

# Public Document Pack



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

Mrs Annwen Morgan  
Prif Weithredwr – Chief Executive  
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<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>
<b>PWYLLGOR SGRIWTINI CORFFORAETHOL</b>	<b>CORPORATE SCRUTINY COMMITTEE</b>
<b>DYDD LLUN, 24 IONAWR, 2022 am 9:30 y. b.</b>	<b>MONDAY, 24 JANUARY 2022 at 9.30 am</b>
<b>CYFARFOD RHITHIOL WEDI'I FFRYDIO'N FYW</b>	<b>VIRTUAL LIVE STREAMED MEETING</b>
<b>Swyddog Pwyllgor</b>	<b>Ann Holmes 01248 752518 Committee Officer</b>

## **AELODAU/MEMBERS**

Cynghorydd/Councillor:

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

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

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

Richard Griffiths, Richard O. Jones

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

J. Arwel Roberts

## **ANNIBYNNWYR MÔN / ANGLESEY INDEPENDENTS**

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

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

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

*Gwag/Vacant* (Yr Eglwys yng Nghymru / The Church in Wales)

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

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

*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 MINUTES OF THE PREVIOUS MEETING (Pages 1 - 6)**

To present the minutes of the previous meeting of the Corporate Scrutiny Committee held on 16 November, 2021.

### **3 2022/23 REVENUE BUDGET SETTING (Pages 7 - 26)**

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

### **4 2022/23 CAPITAL BUDGET SETTING (Pages 27 - 44)**

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

### **5 FINANCE SCRUTINY PANEL - PROGRESS UPDATE**

To receive a verbal report by the Chair of the Panel.

### **6 LOCAL HOUSING STRATEGY 2022-27 (Pages 45 - 94)**

To present the report of the Head of Housing Services.

### **7 FORWARD WORK PROGRAMME (Pages 95 - 102)**

To present the report of the Scrutiny Manager.

## CORPORATE SCRUTINY COMMITTEE

### Minutes of the virtual meeting held on 16 November, 2021

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

Councillors Richard Griffiths, Gary Pritchard, Alun Roberts, J. Arwel Roberts, Nicola Roberts

#### Portfolio Members

Councillor Llinos Medi Huws (Leader and Portfolio Member for Social Services)  
Councillor Richard Dew (Portfolio Member for Planning and Public Protection)  
Councillor R. Meirion Jones (Portfolio Member for Education, Libraries, Culture and Youth)  
Councillor Alun Mummery (Portfolio Member for Housing and Supporting Communities)  
Councillor R.G. Parry, OBE, FRAGS (Portfolio Member Highways, Waste and Property)  
Councillor Dafydd Rhys Thomas (Portfolio Member for Corporate Business)  
Councillor Robin Williams (Portfolio Member for Finance)

**IN ATTENDANCE:** Chief Executive  
Deputy Chief Executive  
Director of Function (Resources)/Section 151 Officer  
Director of Education, Skills and Young People  
Director of Social Services  
Head of Service (Housing Services)  
Head of Service (Highways, Waste and Property)  
Head of Service (Regulation and Economic)  
Head of Adults' Services  
Head of Democratic Services  
Head of Profession (HR) & Transformation  
Programme, Business Planning and Performance Manager  
Scrutiny Manager (AGD)  
Committee Officer (ATH)

**APOLOGIES:** Councillors John Griffith, Richard Owain Jones, Mr Keith Roberts (Co-opted Member), Councillor Carwyn Jones (Portfolio Member for Major Projects and Economic Development), Councillor Ieuan Williams (Portfolio Member for Transformation and the Welsh Language)

**ALSO PRESENT:** Councillors Kenneth Hughes, Dafydd Roberts (Chair of the Finance Scrutiny Panel)

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#### 1 DECLARATION OF INTEREST

No declaration of interest was received.

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

The minutes of the previous meeting of the Corporate Scrutiny Committee held on 18 October, 2021 were presented and were confirmed as a correct record.

## **3 MONITORING PERFORMANCE: CORPORATE SCORECARD QUARTER 2 2021/22**

Councillor Dafydd Rhys Thomas, Portfolio Member for Corporate Business presented the report by the Head of Profession (HR) and Transformation incorporating the Corporate Scorecard which showed the position of the Council against its operational objectives as outlined and agreed earlier in the year at the end of Quarter 2 of the 2021/22 financial year.

The majority (70%) of the Corporate Health Performance indicators monitored are performing well against targets (Green or Yellow RAG) with the Council's digital strategy continuing to prove successful during the pandemic and Customer Service indicators maintaining performance apart from indicator 04b in connection with the percentage of written responses within 15 days to complaints within Social Services which at 58% is below the 80% target. The complicated nature of these complaints frequently require multi-agency input and achieving alignment of information within 15 days is a regular challenge. The performance is an improvement on that of Quarter 1 and 18 of the 19 complaints received in the quarter were discussed with the complainant within 5 working days. Although performance with regard to attendance at work at 4.09 days lost to absence per FTE is Amber at the end of Quarter 2, a more challenging target has been set for the year and considered in the context of the previous two years' Quarter 2 target of 4.25 days lost to absence per FTE, the performance would have been ragged Green had the target not been changed. The majority of the Performance Management indicators (84%) are performing above target or within 5% tolerance of their targets and for the first time two of the three Wellbeing Objectives had no indicators underperforming as amber or red against targets. The overall performance of the indicators for Wellbeing Objective 3 (Working in partnership with communities to ensure they are able to cope effectively with change and development whilst protecting the natural environment) has been mixed with 57% of those with targets underperforming. Four indicators in relation to aspects of waste management and planning are ragged Red or Amber with further details about mitigation in those areas provided in the report. The financial management section of the scorecard currently forecasts an underspend of £0.858m for the year ending 31 March, 2022. Financial performance is monitored via regular quarterly reports to the Executive.

The Portfolio Members and Officers responded to questions and points raised on the scorecard report as follows –

- With regard to concerns about the decline in performance for the percentage of waste reused, recycled or composted, specifically the reduction in the green waste tonnage collected compared to the same period in 2020/21 and a suggestion that the introduction of a green waste collection charge may have been counterproductive, the Committee was assured that the decline can be attributed to a number of reasons as outlined within the report. These are issues that are being overseen by the steering group with WRAP Cymru and the WLGA established in Quarter 1 which will look at all aspects and working practices in relation to waste recycling, and having now met for the first time since being established is in the process of analysing the available data and developing options on how best to meet the 70% target for 2025. The green waste charge has generated £500k income for the Council which was the last in the region to implement a chargeable green waste service. The charge formed part of the new waste collection contract with Biffa; not introducing the charge would have meant an extra 0.5% increase on Council Tax which would have affected everyone whereas the green waste collection charge applies only to those that choose to use it.

- With regard to continuing concerns about the responsiveness of the Council's telephone system and implications for customer satisfaction with communicating with the Council, the Committee was assured that new arrangements are to be out in place in Quarter 3 after which the Committee will be updated on satisfaction levels. Members were urged to provide details of any complaints received in relation to calls going unanswered and were reminded that this request has also been made in Group Leaders' meetings. Whilst it was acknowledged that there is always room for improvement the Council does receive a large volume of calls which are in the region of 8,000 to 9,000 on a monthly basis.
- With regard to concerns about increasing demand pressure in Children's Services going into the winter and being mindful of the ongoing risk posed by the pandemic, the Committee was assured that Scrutiny and the Executive are updated every six months on performance and progress in both Adults' and Children's Services. Rising demand following the easing of Covid related restrictions is a trend being seen across local authorities in Wales and referrals do involve cases of increasing complexity which can take time to address. However, following a programme of improvements over recent years, Children and Families' Services as confirmed by CIW reports are now in a more robust position to be able to respond to the challenges they face which also means that the children whom the Authority cares for receive a better service.

**Having considered the Quarter 2 2021/22 scorecard report and the updates provided by Officers at the meeting, it was resolved to accept the report, to note the areas which the Senior Leadership Team is managing to secure improvements into the future and to recommend the mitigation measures as outlined to the Executive.**

#### **4 FINANCE SCRUTINY PANEL PROGRESS REPORT**

Councillor Dafydd Roberts, Chair of the Finance Scrutiny Panel updated the Committee from the Panel's 28 October, 2021 meeting which involved the Panel being provided with an overview of the following –

- The financial challenges in Adults' Services stemming mostly from the increasing demand for adult social care services both generally and in the wake of the pandemic which in turn is leading to budgetary pressure in Adults' services. The pressure on the Health Service to ensure the timely discharge of patients to free up beds is also driving demand for social care packages for very vulnerable people meaning increased costs for Adults' Service. Whilst acknowledging that the scope for alleviating the financial pressures in Adults' Services is limited as demand has to be met, the Panel considered that a more robust and community focused system is needed which is not so dependent on buildings that may no longer be fit for purpose and that when it comes to care provision, the quality of the service and the experiences of service users are more important than the building in which the service is delivered. The Panel will continue to look at this aspect along with other challenges in Adults' Services going forwards.
- Highways and road maintenance being mindful of there being many concerns about the condition of the Island's unclassified roads especially in harsh weather conditions. The process for prioritising and allocating capital spend on roads was considered and the Panel was assured by the information provided that this process is reasonable given that it is impossible with the resources available, to repair every pothole on every road. The Panel noted that funding in the region of £7.2m would be needed to bring the local road network up to the standards the Council would like, and it was acknowledged that insufficient funding is a limiting factor. The Panel was satisfied that the Highways Service is doing all it can with the budget it has, to maintain and to ensure the usability of the Island's roads.

**It was resolved to note the update from the Finance Scrutiny Panel's 28 October, 2021 meeting and to thank Councillor Dafydd Roberts, Chair of the Panel for the information.**

## **5 TRANSITIONAL PLAN**

Councillor Dafydd Rhys Thomas, Portfolio Member for Corporate Business presented the report by the Deputy Chief Executive and the Head of Profession (HR) and Transformation which incorporated the Transitional Plan. The plan set out the key priorities and aspirations during the immediate post pandemic recovery period and will bridge the time period between the current Council Plan and the revised/new Council Plan to be adopted by the new administration post May, 2022. It will also provide the operational parameters for Officers to deliver key work streams over the forthcoming 12 month period.

The Committee was advised that the Plan recognises that the Council is entering a transitional period and it is designed to help the Council plan for the next normal whilst retaining enough flexibility to allow it to adapt so that it can respond to opportunities and any setbacks that may arise. It should be acknowledged that in providing a framework and pathway for moving forwards from Covid-19, many of the issues that could impact the Council's ability to deliver the Plan's objectives are beyond its control and that this element of uncertainty will remain. It is the Senior Leadership's view however that it is timely to be putting in place a transitional plan as a reset and/or refresh to the pre-pandemic period having also considered the effects of the pandemic and the changes it has brought about in a number of areas, to ensure that the Council is up to date and current and can focus on the key issues between now and the end of the current Council's term. The framework will remain in place until the new Council is appointed in May, 2022 and is able to adopt a new corporate plan. The plan had been designated a transitional rather than recovery plan and is based on the assumption that no significant new funding will be made available to the Council for recovery activities so the best use of current resources has to be made including grant funded schemes and by continuing to distribute grant funding to other organisations. The Plan is designed to be uncomplicated and easily understood so that everyone is clear on the direction and leadership of the Plan and what the Council is trying to achieve through it, and residents, elected members, regulators, partners and staff understand the Council's intentions during what is expected to be a difficult and uncertain transitional period. The Plan is founded on 3 principal objectives around the economy, the environment and key community services under which are set out a number of ambitious and challenging tasks that are in addition to the Council's statutory duties and day to day business. Any comments on the Plan's content will be reflected and the Plan adapted accordingly before it is then presented to the Executive and to Full Council thereafter.

