,913	138,111	11,164	-	-	41,423	71,780	-	64,486	140,810	1,528	929,899
Disallowed														-
Balance Due	417,682	-	42,913	138,111	11,164	-	-	41,423	71,780	-	64,486		1,528	929,899
Paid 18 August 2021	542,985	-	-	55,232	3,485	-	-	16,060	70,763	-	56,986	-	914	746,425
Balance Outstanding	-	125,303	-	42,913	82,879	7,679	-	25,363	1,017	-	7,500		614	183,474

9.2 Loss of Income from Covid-19 Restrictions Funded by Welsh Government

Whilst easing of lockdown has entered into the new financial year, the Council's income has significantly been affected, such as closure of the Leisure centres and the impact on car parking fees. There is also the risk of further restrictions to help reduce the transmission of Covid-19. Welsh Government has compensated local authorities for eligible income lost due to the Coronavirus. The Council, this financial year, has claimed -£0.015m from Welsh Government. A summary of the income compensated and claimed to 30 June 2021 is shown below in Table 3:-

Table 3 – Welsh Government Grant Funding for Loss of Income from Services during the Pandemic

Summary	Museums	Leisure	Education	Car Parks	Public Protection	Markets and Travel Clubs	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Claimed	34.8	234.00	-325.00	34.0	6.20	1.10	-14.90
Disallowed	0	0	0	0	0	0	0
Balance Due	34.8	234.00	-325.00	34.0	6.20	1.10	-14.90
Paid	0	0	0	0	0	0	0
Balance Outstanding	34.8	234.00	-325.00	34.00	6.20	1.10	-14.90

10 Conclusion

- 10.1** The initial projection at the end of the first quarter is that the budget will be underspent by £2.540m for the year ending 31 March 2022. The service budgets are expected to underspend by £1.286m and corporate finance is forecast to also underspend by £0.675m. An underachievement of £0.039m is expected on the standard Council Tax. Surplus income of £0.668m is forecast on the Council Tax Premium. The Adults Service budgets are under pressure due to increasing demand and the transition of a costly placement from Children's Services. It is the normal pattern for the final outturn position to be better than the first quarter estimate, however, if the projected overspend transpires it would be funded from the Council's general balances, which would increase to £9.961m.
- 10.2** Further work is required to model the impact and a revised Medium Term Financial Plan will be submitted to the Executive in September 2021, prior to the commencement of the 2022/23 budget process.

Projected Revenue Outturn for the Financial Year-ending 31 March 2021- Quarter 1

Gwasanaeth/Swyddogaeth Service/Function	2021/22 Cyllideb Blynyddol Annual Budget	2021/22 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2021/22 Ch1 Amrywiad Q1 Variance	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2022 Estimated Expenditure to 31 March 2022	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2022 gwr/(tan) wariant Estimated Outturn 31 March 2022 over/(under)	2021/22 Gor/(tan) wariant a ragwelir fel % o'r Gyllideb Gyfan Projected Over/(Under) spend as a % of Total Budget	2020/21 Gor/(Tan) Wariant Drafft Over/(under) spend
	£'000	£'000	£'000	£'000	%	£'000	£'000	%	£'000
<u>Dysgu Gydol Oes</u> <u>Lifelong Learning</u>									
Cyllideb Datganoledig Ysgolion <i>Delegated Schools Budget</i>	49,061	9,217	9,217	(0)	0.00%	49,061	0	0.00%	0
Addysg Canolog <i>Central Education</i>	4,545	614	523	(91)	-14.81%	3,953	(592)	-13.02%	(1,338)
Diwylliant <i>Culture</i>	1,208	433	200	(232)	-53.56%	1,176	(32)	-2.65%	(172)
<u>Gwasanaethau Oedolion</u> <u>Adult Services</u>	27,732	5,803	6,184	381	6.56%	28,170	438	1.58%	(178)
<u>Gwasanaethau Plant</u> <u>Children's Services</u>	11,179	3,326	4,361	1,036	31.15%	10,855	(324)	-2.90%	(718)
<u>Tai</u> <u>Housing</u>	1,247	465	450	(14)	-3.05%	1,247	0	0.00%	(37)
<u>Priffyrdd, Gwastraff ac Eiddo</u> <u>Highways, Waste & Property</u>									
Priffyrdd <i>Highways</i>	6,294	1,408	1,629	221	15.70%	6,201	(93)	-1.48%	(80)
Eiddo <i>Property</i>	985	(587)	(635)	(49)	8.32%	985	0	0.00%	(100)
Gwastraff <i>Waste</i>	8,757	1,446	1,123	(322)	-22.30%	8,447	(310)	-3.54%	(423)

Gwasanaeth/Swyddogaeth Service/Function	2021/22 Cyllideb Blynnyddol Annual Budget	2021/22 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2021/22 Ch1 Amrywiad Q1 Variance	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2022 Estimated Expenditure to 31 March 2022	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2022 gor/(tan) wariant Estimated Outturn 31 March 2022 over/(under)	2021/22 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over (Under) spend as a % of Total Budget	2020/21 Gor/(Tan) Wariant Draft Draft Over/(underspend)
	£'000	£'000	£'000	£'000	%	£'000	£'000	%	£'000
<u>Rheoleiddio a Datblygu Economaidd</u> <u>Regulation & Economic Development</u>									
Datblygu Economaidd <i>Economic Development</i>	1,955	574	222	(352)	-61.28%	2,002	47	2.40%	(132)
Cynllunio a Gwarchod y Cyhoedd <i>Planning and Public Protection</i>	2,247	440	340	(101)	-22.99%	2,210	(37)	-1.65%	(224)
<u>Trawsnewid</u> <u>Transformation</u>									
Adnoddau Dynol <i>Human Resources</i>	1,379	383	408	25	6.48%	1,290	(89)	-6.46%	(196)
TGCh <i>ICT</i>	3,200	1,340	1,757	417	31.14%	3,200	0	0.00%	(87)
Trawsnewid Corfforaethol <i>Corporate Transformation</i>	869	170	135	(35)	-20.53%	712	(157)	-18.08%	(187)
<u>Adnoddau</u> <u>Resources</u>									
<u>Busnes y Cyngor</u> <u>Council Business</u>	1,708	439	392	(47)	-10.67%	1,737	29	1.70%	(83)
<u>Costau Corfforaethol a Democraidd</u> <u>Corporate & Democratic costs</u>	3,010	1,004	1,009	5	0.53%	2,857	(153)	-5.08%	62
<u>Rheolaeth Corfforaethol</u> <u>Corporate Management</u>	636	158	139	(19)	-11.91%	576	(60)	-9.44%	(47)
Costau heb gyllideb, na ellir eu rheoli: yswiriant, costau pensiwn a dileu drwg ddyledion/lwfansau amhariad ar incwm gwasanaethau <i>Unbudgeted, uncontrollable costs: insurances, pension costs and bad debt write offs/impairment allowances on services' income</i>						200	200	0.00%	(54)

Gwasanaeth/Swyddogaeth Service/Function	2021/22 Cyllideb Flynyddol Annual Budget	2021/22 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2021/22 Ch1 Amrywiad Q1 Variance	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2022 Estimated Expenditure to 31 March 2022	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2022 gor/(tan) wariant Estimated Outturn 31 March 2022 over/(under)	2021/22 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over (Under) spend as a % of Total Budget	2020/21 Gor/(Tan) Wariant Drafft Draft Over/(underspend)
	£'000	£'000	£'000	£'000	%	£'000	£'000	%	£'000
Cyfanswm Cyllidebau Gwasanaethau Total Service Budgets	129,248	27,511	28,425	916	3.33%	128,012	(1,236)	-0.96%	(4,160)
Ardollau Levies	3,695	3,652	3,693	41	1.12%	3,695	0	0.00%	0
Rhyddhad Trethi Dewisol Discretionary Rate Relief	96	0	0	0	0.00%	70	(26)	21.86%	8
Cyllido Cyfalaf Capital Financing	7,482	145	150	6	0.00%	6,834	(649)	-8.67%	(105)
Arian wrth Gefn Cyffredinol ac Eraill General & Other Contingencies	1,033	1,333	0	(1,333)	-100.00%	1,033	0	0.00%	(270)
Cyfraniad CRT y Gwasanaethau Cefnogol Support Services contribution HRA	(700)	0	0	0	0.00%	(700)	0	0.00%	(192)
Budd-daliadau a Roddwyd Benefits Granted	6,265	(767)	(767)	0	0.00%	6,265	0	2.27%	(68)
Na ellir ei reoli Uncontrollable									249
Cyfanswm Cyllid Corfforaethol Total Corporate Finance	17,872	4,364	3,077	(1,287)	-29.49%	17,057	(675)	-4.56%	(378)
Cyfanswm 2021/22 Total 2021/22	147,120	31,875	31,502	(371)	-1.16%	145,209	(1,911)	-1.30%	(4,538)
<u>Cyllido Funding</u>									
Trethi Annomestig NDR	(23,480)	(7,480)	(7,480)	0	0.00%	(23,480)	0	0.00%	0