The Plan was welcomed by the Committee as providing a clear vision for moving through the process of crisis management towards a restart to a new normality. Points raised in relation to the Plan were responded to by the Leader and Deputy Chief Executive as follows –

- With regard to enabling the visitor and hospitality sector to capitalise on the Island's increased popularity whilst protecting its assets and communities, the need to manage tourism to the advantage of the Island and its economy and to strengthen the Council's tourism section. The Committee was assured that looking at ways of supporting tourism has been recognised as a principal undertaking along with strengthening capacity within the Council's tourism section although filling vacancies is a challenge in the current climate. There is regular contact with the Island's tourism sector which is keen to work alongside the Council to explore different ways of supporting the sector going forward.

- With regard to maintaining and modernising critical community services such as care and education across the Island, the risk to the provision of residential home care should Welsh Government decide at a future point to take the same approach as that in England where care home workers have by law to be fully vaccinated. The Committee was assured that Welsh Government has to date indicated that it does not intend to follow the route taken in England in requiring care home staff to be double vaccinated on the basis that to mandate the same in Wales is not necessary as the number of fully vaccinated health and care home staff in Wales is high.
- With regard to timeframes, whether the Transitional Plan takes the place of the Corporate Plan and whether its 12 month timespan therefore commits and/or ties the new Council to the objectives contained within the plan. The Committee was assured that the Transitional Plan is not a replacement for the Corporate Plan and that it has been designed as a bridging plan because of the unusual circumstances wherein the Council is transitioning from 18 months of dealing with the pandemic into establishing a form of normality covering all its business. Whilst the 12 month timeframe provides the Council with a framework within which to work and plan, the new administration post May, 2022 may or may not wish to continue with it. The plan provides all the Council's stakeholders with clarity about the Council's priorities over the coming 12 months until such time as a new Corporate Plan is adopted.

**It was resolved to accept and to note the Transitional Plan and to recommend to the Executive that it be adopted.** *(Councillor A.M. Jones abstained from voting).*

## **6 FORWARD WORK PROGRAMME 2021/22**

The report of the Scrutiny Manager incorporating the Committee's updated Forward Work Programme for 2021/22 was presented for consideration.

The Scrutiny Manager clarified that the date of the Committee's 2021/22 budget consultation meeting remains to be confirmed pending the receipt of information regarding the Council's 2021/22 provisional budget settlement.

**It was resolved –**

- **To agree the current version of the forward work programme for 2021/22**
- **To note progress thus far in implementing the forward work programme.**

**Councillor A. M. Jones  
Chair**

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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	Corporate Scrutiny Committee
<b>Date:</b>	24 <sup>th</sup> January, 2022
<b>Subject:</b>	2022/23 Budget Setting (Revenue)
<b>Purpose of Report:</b>	Scrutiny consideration of initial budget proposals for 2022/23
<b>Scrutiny Chair:</b>	Cllr Aled Morris Jones
<b>Portfolio Holder(s):</b>	Cllr Robin Williams
<b>Head of Service:</b>	Marc Jones, Director of Resources / Section 151 Officer
<b>Report Author:</b>	Anwen Davies, Scrutiny Manager
<b>Tel:</b>	01248 752578
<b>Email:</b>	AnwenDavies@ynysmon.gov.uk
<b>Local Members:</b>	Applicable to all Elected Members

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<b>1 - Recommendation/s</b>
Agree a formal response to the Executive on the Council’s draft proposed revenue budget for 2022/23 (using the key scrutiny questions in paragraph 4 below).

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

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities [focus on customer/citizen]
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [focus on value]
<b>3.3</b> A look at any risks [focus on risk]
<b>3.4</b> Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]
<b>3.5</b> Looking at plans and proposals from a perspective of: <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul> [focus on wellbeing]
<b>3.6</b> The potential impacts the decision would have on: <ul style="list-style-type: none"> <li>• protected groups under the Equality Act 2010</li> </ul>

- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

#### 4 - Key Scrutiny Questions

The following key questions are proposed to underpin the Committee's consideration of the 2022/23 budget proposals:

- Using the information available to the Committee about Council services and draft funding settlement for 2022/23, do the proposals respond adequately to Service pressures and challenges?
- Does the Committee consider that any of the budget proposals will have a detrimental effect on the citizens of Anglesey or any protected groups? Does the Committee consider that any further action should be taken to mitigate the impact of the proposals on Anglesey citizens or protected groups?
- Does the Committee support an increase in the Council Tax of 2% in order to realise the proposals of the Executive for 2022/23? If it does not, should the increase be more or less than that proposed by the Executive?

#### 5 – Background / Context

##### 1. CONTEXT

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

**1.2** Members will be aware that finance is critical to the services the Council delivers and that there are far reaching implications to financial issues facing us as a local authority – both in terms of the services being received by our citizens and also the level of Council Tax or fees and charges being levied<sup>1</sup>. This will inevitably require us to ask challenging questions about which services to offer to the future and which services to invest in and also the degree to which current methods of service delivery remain appropriate. Another consideration is also how best to manage expectations of local people in making the necessary changes. In the current economic climate, Members therefore need to be assured that the Council is making the most effective use of resources, in particular finances.

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

##### 2. SETTING THE COUNCIL'S BUDGET FOR 2022/23

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

2.1 Attached is the report of the Director of Function (Resources) / Section 151 Officer on the initial proposals for the 2022/23 budget (**APPENDIX 1**) which will be submitted to a meeting of the Executive on 24<sup>th</sup> January, 2022. The paper provides a position statement on the following issues:

- The Executive's initial budget proposals
- Local Government initial settlement (Welsh Government)
- Initial budget position for 2022/23
- Budget pressures which must be allowed for in the 2022/23 budget
- Investment proposals to address service issues and risks
- The financial risks which the Council faces during 2022/23
- The level of Council Tax increase required to set a balanced budget
- Impact on the Medium Term Financial Plan

Details of the Final Settlement for the 2022/23 budget are expected from Welsh Government on 2<sup>nd</sup> March, 2022.

### **3. FINANCIAL SCRUTINY – SETTING THE 2022/23 BUDGET**

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

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

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

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

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

4.2 The Panel considered the initial budget proposals at its last meeting (20<sup>th</sup> January, 2022). A summary of the Panel's deliberations will be presented verbally at the meeting by Cllr Dafydd Roberts, chair of the Panel.

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

5.1 For the first time in several years, it is possible for the Council to consider investment in order to address service issues and risks. The level of investment is dependent on the level of the increase in the Council Tax. As the Initial Settlement was received so late in the year, the time available to consult on the proposals of the Executive is very short.

5.2 The consultation will set out the Council's financial position, the financial risks and issues which the Council faces. It will also seek the views of Anglesey taxpayers on the Executive's proposal to address those risks through re-investment in services, partly funded by a 2% increase in Council Tax. The outcome of the

consultation process will be reported to the next meeting of the Scrutiny Committee<sup>2</sup> before the Executive decides on its final proposal on 3<sup>rd</sup> March, 2022.

**5.3** The consultation period will run for a period of a fortnight between 25<sup>th</sup> January and 8<sup>th</sup> February, 2022.

## **6. KEY SCRUTINY ISSUES**

6.1 The 2022/23 budget setting process provides an opportunity for Elected Members to consider and challenge the implications of the draft budget and any additional investment proposals. Input has also been received via the Finance Scrutiny Panel who have given detailed consideration to the initial draft budget proposals. At this stage in the process, the Corporate Scrutiny Committee is now requested to agree a formal response to the Executive<sup>3</sup> on the Council's draft proposals for the 2022/23 revenue budget (using the key scrutiny questions in paragraph 4 above).

6.2 In light of the 2022/23 budget setting process to date, it is therefore proposed that the Committee should:

- i. Consider the Executive's initial budget proposals and provide comments which the Executive can consider before agreeing its proposed budget proposals on 24<sup>th</sup> January, 2022.
- ii. Examine in detail the likely impacts on citizens of the initial proposals
- iii. Come to a view about the level of the Council Tax for 2022/23.

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

### **6.1 Potential impacts on protected groups under the Equality Act 2010**

Identify the need for impact assessments later in the 2022/23 budget setting process.

### **6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)**

Identify the need for impact assessments later in the 2022/23 budget setting process.

### **6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language**

Identify the need for impact assessments later in the 2022/23 budget setting process.

## **7 – Financial Implications**

This report discusses the process for setting the Council's 2022/23 budget, which includes consideration of the initial draft proposals for the revenue budgets.

## **8 – Appendices:**

**APPENDIX 1:** report of the Director of Function (Resources) on the proposed revenue budgets for 2022/23.

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

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

<sup>2</sup> Meeting of the Corporate Scrutiny Committee to be convened on 28<sup>th</sup> February, 2022

<sup>3</sup> Meeting of the Executive to be convened on 24<sup>th</sup> January, 2022

## ISLE OF ANGLESEY COUNTY COUNCIL

<b>REPORT TO:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>DATE:</b>	<b>24 JANUARY 2022</b>
<b>SUBJECT:</b>	<b>DRAFT REVENUE BUDGET 2022/23</b>
<b>PORTFOLIO HOLDER(S):</b>	<b>COUNCILLOR ROBIN W WILLIAMS</b>
<b>HEAD OF SERVICE:</b>	<b>MARC JONES</b>
<b>REPORT AUTHOR:</b>	<b>MARC JONES</b>
<b>TEL:</b>	01248 752601
<b>E-MAIL:</b>	rmjfi@ynysmon.gov.uk
<b>LOCAL MEMBERS:</b>	n/a

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

The final budget will not be approved by the full Council until 10 March 2022, however, at this point, the Executive is recommended to approve the following:-

- The initial proposed budget for 2022/23 of £158.365m;
- A proposed increase in Council Tax of 2%, taking the Band D charge to £1,367.46;
- That the Executive seek the opinion of the public on the initial budget proposal and Council Tax rise for 2022/23.

The detailed report on the preparation of the 2022/23 standstill budget, the provisional settlement and funding the budget gap is attached as Appendices 1 and 2.

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

A number of options have been considered in reaching the proposed budget detailed in this report. The options took into account the level of net expenditure based on the draft settlement from Welsh Government and options relating to the level of Council Tax. The proposed budget aims to strike a balance between reducing Services and raising Council Tax.

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

The setting of the initial budget proposal is a matter delegated to the Executive.

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

Yes. The final decision on the 2022/23 revenue budget will be taken by the full Council at its meeting on 10 March 2022.

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

Yes. The final decision on the 2022/23 revenue budget will be taken by the full Council at its meeting on 10 March 2022.

<b>Dd – Assessing the potential impact (if relevant):</b>		
<b>1</b>	How does this decision impact on our long term needs as an Island?	This is an initial budget proposal which will be reviewed prior to setting and approving the final budget for 2022/23. In drawing up the budget proposal, the Executive has considered its statutory duties and the objectives set out in its Corporate Plan.
<b>2</b>	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The details of any savings proposals are set out in the report.
<b>3</b>	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	The Council has been working with other Councils and the WLGA to press the Welsh Government for the best financial settlement possible.
<b>4</b>	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The budget proposals have / will be subject to a consultation process and the outcome of that consultation will be taken into consideration before the final budget proposal is agreed and put forward to the full Council for approval.
<b>5</b>	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Any proposals included in the draft budget for 2022/23 will take into account the impact on any protected groups.
<b>6</b>	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The budget will result in an increase in the Council Tax payable by the taxpayers of Anglesey. Those experiencing socio-economic disadvantage are more likely to qualify for help through the Council Tax Reduction Scheme, which should result in no financial impact / limited financial impact to those who are experiencing socio-economic disadvantage.
<b>7</b>	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 identified.
<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	Comments from the SLT have been incorporated into the report.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	n/a – this is the Section 151 Officer's report
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is a Member of the SLT and any comments made have been taken into account in discussions on this report in the SLT.
<b>4</b>	<b>Human Resources (HR)</b>	Any proposals which impact on staff will have been identified and discussed with the HR Team.
<b>5</b>	<b>Property</b>	Any proposal which impacts on the Council's property and related budgets will have been discussed with the Property Team.
<b>6</b>	<b>Information Communication Technology (ICT)</b>	Any proposal which impacts on the Council's information technology systems and related budgets will have been discussed with the ICT Team.
<b>7</b>	<b>Scrutiny</b>	TBC
<b>8</b>	<b>Local Members</b>	Proposals are applicable to all Members.
<b>9</b>	<b>Any external bodies / other/s</b>	

**F - Appendices:**

- Appendix 1 – Report on Draft Revenue Budget 2022/23
- Appendix 2 – 2022/23 Proposed Budget by Service

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

- Medium Term Financial Plan 2022/23 – 2024/25 – See Executive Meeting Agenda 27 September 2021 – Item 6

**DRAFT REVENUE BUDGET 2022/23****1. INTRODUCTION**

- 1.1. The following report sets out the Executive's provisional revenue budget for 2022/23. The budget is prepared on the basis of the assumptions set out in the Medium Term Financial Plan (MTFP) approved by the Executive in September 2021, the provisional local government settlement which was issued by the Welsh Government on 23 December 2021, and the proposed revenue savings which have been identified by the individual services and have been discussed at the various workshops that have taken place during the summer and autumn.
- 1.2. The provisional budget approved by the Executive will then be subject to a formal public consultation process, which will run from 25 January 2022 to 8 February 2022.
- 1.3. Following receipt of the final settlement figures on 2 March 2022, the final budget proposal will be subject to a review by the Scrutiny Committee on 28 February 2022, will be recommended for approval by the Executive on 3 March 2022, with the final 2022/23 budget being approved by the Council at its meeting on 10 March 2022.

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

- 2.1. The Medium Term Financial Plan sets out a number of assumptions and these assumptions have been taken into account in calculating the standstill budget for 2022/23. The standstill budget is a budget which provides resources to operate services at 2021/22 levels but updated to reflect any known changes outside the control of the services (committed changes) and to reflect the costs in 2022/23.
- 2.2. These assumptions have been factored into the standstill budget along with more detailed changes (committed changes) which allow for known increases in costs e.g. contractual commitments and minor budget corrections. The draft budget also allows for additional funding, known changes to grant funding and minor budget corrections deemed necessary to ensure that the Council's budget accurately reflects the costs it faces in 2022/23.

**3. PROVISIONAL SETTLEMENT**

- 3.1. The provisional settlement for Local Government in Wales, announced on 21 December 2021, shows an increase of £456m in the overall level of funding for Wales, which is equivalent to a 9.8% increase in cash terms. However, £18.585m relates to grants transferred in and, when the effect of these changes are adjusted for, the true figure shows an increase in funding of £437.4m, which is a 9.4% increase. The details are shown in Table 1 below:-

<b>Table 1 2022/23 Provisional Settlement</b>		
	<b>Anglesey</b>	<b>Wales</b>
	<b>£'m</b>	<b>£'m</b>
2021/22 AEF	104.825	4,651.494
Adjustment for the Change in the Taxbase	- 0.064	0.000
<b>Previous Years Grants Transferred In / (Out)</b>		
Coastal Risk Management	0.000	0.286
Gate Fees	0.000	13.300
Social Care Workforce	0.111	5.000
<b>2021/22 Adjusted AEF</b>	<b>104.872</b>	<b>4,670.080</b>
<b>Provisional AEF 2022/23</b>	<b>114.549</b>	<b>5,107.507</b>
<b>Increase in comparison to 2021/22 AEF</b>	<b>9.724</b>	<b>456.013</b>
<b>% Increase in comparison to 2021/22 AEF</b>	<b>+ 9.27%</b>	<b>+ 9.80%</b>
<b>Increase in comparison to 2021/22 Adjusted AEF</b>	<b>9.677</b>	<b>437.427</b>
<b>% Increase in comparison to 2021/22 Adjusted AEF</b>	<b>+ 9.23%</b>	<b>+ 9.37%</b>

3.2. A number of various datasets are adjusted in the allocation formula including population, the number of people in receipt of benefits, children in receipt of free school meals, school pupils etc., and these impact on the allocation to each authority differently. Some authorities fair better from these adjustments, whilst others are impacted negatively and, as a result, not every authority receives the same level of increase. In the 2022/23 provisional settlement, there is a range of increases from 11.2% (Monmouthshire) down to 8.4% (Blaenau Gwent). Anglesey's increase is 0.2% below the Welsh average, and the 11<sup>th</sup> highest increase from the 22 authorities.

#### 4. MAIN BUDGET CHANGES FOR 2022/23

4.1. The major changes between the 2021/22 final budget and the 2022/23 initial budget are detailed below.

##### 4.2. Pay Inflation and Other Staffing Pressures

Pay costs will change annually to reflect the changes in staff over the year (new staff being appointed to a different point on the pay scale), staff receiving annual increments and the pay award. Normally the pay award for the current year has been agreed prior to setting the budget and as such the starting point for the pay budget is known. However, at present the non teaching staff pay award for 2021/22, effective from April 2021, has yet to be agreed and this provided an element of additional uncertainty around the accuracy of the pay budgets. The employer's final offer is a 1.75% pay increase and the budget calculations assume that this will be the final pay award for 2021/22. The non teaching pay budget for 2021/22 (including employer national insurance and pension contributions) is £47.5m and, therefore, each additional 1% increase to the pay award will add approximately £500k to the Council's costs.

Given the above, estimating the pay award for 2022/23 is more difficult than normal. Estimating the level of the potential pay award for 2022/23 is further complicated by rising inflation and significant increases in the level of the national living wage and the real living wage in October 2021. These factors will invariably lead to the Unions to press for a pay award which is much higher than in previous years.

The teachers' pay budget for 2021/22 is approximately £31m (including employer national insurance and pension contributions). The pay award is set by the Welsh Government and is effective from September each year. This gives us some certainty over the teachers' pay budget for part of 2022/23, but there is a significant amount of uncertainty over the pay award from September 2022 onwards, for the reasons noted above. The pay award is set by the Welsh Government who have confirmed that funding for the 2022/23 pay award has been incorporated into the settlement, although they have not indicated the level of pay award that is funded.

The Chancellor of the Exchequer announced, in September 2021, an increase of 1.25% in employer national insurance contributions, which takes the standard contribution rate from 13.8% to 15.05%, an increase of 9.06%. This increases the Council's costs by approximately £500k.

Taking all of the above into account, it is estimated that the overall pay budget will increase by £4.053m in 2022/23.

### **4.3. Non Pay Inflation**

For a number of years, the level of inflation in the UK has been low and very simple to estimate, however, inflation has risen significantly in 2021, with the Consumer Prices Index (CPI) rising to 4.2% in October 2021, with higher increases for certain goods, including energy and building materials. It is forecast to reach 5% in early 2022, before beginning to fall back in the latter part of 2022.

The Council's non pay costs are made up of a number of different contracts and procurement methods all of which are affected by inflation in different ways:-

- Long term contracts where the inflation calculation is incorporated into the contract using pre-determined inflation indices and using the figure as at a particular point in time. These type of contracts tend to favour the Council when inflation rates are rising, but they do reflect what is happening with particular types of goods which impact on the contractor's costs, e.g. the inflation factor for the refuse collection contract will be heavily linked to the cost of fuel as this is a major cost for the contractor.
- Contracts where the annual increase is negotiated. These include residential and nursing care home fees and other care contracts. CPI is not the main factor on these price increases as the main cost is staffing. The level of inflation is linked to pay and, in particular, what the increase in the national living wage is.
- Long term framework agreements where the annual price is set by the framework and not as part of an individual agreement between the Council and the supplier / contractor. These include our main energy contracts. Again, the price increase will be linked to specific factors relating to the goods supplied, rather than using CPI as the basis for the increase.
- Goods and services that are purchased as and when required, either through a one off tender process, obtaining quotations or simply by placing an order. These costs are subject to inflationary pressures as the price the Council pays is dependent on the price at the time the order is placed or tender received.

In drawing up the standstill budget, the level of inflation as determined by a specific contract has been allowed for. Where no formal agreement exists detailing how inflation is determined, a general level of 2% has been allowed for, with energy budgets increased by 3% and Social Services contracts, where costs are driven by increases in staffing costs, 5% has been allowed for.

Over the last 4 years, a general 3% increase has been applied to non-statutory fees and charges budgets and this figure has again been applied in 2022/23, although services have the discretion to increase individual fees and charges by more or less than this figure, provided that their overall income rises by 3%.

The net increase of the adjustments for non pay inflation and non statutory income is £2.479m.

#### **4.4. Pupil Numbers**

Each year, the effect of the change in pupil numbers in the primary and secondary sectors is taken into account as part of the budget setting process, with the pupil numbers as at September 2021 being used as the basis for the 2022/23 budget. For 2022/23, the number of primary school pupils has continued to fall, with a further drop of 126 pupils, whilst the number of secondary school pupils has increased by 89. In addition, the number of pupils at Canolfan Addysg y Bont has increased by a further 12 pupils. The net effect of these changes is an overall increase in the delegated schools budget of £295k.

#### **4.5. Levies**

The Council's budget includes levies raised on the Council by other bodies who have the statutory power to set a levy. The main levy raised is by the North Wales Fire Authority, which sets an overall levy for the 6 North Wales authorities and this is allocated across the 6 authorities on population. At its meeting on 20 December 2021, the North Wales Fire and Rescue Authority resolved to increase its levy on the 6 constituent authorities by 6.3%, which results in an increase to the levy on the Council of £225k. This takes the levy which is funded by the Council to £3.915m.

There is now a requirement for the 6 North Wales Authorities to set up a Corporate Joint Committee (CJC) to be responsible for strategic transport and planning policy and regional economic development. Work is ongoing to determine the responsibilities of the CJC and the CJC will determine the levy it will charge on each authority at a meeting at the end of January 2022. For the purposes of the initial budget, an estimate of £20k has been included as an estimate of the CJC levy, however, this may change.

#### **4.6. Capital Financing Charges**

Capital Financing Charges are made up of the Minimum Revenue Provision, annual interest charges on outstanding loans and interest received on investments. The change in the Minimum Revenue Provision policy in 2018 has resulted in an over provision of MRP in previous years. This over provision does allow some scope to reduce the MRP charge in future years, whilst still ensuring that the provision made is prudent. The Council took out interest free loans some years ago to pay for energy saving works in Council buildings. These loans are now starting reach a point where they have been repaid in full and allows the capital financing costs to be reduced. Interest received on investments has been at an all-time low during 2020 and 2021, and is not expected to rise significantly during 2022/23, and the interest received budget has been adjusted accordingly. The net effect of the three points noted above is to reduce the capital financing budget by £183k.

#### **4.7. Contingencies and Other Minor Changes**

As part of the budgeting process, a number of contingency budgets are built into the budget to cover fixed term costs, potential risks that may require funding during the year or as a general contingency which is utilised during the year as additional budget pressures arise or as unexpected events occur. These contingency budgets are reviewed on an annual basis, and it has been concluded that £122k can be taken out of the budget to take account of the adjustments to these contingency budgets and other minor budget changes not covered in the adjustments detailed above.

#### 4.8. Funding Expectations from Welsh Government

In determining the level of Aggregate External Finance (AEF) provided to each Council, the Welsh Government has made it clear that the AEF has provided funding for a number of cost pressures which the Council will face in 2022/23 and no additional funding will be provided by Welsh Government, and it is for each Council to provide sufficient funding in the annual budget to cover these costs. The main areas that need to be allowed for are as follows:-

- **Payment of the Real Living Wage to Care Staff**

The Council's own care staff are paid above the real living wage level but it is likely that the external providers pay less than this level. The difference between the national living wage (statutory) and the real living wage is £1 per hour. In drawing up the initial budget, 5% was allowed for as inflation on external provider care fees. The requirement for external providers to pay the real living wage to care staff will increase their costs above this 5% level, and it is estimated that an additional £200k will be required to meet the additional costs.

- **Homelessness Prevention**

During the Pandemic, the level of expenditure on Homelessness Prevention significantly increased and was funded by the Welsh Government's Covid Hardship Fund. This funding ends in 2022/23, with funding being incorporated into the settlement. The estimated additional cost of maintaining this level of service is £530k. It should be noted that a separate grant of £15m across Wales is being made available and, although the distribution method has yet to be agreed, it is estimated that Anglesey may receive £180k of this additional grant funding. The remaining £350k has therefore been allowed for as the additional funding requirement, although this may need to be amended once the grant allocation is known.