Gwasanaeth/Swyddogaeth Service/Function	2021/22 Cyllideb Flynyddol Annual Budget	2021/22 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2021/22 Ch1 Amrywiad Q1 Variance	2021/22 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2022 Estimated Expenditure to 31 March 2022	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2022 gor/(tan) wariant Estimated Outturn 31 March 2022 over/(under)	2021/22 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over /(Under) spend as a % of Total Budget	2020/21 Gor/(Tan) Wariant Drafft Draft Over/(underspend)
	£'000	£'000	£'000	£'000	%	£'000	£'000	%	£'000
Y Dreth Gyngor Council Tax	(40,902)	0	0	0	0.00%	(40,863)	39	-0.10%	333
Premiwm y Dreth Gyngor Council Tax Premium	(1,393)	0	0	0	0.00%	(2,061)	(668)	-47.97%	0
Grant Cynnal Refeniw Revenue Support Grant	(81,345)	(23,596)	(23,596)	0	0.00%	(81,345)	0	0.00%	0
Cyfanswm Cyllid 2021/22 Total Funding 2021/22	(147,120)	(31,076)	(31,076)	0	0	(147,749)	(629)	-0.43%	333
Cyfanswm yr alldro yn cynnwys effaith y cyllido Total outturn, including impact of funding	0	798	426	(371)	-46.50%	(2,540)	(2,540)	-173%	(4,205)

Summary of the Outturn Position on Contingency Budgets 2021/22

	Budget	Virements	Amended Budget YTD	Committed YTD	Currently Uncommitted Budgets	Budget Forecast
	£	£	£	£	£	£
General Contingency	388,928	- 17,000	371,928	-	371,928	-
Salary and Grading	150,000		150,000	-	150,000	-
Earmarked Contingency	794,500		794,500	-	794,500	-
Total General and other Contingencies	1,333,428	-17,000	1,316,428	-	1,316,428	-

Review of Invest-to-Save Projects 2021/22

Service	Title	Description	Amount Approved £	Allocation for 2021/22 £	Spent 2021/22 £	Remaining budget 2021/22 £	Project Update
Resources	Electronic Document Management System for Revenues and Benefits	Provide scanning solution and workflow for Revenues and Benefits	170,000	0	0	0	Project closed. No further update.
I.T	Local Land and Property Gazetteer (LLPG)	Implement a LLPG system across the Council	10,800	0	0	0	Project closed. No further update.
I.T. / Transformation	Customer Relationship Management System	Purchase and implementation of a CRM system	255,000	46,676	0	46,676	The CRM continues to be used extensively with tranche 2 of business support grants being administered through the system as well as a booking system for attending Household Waste Recycling Centres. The CRM integration with the line of business system used by the contractor appointed to the waste collection contract for the Authority has been completed, and is live. Work has started on Highways business processes as nominated by the Transformation Board. Sanity check and general housekeeping on existing forms are currently being undertaken.
I.T. / Resources	Payment Gateway	Purchase and implement a payment gateway which will enable payments to be received via the App	27,000	13,583	0	13,583	Project closed. No further update.

Service	Title	Description	Amount Approved £	Allocation for 2021/22 £	Spent 2021/22 £	Remaining budget 2021/22 £	Project Update
Regulation & Economic Development	Improve the Resilience of the Planning Systems	New automated planning systems	118,000	5,687	137	5,550	Internal testing works in order to eliminate system errors are continuing to progress in preparation for the November 'go-live' date for Enterprise 5.30. Works on the de-duplication of data within Salesforce has been completed and will be forwarded to Arcus to update the database. A further run may be required due to the length of time since the original extract (this was put on hold for over twelve months due to the pandemic). Works on enabling the TPO module into Salesforce is also continuing. In order to assist the Business and Systems Team with answering and dealing with general public telephone calls whilst working from home, bluetooth headphones have been purchased and utilised.
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	36,843	32,898	3,945	Full commitments have now been made and within the bid budgets. Implementation recommenced during Quarter 2 following ending of furlough of certain Capita project staff, but momentum only picked up in Quarter 3. Testing of the new GL export file that could be done remotely is almost complete and arrangements are in place to complete the testing that cannot be done remotely. Once this is complete, automated income reconciliation/e-returns can begin to be implemented, involving new processes for services and bespoke electronic bank statements from the Authority's bankers. Further automated work is being progressed by developing APIs to enable automated income update to ledger through income management for internal services, such as leisure, education and highways, and externally for DWP. Implementation will be ongoing into the next financial year due to Covid-19 delaying implementation and internal services retendering certain software processes. The remaining budget balance will be used for any unexpected items which remain.

Service	Title	Description	Amount Approved £	Allocation for 2021/22 £	Spent 2021/22 £	Remaining budget 2021/22 £	Project Update
Lifelong Learning	Modernisation of business and performance processes - Education	Implement unused modules in the ONE Management Information system	67,000	0	0	0	Project closed. No further update.
Lifelong Learning	Modernisation of business and performance processes - Oriel Môn	Website for the Oriel	20,000	11,474	0	11,474	Work has been completed on this project and are now awaiting the final invoices.
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	30,280	18,470	11,810	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	10,000	0	45,000	No progress to report. Due to Covid-19 and pressures on Public Protection, there has been no capacity to proceed. It is recommended that this funding is returned to the Council's general balances
Total			982,800	154,543	51,505	138,038	

Agency costs April to June 2021

Service	Amount £	Source of Funding (Specific Core Budget / Un- utilised staffing budget / Grant / External Contribution)	Permanent / Temporary	Reason for Cover
Economic & Regeneration	11,533	Grant	Temporary	Unable to recruit fully qualified EHO for food sampling
	16,045	Grant	Temporary	Capacity
	27,578			
Schools	1,869	Core	Temporary	Supply teachers in specialist field
	878	Core	Temporary	Supply teachers
	2,747			
Waste	64,736	Specific Core Budget	Temporary	Additional tasks required short term
	64,736			
Property	1,389	Un-Utilised Staffing Budget	Temporary	Valuation for the 2020/21 accounts
	1,389			
Children's Services	56,946	Core Budget/ Agency staff Reserve	Temporary	To cover vacant posts
	56,946			
Adult Services	12,711	Core Budget	Temporary	DOLS project
	12,711			
Resources	29,000	Core Budget / Covid Hardship Fund	Temporary	Vacant posts and additional work due to Covid applications
	23,000	Core Budget / Grants	Temporary	Secondment
	6,000	Core Budget / Grants	Temporary	Advisory
	58,000			
Transformation	8,099	Un-utilised staffing budget	Temporary	Maternity
	4,651	Un-utilised staffing budget	Temporary	Staff secondment to support the HWB Project
	6,456	Un-utilised staffing budget	Temporary	Vacant GIS Technician post - cover required to maintain Addressing Data Quality Standard
	19,207			
Total	243,314			

Summary Consultancy Expenditure Q1 2021/22

Service	Qtr 1 £	Total 2021/22 £
Central Education	0	0
Culture	58,100	58,100
Economic & Regeneration	36,124	36,124
Property	0	0
Highways	16,000	16,000
Schools	3,135	3,135
Waste	12,137	12,137
HRA	(10,250)	(10,250)
Housing	0	0
Corporate & Democratic	0	0
Adult Services	3,451	3,451
Children's Services	0	0
Corporate	0	0
Transformation	4,260	4,260
Council Business	0	0
Resources	9,565	9,565
Total	132,521	132,521
Funded by:		
Core Budget	65,648	65,648
Grant	65,495	65,495
External Contribution	1,379	1,379
Reserves	0	0
Total	132,521	132,521

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	EXECUTIVE COMMITTEE
Date:	27 SEPTEMBER 2021
Subject:	BUDGET MONITORING REPORT FIRST QUARTER 2021/22 - CAPITAL
Portfolio Holder(s):	COUNCILLOR R WILLIAMS
Head of Service / Director:	MARC JONES (EXT. 2601)
Report Author: Tel: E-mail:	JEMMA ROBINSON 01248 752675 JemmaRobinson@ynysmon.gov.uk
Local Members:	n/a
A –Recommendation/s and reason/s	
<ul style="list-style-type: none"> It is recommended that the Executive note the progress of expenditure and receipts against the capital budget 2021/22 at quarter 1. 	
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 first quarter of the financial year. 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?	
Setting of the annual Capital Budget.	
DD – Who did you consult? What did they say?	
1	Chief Executive / Senior Leadership Team (SLT) (mandatory) Report has been reviewed by the SLT and comments incorporated into the final report.
2	Finance / Section 151 (mandatory) n/a – this is the Section 151 Officer’s report.
3	Legal / Monitoring Officer (mandatory) The Monitoring Officer is part of the SLT and comments made have been considered by 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	The capital budget funds investments in assets and infrastructure which are required to allow the Council to meet the long term objectives which are set out in its Corporate Plan and Capital Strategy.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-	Some of the individual investments e.g. flood prevention work, will prevent future costs, whilst others e.g. ICF projects, will reduce the dependency on the Council to provide more expensive services.
3	Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:	Funding of the projects has been agreed and planned with other organisations, notably Welsh Government.
4	Have Anglesey citizens played a part in drafting this way forward? Please explain how:-	The Council's Corporate Plan and Capital Programme 2021/22 have been subject to a consultation process with Anglesey citizens.
5	Outline what impact does this decision have on the Equalities agenda and the Welsh language	Some of the projects funded by the capital programme do impact on the equalities agenda e.g. disabled access in schools, disabled facilities grants. No impact on the Welsh language agenda.
F - Appendices:		
Appendix A - Capital Budget Monitoring Report – Quarter 1 2021/22 Appendix B - Summary of the Capital Projects' Expenditure to date against the Capital Budget and the Projected Expenditure at Year-End		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • 2021/22 Capital Budget, as recommended by the full Council on 9 March 2021; • 2021/22 Treasury Management Strategy Statement, approved by the full Council on 9 March 2021; and • 2020/21 Capital Outturn Report, presented to this Committee on 21 June 2021. 		