- **Covid Hardship Fund**

In 2020/21 and 2021/22, additional costs and loss of income as result of Covid, have been funded through the Welsh Government's Hardship Fund. As we move out of the pandemic, there is an expectation that dealing with Covid will become business as usual, and some of these additional costs (additional cleaning, temporary staff, PPE etc.) will become normal business costs for the Council. As a result, Welsh Government will not have specific funding in place in 2022/23, but have recognised these increased costs in the settlement. Estimating the actual additional costs for the Council going forward is difficult as it is dependent on the number of cases and the severity of future strains of the virus. It is, therefore, prudent to have contingency funding in place which can also be supplemented by the Council's general reserves and balances if required. A contingency sum of £300k for 2022/23 to meet these additional costs, although it should be noted that some costs which were covered by the hardship fund have been incorporated into the main budget (increased residential and nursing home fees, additional cleaning in schools and homelessness prevention). The sum allocated is based on the assumption that we will move from a pandemic to the virus being endemic during 2022, but there is always a risk that the position will worsen once again and the pandemic continues with further restrictions.

- **Local Government and Elections (Wales) Act 2021**

The Local Government and Elections (Wales) Act 2021 places a number of new specific duties on local authorities in Wales, including how Council meetings are held and undertaking performance assessments. The Act also sets out the requirements for regional Corporate Joint Committees (CJCs) which is covered by the levy (see above). It is estimated that an additional £78k will be required to meet these additional duties and responsibilities. The Council has undertaken capital investment in new technology during 2021/22 to allow for hybrid Council meetings to take place.

#### 4.9. Increasing the 2<sup>nd</sup> Homes Premium

At its meeting on 25 October 2021, the Executive approved to increase the premium on second homes to 50%. This creates an estimated additional £451k of funding. The Executive agreed to use £65k to fund two additional staff in the Council Tax team (this change has been incorporated into the pay budget). This leaves a remaining sum of £386k to be allocated to projects to help people purchase their own home and to promote the local economy.

#### 4.10. Investing to Address Service Issues and Risks

The Council's services have been subject to a long period of austerity where capacity and service provision have been reduced. Since 2013/14, over £25m of savings have been achieved in order to balance the budget each year. However, this has resulted in increased risks and issues in a number of services. The settlement from Welsh Government now provides the Council with an opportunity to address some of these risks and to re-invest in critical front line services.

As part of the budget setting process, Heads of Service and Service Directors were asked to determine what level of funding would be required to help them address service issues and risks. Based on the initial bids, the Executive has reviewed the level of sums requested and has included the following sums in the initial budget proposals. These are detailed in Table 2 below, along with a summary of risks and issues which the investment will address.

**Table 2**

**Summary of the Proposed Investment in Services**

<b>Service</b>	<b>Sum Allocated £'000</b>	<b>Risks and Issues Addressed</b>
Education	1,120	
Children's Services	489	There are currently pressures in relation to the costs of specialist residential placements which cannot be dealt with locally. In addition, the number of children who are referred to the Specialist Children's Service has increased by 67% over the last 3 years and changes to various pieces of legislation will result in additional pressure on this team. The additional investment in the service will allow for these increased demands to be covered.
Adult Services	258	Additional investment will provide funding to deal with increased demand but will also increase the capacity within the service, to transform and modernize business processes and the delivery of services. This will reduce commissioning risks and provide better methods to measure the performance and effectiveness of the service.
Regulation	196	The additional investment will cover three main areas within the Service: Maritime, Public Protection and Economic Development.  Maritime – The investment will improve the capacity to ensure that all users of maritime areas can be managed more effectively and it will allow for the better identification and mitigation of marine risks and the management of watercraft.

<b>Service</b>	<b>Sum Allocated £'000</b>	<b>Risks and Issues Addressed</b>
		<p>Public Protection – Ensuring a safe and healthy living and working environment for residents and business is a clear corporate duty. The additional investment will allow the Service to respond effectively to environmental concerns and incidents.</p> <p>Economic Development - The Island is facing many socio-economic challenges. It is imperative that the Service possesses the ability to address these issues in a co-ordinated and effective manner, with the aim of securing inward investment to the Island, influencing regional economic activities and supporting the Island's critical economic assets.</p>
Highways, Waste & Property	446	The additional investment will provide funding to address emerging risks and priorities across the service (decarbonisation, Ash dieback, changes in service demands and the public's expectations post Covid in terms of hygiene and cleanliness of public buildings). It will also allow for projects to be developed to bid for external grant funding in particular in response to the Council's objective to become a carbon zero organization by 2030.
Resources	58	The additional funding will increase the capacity within the Service which will allow for the modernisation of business systems and business processes. This will improve efficiency and provide better customer service to both internal and external customers.
Transformation	297	The additional funding will increase the capacity within the Service to provide support to services to continue to modernize and improve services and processes, in particular improving IT systems
<b>TOTAL</b>	<b>2,864</b>	

The short timescale between the announcement of the provisional settlement by Welsh Government and the need to publish the initial budget proposal has not allowed for all of the proposed investments to be fully examined and challenged by Members. Further work will take place before the adoption of the final budget proposal in March to examine the detailed proposals put forward by Heads of Service and Service Directors.

## 5. THE FUNDING POSITION

5.1. After taking into account the provisional settlement from Welsh Government (as set out in paragraph 3) and the main budget changes (as set out in paragraph 4), the funding position prior to any increase in Council Tax is set out in Table 3 below:-

<b>Table 3</b>		
<b>Budget Funding Gap 2022/23</b>		
	<b>£'m</b>	<b>£'m</b>
<b>2021/22 Final Budget</b>		<b>147.420</b>
<b>Main Budget Adjustments (as set out in Paragraph 4)</b>		
Pay Inflation and Other Staffing Costs	4.053	
Non Pay Inflation	2.479	
Pupil Numbers	0.295	
Levies	0.245	
Capital Financing Charges	(0.183)	
Contingencies and Other Minor Amendments	(0.122)	
		6.767
Funding Expectations from Welsh Government		0.928
Use of Additional Funding from 2 <sup>nd</sup> Home Premium		0.386
Investing to Address Service Issues and Risks		2.864
Initial Proposed Net Revenue Budget 2022/23		<b>158.365</b>
<b>Funded By</b>		
Revenue Support Grant (RSG)	(89.056)	
Share of Non Domestic Rates Pool	(25.493)	
<b>Total Aggregate External Finance</b>		(114.549)
2021/22 Council Tax Budget (adjusted for the change in the taxbase and increase in second home premium)		(42.957)
<b>Total Funding Prior to Increase in Council Tax</b>		<b>(157.506)</b>
<b>Funding (Surplus) / Deficit (before any change in Council Tax)</b>		<b>0.859</b>

5.2. In order to fund the funding deficit of £0.859m, it would be necessary to increase Council Tax by 2%. This would take the Band D charge to £1,367.46, which is an annual increase of £26.82 and a weekly increase of £0.52.

## 6. BUDGET RISKS

6.1. In setting the budget, there are a number of financial risks which need to be assessed which may result in a financial cost to the Council. Some of these risks have been allowed for in the budget proposal, but others have not been allowed for in the budget and would be covered by the Council's general balances and reserves, should the risk materialise into a financial cost in 2022/23.

6.2. The Council's current level of unallocated general balances stands at £9.3m. The proposed capital budget for 2022/23 allocates £1.68m of these balances as capital funding, which reduces the unallocated balance down to £7.6m.

- 6.3. The current position of the 2021/22 revenue budget estimates that there will be an underspend and, although it is difficult to accurately estimate the final level of underspending, it is expected that it will be at least £1m. This sum will then be added back into the Council's general balances and, if the expected underspend is £1m, then this would increase the Council's general balances to £8.6m.
- 6.4. As a rule of thumb, the Executive has set the minimum general balance as 5% of the net revenue budget. Based on the proposed net revenue budget for 2022/23 of £158.365m, the minimum required sum would be £7.9m.
- 6.5. There are a number of financial risks which are not covered in the budget or potentially are only partly addressed in the budget, these include:-
- **Covid Costs and potential loss of income** - The budget includes a sum of £300k as a contingency, but this may be insufficient should the Covid situation worsen again in 2022/23 and further restrictions are re-introduced.
  - **Pay Award** – as noted in paragraph 4.2 above, the budget has been inflated to reflect the estimated pay awards for 2021/22 and 2022/23, but there is still significant uncertainty over the pay awards. If the final agreed awards are higher than the sum allowed for in the budget, the additional cost will be funded from the Council's general balances in 2022/23 before being corrected in the 2023/24 budget.
  - **General Inflation** – Over the past 12 months, the level of general price inflation has increased significantly from the level which it has stood for a number of years. The fact that the Council has a number of large long term contracts with external suppliers (highway maintenance, school meals, school transport, energy supply etc.), does provide a level of protection from increases in prices, as the price is covered by the terms of the existing contract. However, there is still a risk that increases in prices will place additional financial pressure on the revenue budget in 2022/23.
  - **Service Demand** – The budget allows for the provision of services at the current level of demand in certain services where the demand can fluctuate (Children's Services, Adult Social Care, Homelessness, Council Tax Reduction Scheme). Any significant increase in service demand will create additional financial costs for the Council which would not be covered by the existing budgets.
  - **Grant Income** – In addition to the funding received through the Aggregate External Finance, the Council receives significant levels of additional funding in the form of specific grants from the Welsh Government and others. When the level of specific grant funding falls, it is not always possible to react quickly to the change as the service funded by the grant is integrated into the service funded from the Council's core budget. There is, therefore, a delay between the reduction in funding and the Council's ability to reduce the associated cost through the reconfiguration of the service.
  - **Port Health Authority** – The Council will be required to undertake new duties as the Port Health Authority for Holyhead. The additional duties will require the Council to recruit staff and create additional capacity with no certainty as to whether the income generated would cover the cost of the service. Discussions are ongoing with the Welsh Government and HMRC as to whether the risk can be underwritten by them. If those discussions are unsuccessful, there may be an additional cost for the Council in 2022/23 which is not funded in the proposed budget.
- 6.6. Given the risks noted above, which are greater than in any normal year, it is prudent for the Council to carry a level of general balance that is higher than 5% of the net revenue budget.

## 7. REVISED MEDIUM TERM FINANCIAL PLAN

- 7.1. The Medium Term Financial Plan estimates that the Council's net revenue budget will need to increase by £3.3m in 2023/24 and £3.6m in 2024/25, simply to meet the costs of pay and price inflation, increased costs on tendered contracts and the continued increase in demand for services.

- 7.2.** The 2022/23 provisional settlement indicates an indicative rise in the AEF for Wales as 3.5% in 2023/24 and 2.4% in 2024/25. If this rise was replicated for Anglesey, then it would generate an additional £4.1m in 2023/24 and £2.8m in 2024/25. Although it should be noted that the funding is dependent on the anticipated income from Non Domestic Rates being achieved across Wales and how the changes to the datasets impact on Anglesey allocation through the distribution formula.
- 7.3.** Based on the above, it would be possible to continue to invest in services in 2023/24, with the level of investment depending on the Council Tax rise but the position begins to worsen again in 2024/25, with a 2% rise in Council Tax required merely to maintain the existing level of service. However, it should be noted that the figures are based on a number of assumptions which can change significantly over the next two years.

## **8. MATTERS FOR DECISION**

- 8.1.** The final budget will not be approved by the full Council until 10 March 2022, however, at this point, the Executive is recommended to approve the following:-
- The initial proposed budget for 2022/23 of £158.365m;
  - A proposed increase in Council Tax of 2%, taking the Band D charge to £1,367.46;
  - That the Executive seek the opinion of the public on the initial budget proposal and Council Tax rise for 2022/23.

<b>PROPOSED BUDGET 2022/23 BY SERVICE</b>				
<b>Budget</b>	<b>2021/22 Budget</b>	<b>2022/23 Proposed Budget</b>	<b>Movement</b>	<b>% Change</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>	<b>%</b>
<b>Lifelong Learning</b>				
Schools	42.628	45.245	+ 2.617	+ 6.14
Central Education	10.974	10.889	- 0.085	- 0.78
Culture	1.208	1.270	+ 0.062	+ 5.13
<b>Total Lifelong Learning</b>	<b>54.810</b>	<b>57.404</b>	<b>+ 2.594</b>	<b>+ 4.73</b>
<b>Highways, Waste &amp; Property</b>				
Highways	6.384	6.907	+ 0.523	+ 8.19
Property	0.922	1.404	+ 0.482	+ 52.25
Waste	8.825	9.257	+ 0.432	+ 4.89
<b>Total Highways, Waste &amp; Property</b>	<b>16.131</b>	<b>17.568</b>	<b>+ 1.437</b>	<b>+ 8.91</b>
<b>Regulation &amp; Economic Development</b>				
Economic Development & Maritime	1.955	2.221	+ 0.266	+ 13.63
Planning & Public Protection	2.247	2.386	+ 0.139	+6.18
<b>Total Reg &amp; Economic Development</b>	<b>4.202</b>	<b>4.607</b>	<b>+ 0.405</b>	<b>+9.65</b>
<b>Adult Services</b>	<b>27.733</b>	<b>29.732</b>	<b>+ 1.999</b>	<b>+ 7.21</b>
<b>Children Services</b>	<b>11.188</b>	<b>12.115</b>	<b>+ 0.927</b>	<b>+ 8.29</b>
<b>Corporate Transformation</b>				
Human Resources	1.368	1.480	+ 0.112	+ 8.16
ICT	3.200	3.708	+ 0.508	+ 15.88
Transformation	0.869	0.999	+ 0.130	+15.02
<b>Total Corporate Transformation</b>	<b>5.437</b>	<b>6.187</b>	<b>+ 0.750</b>	<b>+ 13.80</b>
<b>Housing</b>	<b>1.247</b>	<b>1.914</b>	<b>+ 0.667</b>	<b>+ 53.48</b>
<b>Resources</b>	<b>3.236</b>	<b>3.484</b>	<b>+ 0.248</b>	<b>+ 7.67</b>
<b>Council Business</b>	<b>1.708</b>	<b>1.857</b>	<b>+ 0.149</b>	<b>+ 8.71</b>
<b>Total Service Budgets</b>	<b>125.692</b>	<b>134.868</b>	<b>+ 9.176</b>	<b>+ 7.30</b>
<b>Corporate Budgets</b>				
Corporate Management	0.636	0.736	+ 0.100	+ 15.67
Levies	3.695	3.921	+ 0.226	+ 6.12
Corporate & Democratic	3.010	3.305	+ 0.295	+ 9.80
Capital Financing Costs	7.393	7.210	- 0.183	- 2.48
Benefits Granted	0.109	0.109	0.000	0.00
HRA Recharges	(0.700)	(0.800)	- 0.100	- 14.28
Council Tax Reduction Scheme	6.181	6.304	+ 0.123	+ 2.00
Contingencies	1.333	2.640	+ 1.307	+ 98.05
Discretionary Rate Relief	0.071	0.072	+ 0.001	+ 1.41
<b>Total Corporate Budgets</b>	<b>21.728</b>	<b>23.497</b>	<b>+ 1.769</b>	<b>+ 9.44</b>
<b>TOTAL BUDGET</b>	<b>147.420</b>	<b>158.365</b>	<b>10.945</b>	<b>+ 7.42</b>



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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	<b>Corporate Scrutiny Committee</b>
<b>Date:</b>	<b>24 January, 2022</b>
<b>Subject:</b>	<b>2022/23 Budget Setting (Capital)</b>
<b>Purpose of Report:</b>	<b>Scrutiny consideration of initial draft budget proposals for 2022/23</b>
<b>Scrutiny Chair:</b>	<b>Cllr Aled Morris Jones</b>
<b>Portfolio Holder(s):</b>	<b>Cllr Robin Williams</b>
<b>Head of Service:</b>	<b>Marc Jones, Director of Resources / Section 151 Officer</b>
<b>Report Author:</b>	<b>Anwen Davies, Scrutiny Manager</b>
<b>Tel:</b>	<b>01248 752578</b>
<b>Email:</b>	<b>AnwenDavies@ynysmon.gov.uk</b>
<b>Local Members:</b>	<b>Applicable to all Elected Members</b>

25

<b>1 - Recommendation/s</b>
The Corporate Scrutiny Committee is requested to agree a formal response to the Executive on the Council’s initial proposals for the 2022/23 capital budget (using the key scrutiny questions in paragraph 4 below), taking into account views from the Finance Scrutiny Panel.

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

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities [focus on customer/citizen]
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [focus on value]
<b>3.3</b> A look at any risks [focus on risk]
<b>3.4</b> Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]
<b>3.5</b> Looking at plans and proposals from a perspective of: <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul> [focus on wellbeing]
<b>3.6</b> The potential impacts the decision would have on:

- protected groups under the Equality Act 2010
- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

#### 4 - Key Scrutiny Questions

The following key questions are proposed to underpin the Committee's consideration of the 2022/23 capital budget proposals:

- i. Given the limited capital resources available, does the Committee support the proposed capital programme?
- ii. How do the 2022/23 capital proposals enable the Executive to deliver on the Council's medium term priorities whilst balancing short term pressures?
- iii. To what degree does the Committee consider use of £1.68m from general balances as part of the funding of the capital programme a valid use of reserves?

#### 5 – Background / Context

##### 1. CONTEXT

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

##### 1.2 Capital Strategy 2021/22 – 2023/24

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

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

The Authority's capital strategy and capital programme 2021/22 – 2023/24 was adopted by Full Council in March, 2021<sup>2</sup>. It sets out the objectives, principles and governance framework to ensure that the Authority takes capital expenditure and investment decisions in line with the Council Plan and local transformation priorities. A fundamental principle of the Strategy is to focus capital expenditure on projects which assist the Council meet the following key objectives and help the Council meet its statutory responsibilities:

- i. Ensure that the people of Anglesey can thrive and realise their long term potential
- ii. Support vulnerable adults and families to keep them safe, healthy and as independent as possible

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

<sup>2</sup> Meeting of Full Council convened on 9<sup>th</sup> March, 2021

- iii. Work in partnership with our communities to ensure that they can cope effectively with change and developments whilst protecting our natural environment

The Strategy also identifies the potential future capital expenditure, assesses the impact on the capital financing element of the revenue account and determines the funding available to finance new capital schemes for the period 2021/22 – 2023/24. Also, the strategy sets out the long term principles underpinning capital planning to the future.

### 1.3 Principles of the Capital Strategy

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

- The annual capital programme should focus capital expenditure on projects which contribute most to the key priorities of the Council during the period up to 2023/24.
- Capital funding should be allocated each year to ensure investment in existing assets to protect them into the future
- The Council will maximise external capital funding wherever possible and affordable
- Capital funding will also be prioritised on assets required to help the Council deliver its statutory responsibilities
- Continued commitment to the 21<sup>st</sup> Century Schools Programme and to fully utilise external funding available

### 1.4 Capital Budget Funding Sources

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

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

1.5 In considering their response to the initial capital budget proposals, members of the Corporate Scrutiny Committee will need to consider the proposals in terms of the longer term financial position of the Council (our Medium Term Financial Plan and Capital Strategy & Capital Programme 2021/22 – 2023/24) and the Council's long term objectives and priorities.

## 2. SETTING THE COUNCIL'S CAPITAL BUDGET FOR 2022/23

2.1 Attached is the report of the Director of Function (Resources) / Section 151 Officer on the initial capital proposals for the 2022/23 budget (**APPENDIX 1**) which will be submitted to a meeting of the Executive on 24<sup>th</sup> January, 2022. The paper provides a position statement on the following issues:

- The principles of the capital strategy;
- The proposed capital programme for 2022/23 including the general capital programme, investment in 21<sup>st</sup> Century Schools and the Housing Revenue Account capital programme;
- How the capital programme will be funded in 2022/23;
- Impact on general balances and earmarked reserves.

Details of the Final Settlement for the 2022/23 budget are expected from Welsh Government on 2 March 2022.

### **3. FINANCIAL SCRUTINY – SETTING THE 2022/23 BUDGET**

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

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

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

4.1 The Finance Scrutiny Panel considered the latest details of the budget proposals at its last meeting (convened on 20<sup>th</sup> January, 2022). A summary of the Panel's deliberations will be presented verbally at the meeting by Cllr Dafydd Roberts, chair of the Panel.

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

5.1 The consultation will seek the views of Anglesey taxpayers on the proposed capital budget. As the Initial Settlement was received so late in the year, the time available to consult on the proposals of the Executive is very short.

5.2 The outcome of the consultation process will be reported to the next meeting of the Scrutiny Committee<sup>3</sup> before the Executive decides on its final proposals on 3<sup>rd</sup> March, 2022.

5.3 The consultation period will run for a period of 2 weeks between 25<sup>th</sup> January → 8<sup>th</sup> February, 2022.

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

6.1 The 2022/23 budget setting process provides an opportunity for Elected Members to consider and challenge the implications of the initial draft capital budget and any risks. Input has also been received via the Finance Scrutiny Panel who have given detailed consideration to the draft budget proposals. At this stage in the process, the Corporate Scrutiny Committee is now requested to agree a formal response to the Executive<sup>4</sup> on the Council's initial capital budget proposals for the 2022/23 capital budget (using the key scrutiny questions in paragraph 4 above).

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

##### **6.1 Potential impacts on protected groups under the Equality Act 2010**

Identify the need for impact assessments later in the 2022/23 budget setting process.

##### **6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)**

Identify the need for impact assessments later in the 2022/23 budget setting process.

<sup>3</sup> Meeting of the Corporate Scrutiny Committee to be convened on 28<sup>th</sup> February, 2022

<sup>4</sup> Meeting of the Executive to be convened on 24<sup>th</sup> January, 2022

**6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language**

Identify the need for impact assessments later in the 2022/23 budget setting process.

**7 – Financial Implications**

This report discusses the process for setting the Council's 2022/23 budget, which includes consideration of the initial capital budget proposals

**8 – Appendices:**

**APPENDIX 1:** report of the Director of Function (Resources) on the proposed capital budgets for 2022/23

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

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

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>Date:</b>	<b>24 JANUARY 2022</b>
<b>Subject:</b>	<b>CAPITAL BUDGET 2022/23 – INITIAL PROPOSAL</b>
<b>Portfolio Holder(s):</b>	<b>COUNCILLOR R WILLIAMS</b>
<b>Head of Service / Director:</b>	<b>R MARC JONES</b>
<b>Report Author:</b> Tel: E-mail:	<b>MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b> <b>01248 752601</b> <a href="mailto:rmjfi@ynysmon.gov.uk">rmjfi@ynysmon.gov.uk</a>
<b>Local Members:</b>	<b>n/a</b>

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

##### **1. PURPOSE OF THE REPORT**

1.1 The Executive is required to propose a capital budget for 2022/23, which will be presented to full Council for approval at its meeting on 10 March 2022.