1. INTRODUCTION

- 1.1 This is the Capital Budget monitoring report for the first quarter of the financial year, and allows Members to note the progress of Capital Expenditure and Capital Receipts against the Capital Budget.
- 1.2 In March 2021, the Council approved a Capital Programme for non-housing services of £15.842m for 2021/22, and a Capital Programme of £20.313m for the Housing Revenue Account (HRA). In addition, in June 2021, the Executive approved Capital Slippage of £11.898m to be brought forward from 2020/21, bringing the Capital Programme for non-housing services to £25.492m, and £22.561m for the HRA. Since the budget setting process, there have been additional schemes added onto the programme, most of which are grant funded, which amounted to £6.200m. This brings the total Capital budget for 2021/22 to £54.253m.

2. PROGRESS ON EXPENDITURE 2021/22

- 2.1 Below is a summary table of the Capital expenditure to 30 June 2021, the profiled budget to 30 June 2021 and the proposed funding of the Capital Programme for 2021/22:-

Service	Annual Budget £'000	Profiled Budget £'000	Actual Expenditure £'000	Committed Expenditure £'000	Total Expenditure £'000	Profiled Budget Spent %	Annual Budget Spent %
Housing General Fund	1,276	96	96	0	96	100	8
Housing HRA	22,561	2,383	2,051	67	2,118	89	9
Lifelong Learning	11,761	574	463	112	575	100	5
Economic and Regeneration	5,663	362	71	241	312	86	6
Highways	6,382	376	166	86	252	67	4
Waste Management	2,276	2,272	2,201	71	2,272	100	100
Property	1,275	90	93	0	93	103	7
Transformation	614	125	3	118	121	96	20
Planning	1,316	118	118	11	129	109	10
Adult Services	1,129	0	0	0	0	0	0
Total	54,253	6,396	5,262	706	5,968	93	11
Funded By:							
Capital Grant	20,961						
Capital Receipts	463						
Supported Borrowing	8,765						
Unsupported Borrowing	4,697						
Revenue Contribution	17,887						
Reserves	1,272						
Loan	208						
Total Funding	54,253						

- 2.2 The profiled budget spent to the end of the first quarter for the general fund is 96%, however, only 12% of the annual budget has been spent to date. The reason for this is that a number of the capital schemes are weighted towards the latter part of the financial year. Some capital schemes are underway, with the majority of the profiled budget for quarter 1 being spent, schemes such as the Waste Fleet, Canolfan Addysg y Bont roofing works, Education Chromebooks scheme, Adventure Playground at Breakwater Park, Penrhos Phase 2 and the Llangefni Gateway schemes. Some capital schemes have yet to commence, but their budget is profiled in the next quarter or towards the latter part of the financial year, such as School Safety, the resurfacing of play areas at Holyhead High School, Amlwch Fitness Suite, Road Safety Capital scheme, Resilient Roads Fund and Electric Vehicle charge points. These schemes and their profile can be seen in Appendix B. There are a number of Capital Grants schemes in 2021/22 and an update on these is provided in Section 3.1 of this report.

- 2.3** The HRA has spent 89% of its profiled budget and 9% of the annual budget. It is currently estimated that the budget will not be spent in its entirety come the end of the financial year.

The inability to prepare schemes in the prior year due to Covid restrictions has impacted the ability to prepare and procure contracts in a timely manner and further underexpenditure may be experienced as the year progresses.

The effects of Covid are still being felt on new build and property acquisition projects. The aim is currently to purchase 15 ex-Council houses per year but, at present, it is a more reasonable assumption that only half of that figure will be acquired during 2021/22, which will have a knock on effect on the budget. There has also been an unexpected rise in property prices that has in turn made the Council less competitive due to our expenditure regarding the refurbishment and renovation of the aforementioned properties.

Delays are still being experienced on new building sites due to Covid, in particular with regard to certain materials availability and deliveries. The materials being delayed / unavailable are constantly changing and prices are being elevated by suppliers due to the lack of availability. This has slowed progress and lessened expenditure. However, projects have been going forward with reasonably few delays to overall completion.

3. FUNDING

3.1 Capital Grants

3.1.1 There are a number of Capital Grant schemes in the Capital Programme for 2021/22, most of which are underway and progressing, with a brief update on the schemes provided below:-

- **21st Century Schools** - The final Band A scheme, which focuses on the New Ysgol Corn Hir, has commenced on site. Design works are progressing on the first Band B Project – New Foundation Phase Unit at Ysgol y Graig. The Strategic Outline Case/Outline Business Case for this project has been prepared. Negotiations are ongoing with the landowner.
- **Childcare Capital Grant** – £3.581m 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 (£3.194m) and to deliver a Small Grants Scheme and Project Management (£0.387m). Following the completion of new Units at Ysgol Santes Dwynwen, Ysgol y Tywyn, Ysgol Morswyn, Ysgol Pencarnisiog and Ysgol Esceifiog, tenders have just been received for the next two schemes. These will be at Ysgol Henblas and Ysgol Gwalchmai. The works on these sites will be carried out over the summer holiday period.
- **Market Hall** - Fit out of the first floor office space has been completed by the lessee and occupation will commence over the next few weeks. Demand for the meeting rooms has increased with enquiries ongoing. Once Covid regulations support their use, we anticipate a resurgence of interest as confidence for indoor activities increases. Final capital works to enable the bin store, cycle racks and the coffee shop on the ground floor to be completed ready for let, supported via third party external grant, is now approaching 50% complete, with the remaining works focussed on setting out for sound attenuation boarding and mechanical ventilation in hand. The works remain on course for completion in Q2, with the only major capital item outstanding and to be completed during the financial year being the main heritage interpretation.

- **Holyhead Townscape Transformation (Phase II Townscape Heritage Initiative (THI))** - The works to the third party project have progressed with only minor snagging issues to be resolved at this time prior to practical completion. Some uncertainty remains over utilities connections having not been anticipated as envisaged by Wales & West, which has led to the possibility of a road closure requiring 12 weeks' notice, thereby delaying occupation. Confirmed changes to Welsh Government (WG) grant support for town centres for financial year 2021/22 onwards injected a level of uncertainty in comparison to previous years. Further to internal discussions, we are exploring options to repackaging various THI projects into a single multi-year strategic submission (better reflecting the nature of the THI as a 3-5 year programme) which will be considered at the WG national level. However, the timeframe for preparation, submission and approval will delay anticipated expenditure this financial year and delay portions of this until financial year 2022/23.
- **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 of 2019/20, but was delayed following a request for a 6 month extension to the European Regional Development Fund (ERDF) funding, which is being used as match funding for the Landscape Partnership. This has now been granted. The Permission to Start was received from the NLHF in quarter 3 2020/21. The Programme Manager and Project Officer took up their new roles in January 2021 and the Project Assistant was recruited in June 2021. Activity in quarter 1 has been focussed on developing communications, raising the social media profile, building partnership links and starting the procurement process for six of the projects. A re-profile has been submitted to the NLHF and discussions are underway regarding the need for additional funding to extend the project delivery into 2024/25.
- **Hwb In-Schools Infrastructure Grant Scheme** – Installation of the remaining infrastructure elements have been completed in Canolfan Addysg y Bont and Ysgol Syr Thomas Jones and the remaining sites have been scheduled for the school summer holidays. The Year 3 device order has been received by Welsh Government and will complete the Wave 4 purchases of end user devices. These are due for delivery at the beginning of the new academic year.
- **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. Holyhead Wayfinding signage designs have been finalised and installation is imminent. Procurement for detailed designs for the scheduled works at Holyhead Breakwater Country Park were undertaken during quarter 3 of 2020/21. Due to no submissions received, works were re-tendered in quarter 4 2020/21, with Wood plc appointed to proceed with project. Detailed designs undertaken during quarter 1 of 2021/22, with procurement of suitable construction company to follow afterwards.
- **Adventure Playground, Breakwater Country Park** – Welsh Government awarded funding via the Sustainable Development Fund [Capital] for the Anglesey Area of Outstanding Natural Beauty. £0.100m was originally awarded for the design and installation of an adventure playground at Breakwater Country Park. In order to fulfil the amended design and scale of the project, a further £0.050m was secured via Welsh Government's Sustainable Landscapes Sustainable Places Fund for 2021/22. Following Planning consent in early June 2021, installation works began and the project is scheduled to be completed by the end of July 2021.

- **Penrhos Phase 2 project** - The aim of this scheme is to construct seven new business units on the Penrhos Industrial Estate. During quarter 1, the plans and designs for the units have been fully approved internally with submission of planning permission to be undertaken early in quarter 2. Tendering of the contract was undertaken during the quarter and appointment and commencement on site by the end of quarter 1. It is currently anticipated that the project end date will be late in quarter 4 or early quarter 1 2022/23.
- **Llangefni Gateway Project** - The Llangefni Gateway Site (Tregarnedd Industrial Park) is an area in Llangefni which will eventually have 7 plots developed.
 - **Gateway Units (ERDF)** – The aim of the project is to construct six new business units on Plot 1 of the Tregarnedd Business Park (Gateway Site). Planning was submitted during quarter 1, with determination expected for the application expected by mid-July. The procurement process has been undertaken with tender deadline ending on 2 July 2021. It is anticipated that construction will commence in early September 2021 and project completion is currently anticipated in March 2022.
 - **Gateway Joint Venture** – The aim of the Gateway Joint Venture is to undertake enabling works on the remaining plots of the Tregarnedd Business Park (Gateway Site). Works include movement of material on-site and undertake archaeological works. It is anticipated that the majority of the works on-site will be undertaken during quarter 2/3 2021/22.
- **Holyhead and Amlwch Drainage schemes** - These studies are currently ongoing. In Holyhead, there is progression in developing a working agreement with Welsh Water and modelling data has now been shared to allow the study to holistically investigate the flooding risks that face both our and Welsh Water's systems in the town. In Amlwch, there is a need to work closely with Natural Resources Wales, such that the main river flood risk can be considered in the study. An understanding has now been reached with Natural Resources Wales, allowing the sharing of specification for modelling, this will allow the study to proceed. Both these studies could continue into next financial year and, possibly, financial year 2022/23.
- **Small Scale Grants Work (15 locations)** - Schemes have been programmed and work has started on some. It is anticipated that all will be completed within the financial year (as is a requirement of the grant conditions).
- **Beumaris Flood Alleviation** – Site works were substantially completed in the summer, with a portion of the works deferred. Work is beginning on developing the deferred portion of the works. Construction work will not likely begin until 2022 at the earliest.
- **Red Wharf Bay** - Consultancy work on the Design and Development of the Coastal Risk scheme in Red Wharf Bay is ongoing. A public consultation will be run in the next quarter. This will be carried out virtually, to work within the current restrictions. Feedback will be collated by the Consultants. Following approval of the match funding, it is aimed that work could start in March 2022, dependent on the required permissions for Coastal Work, applications for which are currently being made.
- **Llanfair PG, Menai Bridge and Valley Full Business Case (FBC)** - All three flood schemes are progressing. There are concerns regarding the challenges the preferred option for Llanfair PG poses and further work is anticipated here. It is likely that the FBC (Design and Development) of the Llanfair PG scheme will continue well into the next financial year. There are fewer perceived risks with Menai Bridge and Valley and it is anticipated that Valley and Menai Bridge may be ready for construction within the 2021/22 financial year.

- **Mill Lane - Structure & Natural Flood Management (NFM)** – Funding has been secured to complete the construction of a flood alleviation scheme at Mill Lane, Beaumaris. When complete, this flood alleviation scheme is to reduce flood risk to 10 residential properties. Work on the Mill Lane structure is nearing completion (anticipated that it will be commissioned during August). Initial designs for NFM intervention in Mill Lane (catchment) have been completed and negotiations have begun with the landowner. These negotiations will be critical as, without agreement, the proposed NFM measures cannot be implemented.
- **Dwyran Ordinary Watercourse Natural Flood Management (NFM)** – Funding has been secured to undertake an NFM scheme for the Dwyran ordinary watercourse. This work will reduce flood risk to 3 properties - landowner negotiations are delaying implementation of this scheme. It is hoped that these can be concluded soon, allowing works to commence.
- **Enable** - £0.103m of Welsh Government Grant has been secured for the delivery of adaptations to support independent living. It is expected that this grant will be fully drawn down by the end of the year.
- **Road Safety Capital** – Funding has been secured totalling £0.300m. The project involves the installation of road safety measures on the A545, Menai Bridge to Beaumaris. There has been no spend to quarter 1, but it is envisaged the budget will be spent in full come year end.
- **Active Travel** - £0.425m of Welsh Government (WG) Grant has been secured to develop the Council's Active Travel Network Map (including public consultation), to develop and design major schemes (pre-scheme development), and to undertake minor infrastructure improvements, including installation of signage, cycle parking, removal of access barriers and path widening across the Isle of Anglesey's Active Travel settlements. The purpose of the grant is to promote and increase levels of active travel, improve health & well-being, reduce carbon emissions and improve active travel for employment, education and key services, destinations and public transport. £0.100m is specifically to develop a route in the Holyhead area, which is part of WG's North Wales Metro and the Isle of Anglesey County Council (IACC) have issued the tender on the North-Mid Wales Trunk Road Agency Framework Agreement for consultancy support to develop and design the project. The tender documentation for pre-scheme development works for other localities will follow once the appointment of the North Wales Metro scheme has been confirmed (to assess future procurement routes). The IACC undertook analysis of the first stage public consultation on the barriers and improvements to the Active Travel Network and prepared the draft Active Travel Network Map, which is currently out for public consultation (second stage), which asks the public to comment on the proposed future routes. In relation to minor works, internal discussion have been undertaken to plan the scope of each individual minor works project with design.
- **Resilient Roads Fund** – The purpose of this fund is to enable the support of transport projects that mitigate and adapt to the effects of climate change, including addressing disruptions caused on the highway network by severe weather. This is a new grant funding stream, introduced last year, for schemes that mitigate and adapt to the effects of climate change, including addressing disruptions caused on the highway network by severe weather. The Council has been successful in obtaining funding (£0.120m) under this grant to study what resilience measures could be implemented on the A545 and B5109 either side of Beaumaris. Both these roads have a history of closures in times of adverse weather, and increased storminess associated with climate change will only worsen the situation. WS Atkins Ltd were commissioned by the Authority in 2020 to undertake the Welsh Transport Appraisal Guidance (WelTAG) stages 1 and 2 resilience study. Following the issue of the final version, including discussions with Welsh Government Transport Branch, the Council will look to procure external consultants to progress with WelTAG stage 3 (detailed design) to be undertaken in 2021/22.

- **Ultra Low Emission Vehicle Transformation Fund** – The purpose of this fund is to promote electric vehicle charging infrastructure projects in alignment with the Welsh Government’s EV Charging Strategy. £0.164m has been secured to undertake an outline feasibility and design and installation of x1 ultra-rapid / rapid charging point in each of Anglesey’s five towns (Holyhead, Llangefni, Amlwch, Menai Bridge, Beaumaris). Discussions have taken place with Scottish Power Energy Networks (SPEN) to assess the most viable location to install the charging point in each town (within Council or Town Council owned Car Parks). SPEN are subsequently considering the most deliverable options.

3.2 Capital Receipts

3.2.1 The Capital Receipts for this year to date and the budgeted Capital Receipts are:-

	Budget 2021/22 £'000	Received to 30-Jun-21 £'000	Projection to 31-Mar-22 £'000
Council Fund:			
Smallholdings	300	0	300
General	284	76	360
Industrial	0	0	0
Schools	192	0	192
Total	776	76	852

3.2.2 The projected Capital Receipts at 31 March 2022 is £0.852m, with £0.076m being received at 30 June 2021 (9%).

3.2.3 Although the projected Capital Receipts is £0.852m, there is £1.601m of Capital Receipts available to fund the Capital Programme as £0.749m of Capital Receipts were brought forward from 2020/21 in the Capital Receipt Reserve. £1.082m of this can be used to fund the general capital programme, with the other £0.519m available to fund the 21st Century Schools programme as part of the Isle of Anglesey County Council’s match funding.

4. PROJECTED ACTUAL EXPENDITURE 2021/22

4.1 Below is a table with projected Expenditure at 31 March 2022 and the revised funding:-

Service	Annual Budget £'000	Projected Expenditure £'000	Projected (Under) / Over Expenditure £'000	Variance %
Housing General Fund	1,276	1,276	0	0
Housing HRA	22,561	16,268	(6,293)	(28)
Lifelong Learning	11,761	8,423	(3,338)	(28)
Economic and Regeneration	5,663	4,401	(1,262)	(22)
Highways	6,382	5,190	(1,192)	(19)
Waste Management	2,276	2,276	0	0
Property	1,275	1,275	0	0
Transformation	614	634	20	3
Planning	1,316	762	(554)	(42)
Adult Services	1,129	1,129	0	0
Total	54,253	41,634	(12,619)	(23)
Funded By:	Annual Budget £'000	Projected Funding £'000	Variance £'000	Variance %
Capital Grant	20,961	17,714	(3,247)	(15)
Capital Receipts	463	520	57	12
Supported Borrowing	8,765	6,572	(2,193)	(25)
Unsupported Borrowing	4,697	2,198	(2,499)	(53)
Revenue Contribution	17,887	13,594	(4,293)	(24)
Reserves	1,272	828	(444)	(35)
Loan	208	208	0	0
Total Funding	54,253	41,634	(12,619)	(23)

4.2 As can be seen from Table 4.1 (above), the forecast underspend on the Capital Programme for 2021/22 is £12.619m, with this being potential slippage into the 2022/23 Capital Programme. The funding for this slippage will also slip into 2022/23 and will be factored in when producing the Treasury Management Strategy Statement, Capital Strategy and Capital Programme for 2022/23. The main project that is forecast to be underspent is the 21st Century Schools Programme, which was delayed due to further consultation on the modernisation of the school provision in the Llangefni area. However, progress has now been made and construction has started in quarter 1 of 2021/22. There are negotiations taking place regarding the new Foundation Phase Unit at Ysgol y Graig and further expenditure may be incurred if construction takes place this financial year. There is also an underspend forecast for disabled adaptations in education buildings. This is due to disabled adaptations being completed in all secondary schools except one. The remaining secondary school is on hold pending the outcome of feasibility studies. Works to primary schools are completed as and when required. The underspend forecast in the Economic and Highways schemes are due to projects straddling two financial years and some overlapping into financial year 2022/23 for completion. Funding will also slip into the next financial year, as described above, and no funding will be lost.