##### **2. RECOMMENDATIONS**

2.1 To recommend to the full Council the following capital programme for 2022/23:-

	<b>Ref</b>	<b>£'000</b>
2021/22 Schemes Brought Forward	Para 4.1 & Table 2	1,322
Refurbishment / Replacement of Assets	Para 4.2.	5,042
New One Off Capital Projects	Para 5.2 & Table 3	1,432
New One Off Capital Projects (Funded from Reserves and Unsupported Borrowing)	Para 5.3 & Table 4	783
21 <sup>st</sup> Century Schools	Para 6	8,598
Housing Revenue Account	Para 7	18,784
<b>Total Recommended Capital Programme 2022/23</b>		<b>35,961</b>
<b>Funded By:</b>		
General Capital Grant		1,486
Supported Borrowing General		2,157
General Balances		1,681
21 <sup>st</sup> Century Schools Supported Borrowing		1,168
21 <sup>st</sup> Century Schools Unsupported Borrowing		5,261
HRA Reserve & In Year Surplus		10,099
HRA Unsupported Borrowing		6,000
Capital Receipts		600
External Grants		4,854
Earmarked Reserves		1,195
General Fund Unsupported Borrowing		138
2021/22 Funding Brought Forward		1,322
<b>2022/23 Total Capital Funding</b>		<b>35,961</b>

<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>		
A number of additional schemes are to be considered in the capital programme, with the main driving factor in funding being affordability and the maximisation of external grant funding.		
<b>C – Why is this a decision for the Executive?</b>		
The matter is delegated to the Executive to propose the capital budget.		
<b>CH – Is this decision consistent with policy approved by the full Council?</b>		
Yes		
<b>D – Is this decision within the budget approved by the Council?</b>		
N/A		
<b>Dd – Assessing the potential impact (if relevant):</b>		
1	How does this decision impact on our long term needs as an Island?	The capital budget ensures funding to maintain the Council's assets and forms part of the strategy to meet the objectives set out in the Council's corporate plan.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Continued maintenance of the Council's assets will prevent larger costs in the future
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Capital projects in respect of 21st Century Schools and the HRA are aligned to priorities set out by the Welsh Government
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The capital budget will be subject to a formal budget consultation prior to final approval by the Council in March 2022
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The capital budget ensures funding to maintain the Council's assets and forms part of the strategy to meet the objectives set out in the Council's corporate plan.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	None identified.
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 identified.

<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	Comments from the SLT have been incorporated into the report.
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	n/a – this is the Section 151 Officer's report.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is a Member of the SLT and any comments made have been taken into account in discussions on this report in the SLT.
<b>4</b>	<b>Human Resources (HR)</b>	Any proposals which impact on staff will have been identified and discussed with the HR Team
<b>5</b>	<b>Property</b>	Any proposal which impacts on the Council's property and related budgets will have been discussed with the Property Team.
<b>6</b>	<b>Information Communication Technology (ICT)</b>	Any proposal which impacts on the Council's information technology systems and related budgets will have been discussed with the ICT Team.
<b>7</b>	<b>Scrutiny</b>	TBC
<b>8</b>	<b>Local Members</b>	Proposals are applicable to all Members.
<b>9</b>	<b>Any external bodies / other/s</b>	
<b>F - Appendices:</b>		
Appendix 1 – Report on the Capital Budget 2022/23 Appendix 2 – Proposed Capital Budget 2022/23		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
Capital Strategy Report – full Council 9 March 2021 Capital Budget 2021/22 – full Council 9 March 2021		

**DRAFT CAPITAL BUDGET 2022/23****1. INTRODUCTION**

- 1.1. The draft Capital Budget for 2022/23, set out below, takes into account the principles set out in the Capital Strategy which was approved by the Executive in March 2021 and the full Council in March 2021.

**2. PRINCIPLES OF THE CAPITAL STRATEGY**

- 2.1. The Capital Strategy for 2021/22 was approved by the Executive and full Council and will be updated for 2022/23 to reflect the new funding levels, any changes in the Council's priorities and any changes set out in the Council's Treasury Management Strategy for 2022/23, which will be approved by the Executive and full Council in March 2022.

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

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

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

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

- 2.4. The Capital Strategy also sets out how any new bids should be assessed, as follows:-

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

### 3. FUNDING THE CAPITAL PROGRAMME 2022/23

3.1. The funds available to finance the capital programme for 2022/23 are shown in Table 1 below. It should be noted that the figure for the General Capital Grant and Supported Borrowing are based on the provisional Local Government settlement figures. The final figure will not be known until the final settlement figures are announced on 2 March 2022. The level of funding under both headings have remained fairly constant over a number of years and are not anticipated to change significantly between the provisional and final settlement.

**Table 1**  
**Anticipated Capital Funding Available for 2022/23**

Source of Funding	£'000	£'000
<b>General Fund Capital Programme</b>		
Schemes/Funding brought forward from 2021/22	1,322	
General Capital Grant	1,486	
Supported Borrowing	2,157	
Capital Receipts	600	
Capital Reserve	250	
General Balances	1,681	
Service Reserves	110	
Earmarked Reserves	835	
Unsupported Borrowing	138	
<b>Funding for the General Capital Programme (Council Fund)</b>		<b>8,579</b>
<b>21st Century Schools</b>		
Supported Borrowing	1,168	
Unsupported Borrowing	5,261	
Welsh Government Grant	2,169	
<b>Funding for 21st Century Schools</b>		<b>8,598</b>
<b>Housing Revenue Account (HRA)</b>		
HRA Reserve	3,080	
HRA - In-year Surplus	7,019	
Welsh Government Major Repairs Allowance	2,685	
Unsupported Borrowing	6,000	
<b>Funding for HRA</b>		<b>18,784</b>
<b>Total Capital Funding 2022/23</b>		<b>35,961</b>

3.2. The General Capital Funding received from Welsh Government for 2022/23 totals £3.643m. There has been little increase in the general capital allocation received from Welsh Government for a number of years as additional capital funding has been directed to specific projects e.g. 21<sup>st</sup> Century Schools. If this level of funding continues in 2023/24 and beyond, the Council's capital programme will either be limited to the refurbishment and replacement of existing assets or the allocations shown above will have to be reduced in order to free up funding to meet other commitments. However, for 2022/23, the general capital grant has reduced by £677k compared to the funding received in 2021/22.

- 3.3. The potential for any significant capital receipts is limited as the majority of any remaining assets which remain unsold have been already earmarked to fund existing or future capital projects (21<sup>st</sup> Century Schools, leisure improvements and smallholdings).
- 3.4. In previous years, funding has been available from an earmarked reserve which was specifically set up to fund capital projects. Over the past few years, this reserve has been used as a source of funding but the balance has fallen considerably and the remaining balance will be held to fund any emergency capital works which may arise during the year or to provide match funding if the offer of significant grant funding was received during the year which required a small amount of match funding.
- 3.5. The HRA funding is earmarked for HRA projects only and cannot be used for any other projects. The plan allows for the use of £3.080m in 2022/23, leaving £1.5m as the ongoing reserve balance. This is in accordance with the HRA Business Plan which has been previously approved by the Council.

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

##### 4.1. 2021/22 Schemes Carried Forward

The following schemes will not be completed in 2021/22 and will carry forward to 2022/23.

**Table 2**  
**2021/22 Schemes Brought Forward**

2021/22 Schemes Brought Forward	2022/23 £'000
Penrhos Phase 2	493
Tourism Gateway	170
Holyhead Landscape Partnership	190
Holyhead Regeneration (THI Phase II)	350
Llangefni Gateway Joint Venture	119
<b>Total Schemes Brought Forward</b>	<b>1,322</b>

##### 4.2. Refurbishing/Replacing Existing Assets

4.2.1 Each year, sums are allocated in the capital programme in order to maintain, upgrade or replace existing assets. The sums allocated have been reviewed by the Finance Team in consultation with the relevant service and the following sums are recommended for 2022/23:-

- **Disabled Facilities Grant (DFGs)** – In previous years, £750k has been allocated and this was supplemented in the last 3 years by the use of Intermediate Care Fund grants. The Director of Social Services has indicated that the use of the Intermediate Care Fund grant to top up the core budget is no longer possible and, as such, a core budget of £750k will be required in 2022/23 to meet the demand for adaptation works.

- **Refurbishment of Schools** – The backlog maintenance in schools is significant and cannot be funded in the short to medium term. Whilst some of this may be mitigated by the 21 Century School Programme, some urgent works on buildings unaffected by this programme are still needed. The Property Services Team has identified the most urgent work to utilise the usual allocation of £1m. However, the sum that can be expended on schools ideally needs to be carried out over holiday periods to avoid health and safety risks and disruption. This means that some longer term projects need to be started now so they can be completed before serious risks arise. Secondary schools in particular are in a very poor condition and need substantial investment. However, some building issues are becoming critical and cannot wait for the 21<sup>st</sup> Century Schools Programme. Ideally, the authority should be allocating approximately £2.5m annually.
- **Refurbishment of Non School Buildings** – Again, a backlog of work has been identified in the Council’s offices, residential homes, day care facilities, libraries and leisure centres and there is insufficient funding to undertake this work in any one year. £600k has been allocated in previous year and this level of funding will be sufficient to meet the cost of the majority of the priority work required to be undertaken but, in 2022/23, an additional £100k has been allocated, bringing the total budget up to £700k.

**Highways Resurfacing** – The Annual Status and Option Report confirms that an annual budget of £2m is required in order to sustain the Steady State (Preventative) condition of our roads. A budget below this required amount would inevitably result in less efficiency and reduced value for money with additional costs to the Highway Authority with more money being spent on emergency works and also the risk of increased third party claims being made against the Authority. The Executive recognises the importance of the continued investment in the Council’s road network, but also recognises that £2m is a significant proportion of the Council’s core capital budget and allocating this sum each year will be difficult. The proposal is to fund £2m from the Council’s core capital funding, which includes the use of £1.110m from the Council’s General Balances.

- **Vehicles** – The Council is committed to becoming a carbon neutral organisation by 2030 and, in order to achieve that commitment, the Council needs to reduce the number of petrol and diesel powered vehicles. £200k is to be allocated from an earmarked reserve which is in place for the purpose of funding projects designed to reduce the Council’s carbon footprint. This will allow for the purchase of electric vehicles. An additional £100k is to be allocated to fund the continued cyclical replacement of the Council’s fleet of gritters.
- **I.T. Assets** – Continued investment is required to maintain the Council’s core infrastructure and to replace devices used by staff to access systems. £171k has been identified as a sum required to maintain the core infrastructure, with £121k required for desktop devices.

## 5. OTHER BIDS FOR ADDITIONAL FUNDING

- 5.1. Services were requested to put forward bids for capital funding. These bids were assessed by the Finance Team, and then prioritised by the Senior Leadership Team. Excluding the 21<sup>st</sup> Century Schools programme and the Housing Revenue Account, the general core funding available, including earmarked reserves and general balances, for 2022/23 totalled £7.257m, of which £5.042m is required for the above, leaving £2.215m to fund any new one off projects.

5.2. The Senior Leadership Team has reviewed the bids for funding and the following projects are recommended to be included in the 2022/23 capital programme (see Table 3 below):-

**Table 3**  
**Recommended One off Capital Projects to be Funded in 2022/23**

Project Title	Description	Sum Recommended £'000
Economic Development and environmental wellbeing projects	Match funding to be used as and when grant funding becomes available.	100
Upgrade of Public Toilets	A programme of works to upgrade a number of public toilets on the Island. The detailed plan will be reported to the Executive in due course. £100k of the cost to be funded from the Highways, Waste and Property service reserve.	480
Flood Relief Schemes	To provide match funding (15%) for small scale schemes and also to provide match funding (15%) for prioritised major schemes in order to draw down Welsh Government (WG) grant funding. WG grant would, therefore, total £1.592m.	281
External Canopies at 3 Secondary Schools	The canopies would increase the area available for children to sit to eat their lunches. This project would be funded from general balances	371
Maritime Infrastructure	The funding would allow work to be undertaken on pontoons at Amlwch harbour and St George's Pier Menai Bridge. This project would be funded from general balances.	200
<b>TOTAL NEW BIDS FOR CAPITAL FUNDING IN 2022/23</b>		<b>1,432</b>

5.3. The remaining £0.783m of funding is from earmarked reserves, service reserves and unsupported borrowing. The recommended projects are shown in Table 4 below:-

**Table 4**  
**Projects to be Funded from Earmarked Reserves, Service Reserves and**  
**Unsupported Borrowing**

Project Title	Description	Sum Recommended £'000
Coastal Infrastructure	The funding will provide improvements to a number of sites and will include improvements to footpaths, provide better access, improve cycle routes and provide EV charging points. The cost to be funded from the reserve to fund projects which reduce the Council's carbon footprint	200
Repairs to Melin Llynonn	Although the management of the mill has transferred to a private individual, a long term lease cannot be entered into until work is undertaken to repair the mill and allow it to become operational. An earmarked reserve is held by the Council to fund the work, but further funding is required from the Education Service reserve and through unsupported borrowing. The additional income generated from the lease will fund the annual capital financing costs of the unsupported borrowing	103
Ongoing Programme to Upgrade Recycling Equipment	New equipment is required at the Council's recycling centre and the cost will be funded from a specific recycling reserve.	380
Fitness Equipment at David Hughes Leisure Centre	The Council commenced a project to upgrade the fitness equipment at its 4 Leisure Centres and this is the final upgrade. As with previous upgrades, the cost will be funded via unsupported borrowing, with the annual capital financing costs being funded from the additional income that is generated. The experience at the 3 other centres shows that this is a viable funding option.	100
<b>TOTAL NEW BIDS FOR CAPITAL FUNDING IN 2022/23 FUNDED FROM RESERVES AND UNSUPPORTED BORROWING</b>		<b>783</b>

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

- 6.1. Due to the significant amount of Welsh Government funding the schemes will attract, and the need to modernise the existing school estate, the Council is committed to funding these schemes through the use of unsupported borrowing and the capital receipts from the sale of old school sites. The 2022/23 Capital Programme allows for the completion of the final Band A project (new Ysgol Corn Hir) and the commencement of Band B projects (extension to Ysgol y Graig).
- 6.2. The estimated cost of the programme in 2022/23 is £8.598m (net of any capital receipts), which will be funded from £2.169m Welsh Government grant, £1.168m supported borrowing and £5.261m unsupported borrowing.

## 7. HOUSING REVENUE ACCOUNT

- 7.1. The Housing Revenue Account is a ring fenced account in terms of both revenue and capital expenditure. The proposed programme for 2022/23 will see the continued investment in the existing to stock to ensure continued compliance with the WHQS standards, with £9.555m being invested. A further £9.229m will be spent on developing new properties and in re-purchasing former right to buy properties.
- 7.2. The programme will be funded from: the HRA Reserve (£3.080m), the revenue surplus generated in 2022/23 (£7.019m), Welsh Government grants (£2.685m) and new unsupported borrowing (£6.000m).
- 7.3. The long term investment programme, and how it will be funded over the next 30 years will be set out in the Housing Revenue Account business plan which will be presented to the Executive in due course.

## 8. SUMMARY RECOMMENDED CAPITAL PROGRAMME 2022/23

- 8.1. The recommended capital programme for 2022/23 is summarised in Table 6 below and analysed in further detail in Appendix 2.

**Table 6**  
**Summary Recommended Capital Programme 2022/23**

	Ref	£'000
2021/22 Schemes Brought Forward	Para 4.1 & Table 2	1,322
Refurbishment / Replacement of Assets	Para 4.2.	5,042
New One Off Capital Projects	Para 5.2 & Table 3	1,432
New One Off Capital Projects (Funded from Reserves and Unsupported Borrowing)	Para 5.3 & Table 4	783
21 <sup>st</sup> Century Schools	Para 6	8,598
Housing Revenue Account	Para 7	18,784
<b>Total Recommended Capital Programme 2022/23</b>		<b>35,961</b>
<b>Funded By:</b>		
General Capital Grant		1,486
Supported Borrowing General		2,157
General Balances		1,681
21 <sup>st</sup> Century Schools Supported Borrowing		1,168
21 <sup>st</sup> Century Schools Unsupported Borrowing		5,261
HRA Reserve & In Year Surplus		10,099
HRA Unsupported Borrowing		6,000
Capital Receipts		600
External Grants		4,854
Earmarked Reserves		1,195
General Fund Unsupported Borrowing		138
2021/22 Funding Brought Forward		1,322
<b>2022/23 Total Capital Funding</b>		<b>35,961</b>

## PROPOSED CAPITAL BUDGET 2022/23

Scheme	Budget £'000	External Grants £'000	General Capital Grant £'000	Supported Borrowing £'000	Unsupported Borrowing £'000	HRA Reserve £'000	Capital Receipts Reserve £'000	Earmarked Reserves £'000	General Balances £'000
<b>2021/22 Committed schemes b/f</b>									
Penrhos Phase 2	493	493	0	0	0	0	0	0	0
Llangefni Gateway Joint Venture	119	119	0	0	0	0	0	0	0
Tourism Gateway	170	170	0	0	0	0	0	0	0
Holyhead Landscape Partnership	190	190	0	0	0	0	0	0	0
Holyhead Regeneration (THI Ph II)	350	350	0	0	0	0	0	0	0
<b>Total 21/22 Committed Schemes</b>	<b>1,322</b>	<b>1,322</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Refurbishment / Replacement of Assets</b>									
Disabled Facilities Grant	750	0	750	0	0	0	0	0	0
Refurbishment of Schools	1,000	0	0	1,000	0	0	0	0	0
Refurbishment of Non School Buildings	700	0	450	0	0	0	0	250	0
Highways Resurfacing	2,000	0	14	876	0	0	0	0	1,110
Vehicles	300	0	100	0	0	0	0	200	0
I.T.Assets	292	0	0	0	0	0	292	0	0
<b>Total Refurbishment / Replacement of Assets</b>	<b>5,042</b>	<b>0</b>	<b>1,314</b>	<b>1,876</b>	<b>0</b>	<b>0</b>	<b>292</b>	<b>450</b>	<b>1,110</b>
<b>New One Off Capital Projects</b>									
Flood Relief Schemes	281	0	0	281	0	0	0	0	0
Economic Dev – Match Funding	100	0	100	0	0	0	0	0	0
Upgrade of Public Toilets	480	0	72	0	0	0	308	100	0
External Canopies (3 Secondary Schools)	371	0	0	0	0	0	0	0	371
Maritime Infrastructure	200	0	0	0	0	0	0	0	200
<b>Total New One Off Capital Projects</b>	<b>1,432</b>	<b>0</b>	<b>172</b>	<b>281</b>	<b>0</b>	<b>0</b>	<b>308</b>	<b>100</b>	<b>571</b>

Scheme	Budget £'000	External Grants £'000	General Capital Grant £'000	Supported Borrowing £'000	Unsupported Borrowing £'000	HRA Reserve £'000	Capital Receipts Reserve £'000	Earmarked Reserves £'000	General Balances £'000
<b>Other One Off Capital Projects (Funded from Earmarked Reserves, Service Reserves &amp; Unsupported Borrowing)</b>									
Coastal Infrastructure	200	0	0	0	0	0	0	200	0
Repairs to Melin Llynonn	103	0	0	0	38	0	0	65	0
Upgrade Waste Recycling Equipment	380	0	0	0	0	0	0	380	0
Fitness Equipment – David Hughes LC	100	0	0	0	100	0	0	0	0
<b>Total Other Capital Projects</b>	<b>783</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>138</b>	<b>0</b>	<b>0</b>	<b>645</b>	<b>0</b>
<b>21<sup>st</sup> Century Schools</b>									
Band A	3,768	0	0	0	3,768	0	0	0	0
Band B	4,830	2,169	0	1,168	1,493	0	0	0	0
<b>Total 21<sup>st</sup> Century Schools</b>	<b>8,598</b>	<b>2,169</b>	<b>0</b>	<b>1,168</b>	<b>5,261</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL GENERAL FUND</b>	<b>17,177</b>	<b>3,491</b>	<b>1,486</b>	<b>3,325</b>	<b>5,399</b>	<b>0</b>	<b>600</b>	<b>1,195</b>	<b>1,681</b>
<b>Housing Revenue Account</b>									
WHQS Planned Maintenance Programme	9,555	2,685	0	0	0	6,870	0	0	0
New Developments & Re-Purchase of Right to Buy Properties	9,229	0	0	0	6,000	3,229	0	0	0
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>18,784</b>	<b>2,685</b>	<b>0</b>	<b>0</b>	<b>6,000</b>	<b>10,099</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL CAPITAL PROGRAMME 2022/23</b>	<b>35,961</b>	<b>6,176</b>	<b>1,486</b>	<b>3,325</b>	<b>11,399</b>	<b>10,099</b>	<b>600</b>	<b>1,195</b>	<b>1,681</b>

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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	<b>Corporate Scrutiny Committee</b>
<b>Date:</b>	<b>24 January, 2022</b>
<b>Subject:</b>	<b>Housing Strategy 2022-27</b>
<b>Purpose of Report:</b>	<b>To scrutinise the Housing Strategy and recommend it's approval</b>
<b>Scrutiny Chair:</b>	<b>Cll. Aled M Jones</b>
<b>Portfolio Holder(s):</b>	<b>Cll. Alun Mummery</b>
<b>Head of Service:</b>	<b>Ned Michael</b>
<b>Report Author:</b>	Elliw Llyr, Policy, Commissioning and Strategy Manager
<b>Tel:</b>	01248752137
<b>Email:</b>	ElliwLlyr@ynysmon.gov.uk
<b>Local Members:</b>	

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<b>1 - Recommendation/s</b>
The Committee is requested to: <b>R1 Recommend approval of the Housing Strategy 2022-27 to the Executive</b>

<b>2 – Link to Council Plan / Other Corporate Priorities</b>
Ensure that the people of Anglesey can thrive and realise their long-term potential. Support vulnerable adults and families to keep them safe, healthy and as independent as possible

<b>3 – Guiding Principles for Scrutiny Members</b>
<b>To assist Members when scrutinising the topic:-</b>
<b>3.1</b> Impact the matter has on individuals and communities [focus on customer/citizen]
<b>3.2</b> A look at the efficiency & effectiveness of any proposed change – both financially and in terms of quality [focus on value]
<b>3.3</b> A look at any risks [focus on risk]
<b>3.4</b> Scrutiny taking a performance monitoring or quality assurance role [focus on performance & quality]
<b>3.5</b> Looking at plans and proposals from a perspective of: <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul> [focus on wellbeing]
<b>3.6</b> The potential impacts the decision would have on:

- protected groups under the Equality Act 2010
- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

#### 4 - Key Scrutiny Questions

- What steps have been taken to ensure a robust evidence base for the Housing Strategy?
- What are the main risks and challenges facing the Council in housing?
- To what extent does the Pandemic affect mid-term strategic plans in the Housing field?

#### 5 – Background / Context

##### 1. Background

###### a) Role of the Strategy

The Council has a statutory responsibility to assess housing need and lead on partnership working to secure housing of quality which meets the needs of its citizens now and in the future.

The Housing Strategy is the Council's vision for how housing for the people of Anglesey could be improved over a five year period and includes the priorities for achieving that. The Strategy will ensure a shared understanding of the housing issues on the Island, the issues that need to be addressed and the main outcomes the Council wants to achieve.

###### b) Current Position

The Interim Housing Strategy 2021 recognises the changes we have faced during the year by prioritising what needed to happen and provided information on how Housing Services and its partners are responding to and continuing to respond to the coronavirus pandemic.

It also provided a bridge to the development of a Housing Strategy which will include the requirements of the Housing Support Grant Programme Strategy 2022-26, which is currently out to consultation and will be presented at the March Corporate Scrutiny meeting.

##### 2. Key Objectives

The priorities of the Strategy are:

- Theme 1 – Development of the right homes for Anglesey's future
- Theme 2 – Making best use of existing housing stock and improving homes and communities
- Theme 3 – Preventing housing crisis and increasing housing options

- Theme 4 – Support to promote housing independence
- Theme 5 – Homes for longer lives
- Theme 6 – Housing is a contributor to the local economy

**The revised Strategy is presented to this Scrutiny Committee, which takes into account feedback from the consultation process.**

### **3. Consultation**

The Strategy was placed on the Council's website for consultation for comments during a 6 week period ending 20 December, 2021. 25 responses were received through the consultation questions, with responses received from a variety of stakeholders. The majority of respondents were members of the public living on Anglesey.

The consultation asked:

- Has the Housing Strategy 2022-27 identified the most important issues and priorities that need to be addressed by Isle of Anglesey County Council during the period of the Strategy?
- Are there any other issues that need to be addressed by Isle of Anglesey County Council?
- Do you agree with the short, medium and long term actions which have been identified in response to the six main themes of the Strategy?
- Any further comments in relation to the Housing Strategy 2022-27?