The HRA is also forecast to have quite a significant underspend, as explained in paragraph 2.3 above.

4.3 The Capital Finance Requirement forecasted at 31 March 2022 is £142.000m, which is the underlying need for the Authority to borrow to be able to fund its Capital Programme. The external borrowing currently stands at £125.034m, meaning the Authority essentially needs to borrow £16.966m to fund the current Capital Programme. If this borrowing is undertaken externally, the Authority will still be within its authorised borrowing limits, as per the 2021/22 Treasury Management Strategy Statement (Appendix 11).

5. FUTURE YEARS

- 5.1** The Capital Strategy recommended that the 2021/22 Capital Programme funding will be limited to the total of the general capital grant and supported borrowing (as determined by Welsh Government) and estimated value of any capital receipts that will be received. It is expected that the 2022/23 Capital Programme will follow the same principles, with the General Capital Grant and Supported Borrowing used to fund the annual replacement of Vehicles, Investment in ICT, Refurbishing existing assets and an annual allocation to meet the cost of statutory Disabled Facilities Grants. There will also be funding available for the resurfacing of roads and capital projects that attract external grants, and these will be evaluated on a case by case basis.

Once the above projects have been funded, any surplus funding available will be to fund new capital schemes, with priority given to projects which contribute to the Council's objectives, as set out in the Council Plan 2017 – 2022, and any schemes which can generate future revenue savings or generate additional income.

6. CONCLUSION

- 6.1** The results at the end of quarter 1 and the associated projected expenditure shows that the majority of projects are on target to be completed within budget. The 21st Century Schools programme is progressing after being on hold and construction has begun on the Band A scheme. The Band B scheme is subject to further negotiation and, therefore, dependant on the outcome before construction can begin. Therefore, there is a risk of significant underspend against this project. Covid continues to have an impact on capital schemes and the speed in which they can progress due to various reasons and on a number of schemes, slippage is already expected. The Council has secured many different external grants and work is progressing well, or expected to, on most of these schemes. The Council is also expecting to receive £0.852m of Capital Receipts in 2020/21 to contribute towards the funding of the Capital Programme.

Summary of the Capital Projects' Expenditure to date against the Capital Budget and the Projected Expenditure at Year-End

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
Housing General Fund											
Disabled Facilities Grants	600,000	60,000	59,017	0	59,017	(983)	98	10	600,000	0	0
Residential Site for Gypsies and Travellers	492,977	30,000	31,217	0	31,217	1,217	104	6	492,977	0	0
Compulsory Purchase Scheme	50,000	5,000	5,147	0	5,147	147	103	10	50,000	0	0
Enable Grant	102,520	1,000	872	0	872	(128)	87	1	102,520	0	0
Affordable Housing	30,650	0	0	0	0	0	0	0	30,650	0	0
TOTAL	1,276,147	96,000	96,253	0	96,253	253	100	8	1,276,147	0	0
Housing HRA											
Central Heating Contract	400,000	0	0	0	0	0	0	0	400,000	0	0
Housing Maintenance Unit Vehicles	0	0	0	0	0	0	0	0	157,773	157,773	100
Planned Maintenance Contract	4,725,000	504,709	504,749	1,014	505,763	1,054	100	11	4,725,000	0	0
Energy Performance Improvement	1,000,000	0	0	1,899	1,899	1,899	0	0	400,000	(600,000)	(60)
Environmental Works	880,000	1,730	1,730	0	1,730	(0)	0	0	880,000	0	0
Acquisition of Existing Properties and Development of new properties	13,005,797	1,723,806	1,334,455	10,492	1,344,947	(378,859)	78	10	7,750,425	(5,255,372)	(40)
Public Sector Adaptations	350,000	48,640	31,692	53,635	85,327	36,687	175	24	350,000	0	0
Fire Risk	450,000	0	0	0	0	0	0	0	450,000	0	0
WHQS	1,750,000	104,557	178,174	0	178,174	73,617	170	10	1,154,557	(595,443)	(34)
TOTAL	22,560,797	2,383,442	2,050,800	67,039	2,117,840	(265,602)	89	9	16,267,755	(6,293,042)	(28)
Lifelong Learning											
Disabled Access in Education Buildings	400,000	10,000	6,086	4,329	10,415	415	104	3	100,000	(300,000)	(75)
Refurbish Education Buildings	2,418,803	5,000	4,794	0	4,794	(206)	96	0	2,418,803	0	0
School Safety	200,000	10,000	1,737	12,000	13,737	3,737	137	7	200,000	0	0
Demolition of schools	33,150	101,295	101,295	0	101,295	0	100	306	101,295	68,145	206
Canolfan Addysg y Bont - Roof	112,732	2,500	2,532	0	2,532	32	101	2	112,732	0	0
Education Chromebooks	305,000	305,000	304,917	0	304,917	(83)	100	100	305,000	0	0
Resurfacing Play Area	300,000	0	0	0	0	(0)	0	0	300,000	0	0
Flying Start Capital Grant	128,000	5,500	5,660	0	5,660	160	103	4	128,000	0	0
Increasing Capacity for Childcare Grant (PM costs and grant scheme)	89,515	13,000	13,241	0	13,241	241	102	15	89,515	0	0
Increasing Capacity for Childcare Grant (Childcare provisions)	1,173,901	1,500	1,015	643	1,658	158	111	0	523,416	(650,485)	(55)
Completion of Band A Programme	5,077,000	20,000	1,624	17,211	18,835	(1,165)	94	0	3,719,560	(1,357,440)	(27)
Commencement of Band B Programme	1,523,000	100,000	20,316	78,022	98,338	(1,662)	98	6	425,000	(1,098,000)	(72)
TOTAL	11,761,101	573,795	463,216	112,204	575,421	1,626	100	5	8,423,321	(3,337,780)	(28)
Economic and Regeneration											
Leisure Improvements	198,722	0	0	0	0	(0)	0	0	198,722	0	0
Holyhead 3G Pitch	150,000	8,000	7,955	0	7,955	(45)	99	5	150,000	0	0
Amlwch Fitness Suite	70,000	0	0	0	0	(0)	0	0	70,000	0	0
Tourism Gateway	1,340,000	70,000	0	27,458	27,458	(42,542)	39	2	700,000	(640,000)	(48)
Holyhead Strategic Infrastructure	84,663	35,000	33,879	0	33,879	(1,121)	97	40	84,663	0	0
Penrhos Phase 2	1,107,000	5,000	4,865	0	4,865	(135)	97	0	929,000	(178,000)	(16)
Planning System Invest to Save	5,565	150	137	0	137	(13)	92	2	5,565	0	0
Economic Development & Environmental Wellbeing	179,150	0	0	0	0	(0)	0	0	179,150	0	0
Porth Wrach Slipway – Enforcement Cameras	30,000	0	0	0	0	(0)	0	0	30,000	0	0
School Site Redevelopment TRIP	7,222	0	0	0	0	(0)	0	0	7,222	0	0
Gateway Units (ERDF)	1,709,000	40,000	17,451	20,515	37,966	(2,034)	95	2	1,290,000	(419,000)	(25)
Gateway Site JV	276,000	20,000	5,955	12,630	18,586	(1,414)	93	7	251,000	(25,000)	(9)
Transforming Towns Covid Grant	10,064	0	0	0	0	(0)	0	0	10,064	0	0
Natural Resource Wales Vehicle	14,261	14,261	0	14,261	14,261	0	100	100	14,261	0	0
AONB - Green Recovery	305,000	20,000	0	20,161	20,161	161	101	7	305,000	0	0
AONB Grant - Electric Vehicle	26,121	0	0	0	0	(0)	0	0	26,121	0	0
AONB Grant - Breakwater Adventure Playground	150,000	150,000	915	146,230	147,145	(2,855)	98	98	150,000	0	0
TOTAL	5,662,768	362,412	71,158	241,256	312,414	(49,997)	86	6	4,400,768	(1,262,000)	(22)

APPENDIX B

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
Highways											
Upgrade Pay and Display Machines in Car Parks	20,068	0	0	0	0	(0)	0	0	20,068	0	0
Vehicles	354,194	60,500	0	60,574	60,574	74	100	17	354,194	0	0
Highways Resurfacing	1,593,307	199,905	67,171	0	67,171	(132,734)	34	4	1,593,307	0	0
Highways Refurbishment Grant	596,381	39,966	40,069	0	40,069	103	100	7	596,381	0	0
Beaumaris Flood Alleviation Works (WG)	479,669	500	518	5,156	5,674	5,174	1,135	1	70,000	(409,669)	(85)
Pentraeth Flood Alleviation Works (WG)	28,049	0	0	0	0	(0)	0	0	0	(28,049)	(100)
Llansadwrn Flood Alleviation	32,291	0	0	0	0	(0)	0	0	32,291	0	0
Holyhead & Amlwch Drainage Studies	52,144	0	0	0	0	(0)	0	0	40,000	(12,144)	(23)
Red Wharf Bay Flood Scheme	74,153	1,800	1,804	0	1,804	4	100	2	50,000	(24,153)	(33)
Llanfair Flood Scheme	399,647	1,000	651	0	651	(349)	65	0	40,000	(359,647)	(90)
FBC Menai Flood Scheme	156,177	15,000	2,170	13,000	15,170	170	101	10	70,000	(86,177)	(55)
FBC Valley Flood Scheme	98,316	6,000	2,072	3,789	5,861	(139)	98	6	60,000	(38,316)	(39)
Flood Relief Schemes (Match Funding)	135,000	0	0	0	0	(0)	0	0	135,000	0	0
Traeth Coch (Match Funding)	225,000	0	0	0	0	(0)	0	0	0	(225,000)	(100)
Mill Lane Structure	89,097	0	0	0	0	(0)	0	0	80,000	(9,097)	(10)
Dwyran Ordinary Watercourse NFM	188,553	0	0	0	0	(0)	0	0	188,553	0	0
Mill Lane - NFM	243,960	1,000	1,036	0	1,036	36	104	0	243,960	0	0
Invest to Save - Vehicles	31,987	25,000	25,069	0	25,069	69	100	78	31,987	0	0
Small scale grants work	574,745	2,000	2,305	3,000	5,305	3,305	265	1	574,745	0	0
Active Travel	425,000	20,000	20,376	0	20,376	376	102	5	425,000	0	0
A545 Beaumaris	786	0	0	0	0	(0)	0	0	786	0	0
Road Safety Capital	300,000	0	0	0	0	(0)	0	0	300,000	0	0
Resilient Roads Fund	120,000	1,000	651	0	651	(349)	65	1	120,000	0	0
Vehicle Transformation Fund - Electric Vehicle Charge Points	164,000	2,000	1,823	0	1,823	(177)	91	1	164,000	0	0
TOTAL	6,382,524	375,672	165,716	85,518	251,234	(124,438)	67	4	5,190,272	(1,192,252)	(19)
Waste Management											
Waste Contract	2,198,779	2,198,327	2,198,327	0	2,198,327	0	100	100	2,198,327	(452)	(0)
Circular Economy Funding (266)	64,093	64,093	0	64,093	64,093	0	100	100	64,093	0	0
Circular Economy Funding (265)	13,175	9,739	3,000	6,739	9,739	0	100	74	13,175	0	0
TOTAL	2,276,047	2,272,159	2,201,327	70,832	2,272,159	0	100	100	2,275,595	(452)	(0)
Property											
Refurbish Existing Assets	854,953	80,000	85,569	0	85,569	5,569	107	10	854,953	0	0
Invest To Save Property	207,662	5,000	5,000	0	5,000	0	100	2	207,662	0	0
Smallholding Refurbishments	211,357	5,000	2,227	0	2,227	(2,773)	0	1	211,357	0	0
Cromlech Farm	920	0	0	0	0	0	0	0	920	0	0
TOTAL	1,274,892	90,000	92,796	0	92,796	2,796	103	7	1,274,892	0	0
Transformation											
ICT- Core Infrastructure	418,466	5,000	0	4,814	4,814	(186)	96	1	418,466	0	0
ICT - Desktop Refresh	122,193	70,000	3,000	65,649	68,649	(1,351)	98	56	122,193	0	0
ICT - Anglesey Connected (AC) to PSBA transition	23,244	0	0	0	0	(0)	0	0	23,244	0	0
ICT - Kit out the meeting rooms	19,964	0	0	0	0	(0)	0	0	19,964	0	0
Hwb IT Infrastructure	30,000	50,000	199	47,934	48,133	(1,867)	0	160	50,000	20,000	67
TOTAL	613,867	125,000	3,199	118,397	121,596	(3,404)	97	20	633,867	20,000	3

APPENDIX B

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
Planning											
Holyhead Market Hall Hub Project	262,404	3,000	2,246	0	2,246	(754)	75	1	262,404	0	0
Holyhead Landscape Partnership	353,300	0	0	0	0	0	0	0	0	(353,300)	(100)
Holyhead Regeneration (THI Phase II)	700,000	115,000	115,734	11,211	126,945	11,945	110	18	500,000	(200,000)	(29)
TOTAL	1,315,704	118,000	117,980	11,211	129,191	11,191	109	10	762,404	(553,300)	(42)
Adult Services											
ICF	994,246	0	0	0	0	(0)	0	0	994,246	0	0
Bryn Hwfa Community Hub	13,155	0	0	0	0	(0)	0	0	13,155	0	0
Plas Crigyll Refurbishment	37,978	0	0	0	0	(0)	0	0	37,978	0	0
Plas Mona Refurbishment	83,371	0	0	0	0	(0)	0	0	83,371	0	0
TOTAL	1,128,750	0	0	0	0	(0)	0	0	1,128,750	0	0
TOTAL	54,252,597	6,396,480	5,262,445	706,458	5,968,904	(427,577)	93	11	41,633,771	(12,618,826)	(23)

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ISLE OF ANGLESEY COUNTY COUNCIL

REPORT TO:	THE EXECUTIVE
DATE:	27 SEPTEMBER 2021
SUBJECT:	HRA BUDGET MONITORING, QUARTER 1 2021/22
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 quarter 1 2021/22. (ii) The forecast outturn for 2021/22. <p>2. Background.</p> <ul style="list-style-type: none"> (i) The report here shows the budget with a budgeted surplus of £8.8m. (ii) The capital budget for 2021/22 was £22.6m, including allowance for expenditure that was not completed from the 2020/21 capital budget. This was to be part funded by grants (£2.7m) and borrowing (£2m). (iii) The combination of both the revenue budget and adjusted capital budget gave a planned budget deficit of £9.1m, 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 2021 to 30th June 2021.</p> <p>4. Overview</p> <ul style="list-style-type: none"> (i) The revenue financial position for quarter 1 shows an overspend of £18k, very close to the profiled budget. More detail is shown in Appendix A. (ii) The Capital expenditure is £266k below the profiled budget. The forecast expenditure is £6,293k below budget as explained below. More detail is shown in Appendix B. (iii) The forecast deficit (combining both revenue and capital) is now £4,906k, £4,209k less than the budget, largely the result of lower than budgeted capital expenditure.

5. Income

- (i)** At the end of the first quarter the level of income received was £49k below the profiled budget, as noted below.
- (ii)** Rental income was £47k below budget. The forecast has been reviewed in the light of the delayed introduction of new properties into the active portfolio of properties, and shows a forecast reduction of £149k.
- (iii)** Service charge income, which is based on the actual costs incurred, is £8k better than budget.
- (iv)** Provision for bad debt has been made at 1.5% of rent income, similar to last year. The position will be monitored, but the provision should be adequate for the year.
- (v)** The overall forecast for income is now a reduction of £149k compared to the original budget by the end of the year.

6. Non Repairs and Maintenance Expenditure

- (i)** At the end of the first quarter, non repairs and maintenance expenditure was £96k below the profiled budget. Primarily, this is due to the effects of Covid, where staff have been re-deployed meaning that other work, such as clean up days, has been cancelled. The forecast has been reviewed, and now shows a forecast underspend to take account of the reduced work from the Tenant Participation team.

7. Repairs and Maintenance

- (i)** The Housing Maintenance Unit (HMU) shows an overspend of £14k. At present, the forecast is unchanged.
- (ii)** Expenditure on non HMU building maintenance staff is £34k below the profiled budget at the end of quarter 1. There are problems with recruiting staff in this area, so the forecast year end position is that expenditure will be £35k underspent.
- (iii)** Other Repairs and Maintenance costs are overspent by £84k compared to the profiled budget. This is largely due to the seasonal nature of grounds maintenance, and the commitment of an annual contract in full, so the forecast is that it will be on budget by the end of the year.

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. At this stage, no changes are envisaged.

9. Capital Expenditure

- (i) The original capital programme approved by the Council in March 2021, totalled £20,313k, which was to be funded by the Major Repairs Allowance (MRA) (£2,674k), and a contribution from the HRA reserve of £17,639k. This excluded expenditure carried forward from the 2019/20 capital programme, totalling £2,248k, £2,000k of which would be funded by borrowing. In total, the budget is £22,561k, funded by MRA (£2,674k), borrowing (£2,000k) and a contribution from the revenue reserve of £17,887k. Based on the current information, it is forecast that the actual expenditure will be £13,594k, which is £4,293k below the revised budget.
- (ii) The effects of the Covid pandemic continue to be felt, particularly delaying the ability to procure former Council houses (the increase in house prices has reduced the supply of properties being sold at a price that would be considered to be value for money), and delays in the new build programme caused by delays and shortages of materials.
- (iii) Expenditure on some replacement HMU vehicles has been brought forward from 2022/23, increasing the forecast by £158k.
- (iv) 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 £9,742k. The revised budget allowed for the use of £9,116k of this balance. However, the revised forecasts highlighted above will reduce the balance by just £4,906k. This will give a reserve balance of £4,835k by the end of the financial year. 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 quarter 1. Appendix B – Capital expenditure and forecast to end of quarter 1.</p>		
FF - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> HRA 30 Year Business Plan 2020/50 (as approved by this Committee in May 2021). 		

HRA ACCOUNT 2021/22

	Annual Budget 2021/22	Profiled Budget to Month 3	Actual to Month 3	Variance to Month 3	Year End Forecast	Year End Variance
	£	£	£	£	£	£
REVENUE ACCOUNT						
Income						
Dwellings	(19,167,000)	(4,791,751)	(4,744,841)	46,910	(19,018,000)	149,000
Garages	(220,000)	(55,000)	(54,770)	230	(220,000)	0
Service Charges	(216,000)	(54,000)	(61,496)	(7,496)	(216,000)	0
Other	(203,000)	(32,376)	(22,679)	9,697	(203,000)	0
Bad Debt Provision	292,000	0	0	0	292,000	0
TOTAL INCOME	(19,514,000)	(4,933,127)	(4,883,786)	49,341	(19,365,000)	149,000
Non Repairs & Maintenance Expenditure						
Tenant Participation	248,820	62,202	32,005	(30,197)	218,820	(30,000)
Rent Administration	497,573	124,226	121,407	(2,819)	497,573	0
Estate Management	176,911	44,158	38,907	(5,251)	176,911	0
Other Revenue Expenditure	958,339	217,801	160,363	(57,438)	958,339	0
Total Non R & M Expenditure	1,881,643	448,387	352,682	(95,705)	1,851,643	(30,000)
Repairs and Maintenance						
Housing Maintenance Unit (HMU)	3,143,119	848,777	863,101	14,324	3,143,119	0
Building Maintenance Staff (non HMU)	935,282	233,488	199,799	(33,689)	900,282	(35,000)
Other Repairs and Maintenance	662,572	165,652	249,335	83,683	662,572	0
Total Repairs & Maintenance	4,740,973	1,247,917	1,312,235	64,318	4,705,973	(35,000)
Year End Adjustments						
Capital Financing Charges	2,518,000	0	0	0	2,518,000	0
Recharge from Housing Services	790,630	0	0	0	790,630	0
Recharge from Central Services	811,780	0	0	0	811,780	0
Total Year End Adjustments	4,120,410	0	0	0	4,120,410	0
TOTAL REVENUE EXPENDITURE	10,743,026	1,696,304	1,664,917	(31,887)	10,678,026	(65,000)

	Annual Budget 2021/22	Profiled Budget to Month 3	Actual to Month 3	Variance to Month 3	Year End Forecast	Year End Variance
	£	£	£	£	£	£
TOTAL REVENUE (SURPLUS) / DEFICIT	(8,770,974)	(3,236,823)	(3,218,869)	17,954	(8,686,974)	84,000
CAPITAL EXPENDITURE ACCOUNT						
2021/22 Expenditure	22,560,797	2,383,442	2,117,840	(265,602)	16,267,755	(6,293,042)
Major Repairs Allowance	(2,674,000)	0	0	0	(2,674,000)	0
Other Grants / Borrowing	(2,000,000)	0	0	0	0	2,000,000
TOTAL CAPITAL (SURPLUS) / DEFICIT	17,886,797	2,383,442	2,117,840	(265,602)	13,593,755	(4,293,042)
NET (INCREASE) / DECREASE IN HRA RESERVE	9,115,823	(853,381)	(1,101,029)	(247,648)	4,906,781	(4,209,042)
Opening HRA Balance	(9,742,000)				(9,742,000)	
Net (Increase) / Decrease in HRA Reserve	9,115,823				4,906,781	
Closing HRA Balance	(626,177)				(4,835,219)	

APPENDIX B

Service	Annual Budget (£)	Profiled Budget (£)	Total Expenditure (£)	Variance To Profile (£)	Projected Expenditure (£)	Projected Under / Over (£)
Housing HRA						
Central Heating Contract	400,000	0	0	0	400,000	0
Planned Maintenance Contract	4,725,000	504,709	505,763	1,054	4,725,000	0
Energy Performance Improvement	1,000,000	0	1,899	1,899	400,000	(600,000)
Environmental Works	880,000	1,730	1,730	0	880,000	0
Acquisition of Existing Properties/Development of New Properties	13,005,797	1,723,806	1,344,947	(378,859)	7,750,425	(5,255,372)
Public Sector Adaptations	350,000	48,640	85,327	36,687	350,000	0
Fire Risk	450,000	0	0	0	450,000	0
WHQS	1,750,000	104,557	178,174	73,617	1,154,557	(595,443)
Housing Maintenance Unit Vehicles	0	0	0	0	157,773	157,773
Totals for Housing HRA	22,560,797	2,383,442	2,117,840	(265,602)	16,267,755	(6,293,042)

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ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	The Executive
Date:	27 th September 2021
Subject:	Social Services Improvement Panel Update
Portfolio Holder(s):	Councillor Llinos Medi
Head of Service:	Fôn Roberts, Director of Social Services & Head of Children and Families Services Arwel Owen, Head of Adults Services
Report Author:	Emma Edwards Deputy Business Manager, Adults' Services
Tel:	01248 751887
E-mail:	Emmaedwards@ynysmon.gov.uk
Local Members:	Relevant to all Members

A –Recommendation/s and reason/s
<p><u>RECOMMENDATIONS</u></p> <ul style="list-style-type: none"> ➤ To confirm that the Executive Committee is satisfied with the pace of progress and improvements made to date within both Adult Services and the Children & Families Services. <p><u>Background - Social Services Improvement Panel</u></p> <p>This report aims to advise members of the Executive Commtee of progress within both Chldren and Families Services and Adult Services.</p> <p>Whilst our work is prioritised around statutory requirements, we also align our efforts to assist the corporate priorities as listed in the Council Plan. The relevant objectives for our services is:</p> <p>Objective 2: Support Vulnerable Adults and Families to Keep Them Safe, Healthy and As Independent As Possible</p>
<p><u>Update:</u></p> <p>1. Children & Families Service Update:</p>

i) Increasing the number of Local Authority Foster Carers-

At present we have 108 individuals registered foster carers with IOACC
de up of:

- 36 mainstream fostering households
- 28 connected persons fostering households

During 2020/21

- 9 mainstream (general) fostering households approved
- 12 connected persons (family and friends) households approved

This has enabled an increased number of children to stay on Ynys Mon and remain part of their extended families and local communities.

We have also been able to approve a small number of Specialist Foster placements i.e. Mother and baby Placements and again this will avoid the need for families to be placed Out Of County for specialist assessments and support

The recruitment target for 2021/22 is a total of 6 mainstream approvals and the situation at the end of Quarter 4 is positive with :-

- 4 ongoing mainstream assessments
- 1 mainstream application awaiting assessment (Stage 1)
- 1 further application expected

There is further targeted recruitment planned regionally for 2021/22 and as a consequence of the recent growth of the service additional social work capacity has been agreed taking the FTE to 4.75 Social workers and the additional post of Fostering Support Worker.

Posts are currently being advertised and recruitment ongoing.

This will give the opportunity to review the Team structure and the way the service operates across the island.

ii) Opening our first “Cartrefi Clyd”:

Working towards our family-style homes, on the island which will enable looked after children from Anglesey to receive care on the Island, attend local schools and participate in community life as opposed to potentially being placed in accommodation further away from the local community they are used to.

Our first two homes are now fully occupied and staffed, with a young person in our one bedroomed property and two children in the second home.

The third property which will provide short breaks for children and young people with learning disabilities has now been completed and registration has been submitted to CIW.

The fourth property will mirror the model of our other two small care homes for Looked After Children

iii) Young Carers ID Card

The joint project between Acton for Children, Gwynedd and Môn Social Services and young cares has resulted in developing a Young Carers ID card, as part of a Welsh Government initiative. Cards have been designed and are currently being rolled out.



Cyflwyniad
Gofalwyr Ifanc a Cer



Gwynedd and
Anglesey Young Car

i) Community Resilience Scheme Update

Welsh Government Funding to support provision of services in a transformative way.

The Transformation Grant has been formally launched in Gwynedd & Môn.. Guidelines and the Application Form they have produced for the Transformation Grant. They have already received a number of enquiries and are therefore hopeful that some good applications will be in the pipeline. The projects are monitored by Medrwn Mon and Mantraeth Gwynedd.

Grants are available up to £5000. Application will need to meet at least one of the fund's aims and objectives:

- . Community Activities
- . Structured Play
- . Support for parents and children following the effect of Covid 19

As far as the Transformation Team are concerned ,a number of roles have been filled, including Practice Lead, Psychologist etc. and the remainder will be interviewed in early September.

2) Adult Services Update:

i) Continue to work on planning for a new extra care housing provision in the South of the Island –

The new Extra Care site has been identified. Works has commenced to plan for the build and provision. The business case is currently being finalised. Once the business case has been completed and approved the housing department will be appoint a team of designers to develop the project further. A contribution from ICF has been allocated towards the total build cost for 2021-22.

ii) Develop the Shared Lives programme to support people living with dementia and their carers as well as design a Dementia Strategy which is in line with the Welsh Government Dementia Plan-

The Service has reduced due to the COVID-19 situation, and due to the reduction in ICF funding. One officer in post covering both Gwynedd and Môn. Whilst the project has

extended to include older Adults as well as Dementia clients). We are hoping that we will be able to resume the service as soon as COVID regulations allow.

A review of the project is scheduled to take place in December, to consider reviewing the funding for the next financial year or not.

iii) Develop opportunities for people with mental health needs to participate in community based group activities-

The situation due to COVID-19 restrictions remains unchanged, and as restrictions are released we will be aiming to further increase opportunities and activities. Individual support sessions have resumed for some individuals.

iv) Establish 3 Community Resource Teams, located in Amlwch, Ysbyty Penrhos Stanley and Llanfairpwll, that will bring Council and Betsi Cadwaladr Staff together to improve access to our care and support services at the earliest opportunity-

Work to establish three Community Resource Teams (CRT) located in Amlwch, Ysbyty Penrhos Stanley and Llanfairpwll was undertaken during the year. All Health and Social Care staff have been designated to their allocated CRT in the three areas.

Substantial progress has been made in the first two quarters of the year in the development of the WCCIS Prototype on the Island. A joint project with BCUHB Community Team we have mapped out current working practices across each of the work areas, and are currently agreeing and developing a new joint working principles which will be built into WCCIS in order for each worker to gain access to up to date client information. This work will depend on the sign off of the WCCIS business case by BCUHB, which is currently going through their internal processes. We hope to be in a position to start to 'build' the system to fit the needs of the CRTs towards the end of September.

Engage and consult with users on the Adult Learning Disability Day opportunity Strategy so that we create a greater range of high quality day opportunities for individuals in their communities-

The Adult Learning Disability Day Opportunity Strategy is in place, however formal consultation on the development of a greater range of high quality day opportunities for individuals in their communities will not take place until the Spring of 2022. In the meantime, community options are being explored across the island.

3) Social Services Joint COVID Update:

The situation remains the same as in our February 2021 update:

The worldwide COVID-19 pandemic has affected the way we work since late February 2020, with Corporate and Business Continuity Management plans implemented following national guidance and due to impact of COVID-19 mid March 2020:

- State of emergency powers and budgets deployed
- Emergency Management Response Team continuing, whilst managing business as usual, and preparing for both the unlocking and recovery phases
- Daily and weekly Situation Reports prepared summarizing key decisions, issues and risks
- Daily communication internally with Members and staff and externally via the Council website and social media
- Formal COVID-19 risk register reviewed and updated regularly.

Deployment of emergency delegated powers enabling the Council to make essential decisions. This resulted in the majority of the Council Staff working from home where possible, the closure of our Council building for visitors, closure of our learning disability day centres, lockdown of our Residential Care and Nursing homes to non-essential visitors and a reduction in our services.

During the lockdown period we have:

- Continued to meet all our statutory duties
- Worked closely with Welsh Government, Care Inspectorate Wales, Association of Directors of Social Services (ADSS), BCUHB, Providers and colleagues within North Wales Resilience Team, as well as many others.
- Set up a Covid-19 PPE store to manage the Welsh Government PPE deliveries, managed within Social Services resources.
- Set up the COVID testing referral process and managed this 7 days per week by Council staff.
- Developed and deployed innovative working practices to adapt to the pandemic period to facilitate contact, assessments, reviews, ensuring that our safeguarding duties are carried out.
- Continued to complying with Court proceedings and Care Planning.
- Continued to recruit Local Authority Foster Carers.

4) Care Inspectorate Wales (CIW) Local Authority Assurance Check Findings

Following our Inspection by CIW held 14th-18th June 2021, we have received a the following findings letter from the Head of Local Authority Inspector.



The full report will be published on the CIW Website Shortly.

5) Social Services Improvement Panel

The Social Services Improvement Panel has continued to meet regularly despite the challenges and restrictions associated with the Pandemic. Meetings of the Panel were convened in March, April, May and July, 2021 with meetings scheduled until the end of the current financial year. It can be reported that the Scrutiny Panel continues to receive evidence of improvement and developments in both Children's and Adults' Services which provides assurance on progress made thus far. Attached is a resume of the Improvement Panel's input over the past 6 months (**Appendix 1**).

Social Services Improvement Panel Progress Report

This progress report refers to 4 meetings of the Social Services Improvement Panel (held on 23/03/21, 20/04/21, 25/05/21 and 20/07/21) and as a result it covers the period **March → July, 2021**.

1. Review of Panel Forward Work Programme including Laming Visits

- A further review of the Panel's forward work programme to ensure focus on key improvements / developments in Social Services.
- Laming Visits – a revised programme has been implemented over the past 6 months with Visits being convened virtually. Laming Visits have focused on the following areas → Fostering Team, Community Mental Health Resource (Heddfan), Local Area Co-ordinators (Children and Adults), Community Resource Teams, Cartrefi Clyd Môn.

2. Social Services Response to Covid-19

The Panel received a comprehensive presentation on the Social Services response to Covid-19. It was noted that SWOT analyses have been conducted regularly in order to assess what has worked well and has not worked as part of the process of managing the Social Services response to the Pandemic.

3. Community Resource Teams

An update was given in March on the work of the Community Resource Teams (CRT) which will become the basis upon which Social Services will offer seamless services to users in partnership with the Health Board. It was noted that Adult Services have moved a 3 area model of working – North (Amlwch), South West (Ysbyty Penrhos Stanley) and South East (Plas Mona, Llanfairpwll). CRT meetings are now convened weekly to discuss / collaborate on complex cases.

4. Partnership Working – relationship between Housing and Social Services

The Head of Housing Services discussed the relationship with Social Services as a basis to support both Children's and Adult Services to provide services for vulnerable individuals. Cartrefi Clyd Môn, Extracare Housing and housing adaptations were cited as examples of the effective partnership working between both services.

5. Youth Service and Estyn Report

In April, the Panel received a presentation on the contribution of the Youth Service in support of local vulnerable children and young people. Reference was also made to the findings of a recent Estyn inspection. It was noted that management of the Youth Service has now transferred to Social Services but continues to work closely with the Education Service, working mainly in schools as well as local communities. Youth Service workers have played a key role in delivery of food packs for children during the height of the Pandemic which also provided an opportunity to engage with parents / carers. It was noted that the outcome of the Estyn report was positive and particular reference was made to effective work by the Youth Service in support of vulnerable individuals during the Pandemic.

6. Panel Self-Evaluation

In April, the Panel completed a self-evaluation to gauge the effectiveness of its work and it was concluded that the Panel continues to have a positive impact and is adding value to the governance of the organisation.

7. Independent Diagnostic Review – Adults Services

The Panel received a presentation in May on the findings of a recent independent diagnostic review of adults' services. Details of the areas requiring further development were noted which will be the basis of a service development programme in moving forward.

8. CIW Assurance Check of Social Services

The Director of Social Services also reported in May on a forthcoming Care Inspectorate Wales assurance check of Social Services. It was noted that the assurance visit would be during the week commencing 14th June, 2021 for a week with all inspection work being carried out virtually. The review will focus on the following areas:

- How Social Services have delivered their statutory work during the Pandemic
- Review how well Social Services continue to help adults, children and their carers during this difficult time
- Plans for sustainability of services into the future.

9. Resilient Families Team / IFSS

The Panel received a presentation on the work of the now integrated Resilient Families Team / IFSS in support vulnerable families. It was noted that the primary aim of the service is to engage with families with a view to avoiding children coming into the care of the local authority. Positive outcomes for individual families were referred to which have also resulted in tangible cost avoidance for the Service.

10. Annual Report on Social Services Complaints: 2020/21

In July, the Panel received a presentation on the 2020/21 Annual Report on Social Services Complaints. It was noted that 50 negative comments / concerns and 200 positive comments were received during 2020/21 and that the Annual Report was a more positive one than the previous year.

Further meetings of the Panel have been scheduled as follows:

- 19 October, 2021
- 30 November, 2021
- 25 January, 20221

- 15 February, 2022.

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

Not applicable.

C – Why is this a decision for the Executive?

The service needs confirmation by the Executive Committee that it is satisfied with the pace of progress and improvements made to date within both Adult Services and Children & Families Services.

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?

	DD – Who did you consult?	What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	Agreed
2	Finance / Section 151 (mandatory)	As above.
3	Legal / Monitoring Officer (mandatory)	As above.
4	Human Resources (HR)	N/A
5	Property	N/A
6	Information Communication Technology (ICT)	N/A
7	Procurement	N/A
8	Scrutiny	Agreed
9	Local Members	
10	Any external bodies / other/s	N/A

E – Risks and any mitigation (if relevant)

1	Economic	N/A
2	Anti-poverty	N/A

3	Crime and Disorder	N/A
4	Environmental	N/A
5	Equalities	N/A
6	Outcome Agreements	N/A
7	Other	N/A

F - Appendices:	
N/A	
FF - Background papers (please contact the author of the Report for any further information):	
N/A	

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