With the majority, 60%, agreeing that the Strategy has identified the most important issues and priorities with comments taken from the 9 who did not agree the revised version of the Strategy incorporates further detail / clarification on comments which were relevant to this Strategy.

5 respondents included comments on the short, medium and long term actions that were identified and have been incorporated, where applicable, within the revised version.

Appendix 1 shows a report of the responses received following the consultation.

A Housing Needs Survey was also issued at the same time as the consultation; the purpose of this questionnaire was to gather views from people who are looking for a home on Anglesey. 66 responses were received with 57 respondents currently looking for a home on the Island. 69% of the respondents were looking to purchase a home.

Many, 21, were renting privately with 23 looking for a first home and 16 needing a larger home. 44 were looking to purchase and 37 looking to purchase on the open market with 14 showing an interest in social rent. Information from this survey has been utilised for the development of a Shared Equity Policy and will feed into our work on completing the Local Housing Market Assessment during the next year.

Appendix 2 shows a report of the responses received following the consultation.

### **4. 2022-27 Housing Strategy Communication Plan**

The aim of the Communication Plan was to maximise the opportunities for feedback from various stakeholders and is summarised below:

A presentation on the draft Strategy was provided at the following meetings:

14 <sup>th</sup> May 2021	Social Housing Grant Meeting
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24 <sup>th</sup> May 2021	Quarterly Registered Social Landlord Meeting
24 <sup>th</sup> May 2021	Mental Health Pathway Panel
22 <sup>nd</sup> June 2021	Anglesey Private Landlord Forum
30 <sup>th</sup> June 2021	HSG Provider Forum
29 <sup>th</sup> September 2021	Town and Community Councils Liaison Forum
7 <sup>th</sup> October 2021	Members Monthly Briefing Session
8 <sup>th</sup> October 2021	Anglesey Housing Partnership
29 <sup>th</sup> November 2021	Menter Mon Housing Workshop
14 <sup>th</sup> December 2021	Housing Services Staff Information Session

The consultation was published on the Council's corporate website, with a link to complete the consultation questionnaire on 'Smart Survey'. The consultation was promoted through the following methods:

- Corporate social media
- Y Ddolen (weekly staff newsletter)
- Monthly housing staff email
- Press release (1<sup>st</sup> December – more quality council housing on the way)
- Medrwn Môn's social media pages
- Banner on corporate webpage

The questionnaire was promoted regularly to members of the public through the Council's social media platforms, throughout the 6 week consultation period.

The consultation was included in Anglesey Council's weekly staff newsletter (Medra Môn).

A link to the online questionnaire was sent to:

- Local Members
- Town and Community Councils
- HSG Providers
- Anglesey Housing Partnership (includes Housing Associations, BCUHB, JPPSU, NWP, NRLA)
- Age Cymru
- Medrwn Môn
- Menter Môn
- Shelter Cymru
- Care and Repair

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

### **6.1 Potential impacts on protected groups under the Equality Act 2010**

No negative impact has been identified following completion on the EIA

### **6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)**

It will offer people the opportunity to live and contribute to their local communities

**6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language**

No negative impact has been identified following completion on the IA

**7 – Financial Implications**

Resources have been allocated / identified for the various initiatives included within the Strategy

**8 – Appendices:**

Housing Strategy 2022-27  
Consultation Responses  
Equality Impact Assessment  
Welsh Language Impact Assessment

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

## Anglesey's Housing Strategy 2022-27

### 1. Aim of the Strategy

The purpose of this document is to:

- **Identify the 6 key themes of the Strategy**
- **Provide an overview of the issues that that are facing households on the Island**
- **How the Strategy is going to deal or contribute to in dealing with these issues**
- **What needs to be done within the short, medium and long term course of the Strategy's cycle**
- **Assist in informing a Statement of Need which will be developed**

The overall strategic aim of the Strategy is

**To ensure that the people of Anglesey have a place to call home, are empowered and supported to contribute to their local community**

### 2. Who is the Strategy for?

This Strategy will be relevant to many people on Anglesey as it will provide access to affordable housing, which will include many different tenures, accommodation and assistance to vulnerable and specific clients groups, young people who wish to purchase their own home, people who require adaptations due to ill-health and people who are at crisis points and require immediate housing.

### 3. How are we going to achieve this?

By concentrating on 6 key themes:-

- ✓ Theme 1 – Development of the right homes for Anglesey's future
- ✓ Theme 2 – Making best use of existing housing stock and improving homes and communities
- ✓ Theme 3 – Preventing housing crisis and increasing housing options
- ✓ Theme 4 – Support to promote housing independence
- ✓ Theme 5 – Homes for longer lives
- ✓ Theme 6 – Housing is a contributor to the local economy

These 6 key themes will provide a basis for identifying what the issues are and how the Strategy intends to address these issues in the short term of 1 to 2 years, medium term to long term over the course of the Strategy.

Housing achievements will be updated on a yearly basis to show progress made and provide a narrative on any emerging issues that need to be included within the Strategy over the course of the next 5 years.

### 4. National and local context

The [Council's Plan](#) provides a framework for all services to work and has housing as a prominent enabler of achieving this. This document also provides a framework for services to work together to achieve a common goal. This Plan will be reviewed for the next period 2022 onwards.

Below this document are many Strategies which feed into and facilitate achieving the above Plan.

## **Joint Local Development Plan Gwynedd and Mon 2011-26**

The Joint Local Development Plan for Gwynedd and Mon was adopted in July 2017. This is a development strategy for a period of 15 years for the land use which focuses on sustainable development. This document steers the development of new housing on the Island, as well as other uses. This Plan is currently under review.

## **Ynys Mon's Welsh Language Promotion Strategy**

The vision for the [Welsh Language Promotion Strategy](#) is that:

- Residents able to afford to live and set up homes in their local communities
- A shared sense of involvement and pride amongst residents in our vibrant, truly bilingual community
- The Welsh language prioritised in local economic development, housing and planning schemes

This Housing Strategy has a key role in achieving the above.

## **National Policies:**

### **Welfare Reform**

As has been widely publicised that Welfare Reform has introduced some of the most fundamental changes and effects since the Welfare Systems was introduced in 1946. Welfare Reform came into effect on Ynys Mon in late 2018 on a phased approach. A Welfare Reform Hub was established with key Council Services and agencies with the aim of providing appropriate responses and mitigation and has done so by:

- Developing responses to the immediate consequences of Universal Credit
- Consider the longer term implication for both citizens and services of the Isle of Anglesey including, where appropriate, a wide variety of scenarios
- Improve local understanding of how Universal Credit will impact on both statutory and non-statutory services
- Engage and update key partners as necessary via established partnership mechanisms and identify and improve areas where this framework does not exist or is failing to deliver an appropriate response
- Produce and maintain an action plan with a series of recommendations at the Hubs' conclusion

In July 2020 an Initial Assessment of the possible effects on the increase of people claiming Universal Credit on IOACC services and budgets was commissioned. This report highlighted the increase in number of out of work claimants in a very short period during Covid and that this disproportionately affect young people and males. The report also highlighted the social effects of increase in unemployment which includes mental health issues, domestic abuse and isolation.

### **Well Being of Future Generation Act**

The Future Generations Commissioner describes housing as the corner stone of the wellbeing of individuals, families and communities.

The Well-being of Future Generations Act gives us the ambition, permission and legal obligation to improve our social, cultural, environmental and economic well-being and requires public bodies in

Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.

The Well-Being of Future Generations (Wales) Act 2015, places a duty on public bodies to seek to achieve the well-being goals and objectives in everything they do.

### **Housing Support Grant**

The Welsh Government Housing Support Grant (HSG) came in to effect in April 2020 and has replaced the previous Supporting People Programme. The HSG is an amalgamation of three existing grants; Supporting People Programme, Homelessness Prevention Grant and Rent Smart Wales Enforcement.

The HSG is an early intervention grant programme to support activity, which prevents people from becoming homeless, stabilises their housing situation, or helps potentially homeless people to find and keep accommodation. The HSG does not fund the statutory duty on local authorities to prevent homelessness, instead HSG funded services augment, complement and support the statutory service to ensure that the overall offer authorities provide helps people into the right homes with the right support to succeed. It supports vulnerable people to address the, sometimes multiple, problems they face, such as debt, employment, tenancy management, substance misuse, violence against women, domestic abuse and sexual violence, and mental health issues. Support is person centred, aimed at supporting people to secure and maintain sustainable housing by addressing the mental health and/or substance misuse problems they face, helping to improve their health and well-being and/or helping them progress into, or nearer to, a job or training opportunity based on their specific circumstances.

Housing related support provides a raft of services to enable vulnerable people to maintain their tenancies / households and or live independently within the homes and communities of their choice, for as long as possible.

### **Decarbonisation**

The Environment (Wales) act 2016 places a duty on Governments to reduce carbon emissions, in Wales this is set to be at least 80% by 2050. The report commissioned in 2019 Better Homes, Better Wales, Better World July, 2019 gives 7 recommendations for WG to lead on which states that

‘Wales has some of the oldest and least thermally efficient housing stock in the UK and Europe. 32% of the Welsh housing stock was built before 1919, when there were no construction standards in terms of thermal performance. Just 10% of Welsh homes were built in the last 18 years, during which time energy performance requirements have changed dramatically.’

Welsh Government’s recent Plan “Prosperity for All: A Low Carbon Wales has a whole chapter on buildings based on all tenures and that residential buildings is the highest emissions sources as a Welsh total.

The Council have previously declared a climate emergency and our work within this arena will form part of the decarbonisation.

## **Re-imagining social building in Wales Modern Methods of Construction Strategy for Social Housing, February 2020**

A Strategy which set out the expectations relating to the production of homes built using Modern Methods of Construction which encourages complimenting traditional construction methods with new technologies and approaches.

## **Strategy for Preventing and Ending Homelessness October, 2019**

States clearly that homelessness cannot be prevented through housing alone. Homelessness is where a person lacks accommodation or where their tenure is not secure. Rough sleeping is the most visible and acute end of the homelessness spectrum, but homelessness includes anyone who has no accommodation, cannot gain access to their accommodation or where it is not reasonable for them to continue to occupy accommodation. This would include overcrowding, 'sofa surfing', victims of abuse and many more scenarios. A person is also homeless if their accommodation is a moveable structure and there is no place where it can be placed. Homelessness, or the risk of it, can have a devastating effect on individuals and families. It affects people's physical and mental health and well-being, and childrens' development and education, and risks individuals falling into a downward spiral toward the more acute forms of homelessness.

## **Regional Homelessness Strategy**

A Regional Strategy was adopted by North Wales Local Authorities with the aim of Reducing Homelessness across North Wales under the headings of People, Homes and Services which identified common themes to each Local Authority within their individual reviews. A regional and a local action would then incorporate the key issues and actions required. The Action Plan for 2020-21 was our response to the Coronavirus pandemic.

## **Renting Homes (Wales) Act 2016**

This Act aims to make it simpler to rent a home and protect tenants' rights. In general, the Act replaces all current tenancies and licences with just two types of occupation contract; secure or standard. At present it is anticipated that all new and existing tenancy agreements will need to be re-issued. The Act also creates new rights for victims of domestic abuse, for people in shared houses and for tenants needing repairs to be carried out.

## **Welsh Government Race Equality Action Plan**

Welsh Government has acknowledged that urgent action is needed in promoting a vision for Wales where everyone is treated as an equal citizen and as a Council we have contributed to the consultation document which will lead to the implementation of a Race Equality Action Plan. Our Housing Strategy will promote the overall aim of 'ensuring that all members of our Society are able to live in decent and affordable homes which meet the diversity of people's needs'.

## **Housing Revenue Account Business Plan**

As one of the remaining stock retaining Council there is a requirement on the Council to produce and update their HRA Business Plan on a yearly basis, this provides an annual report on our activities as well as an overview of our partner's new developments.

## North Wales Population Assessment

The North Wales Population Assessment is a review of the care and support needs of the population in North Wales, including the support needs of carers. It was produced by the six North Wales Councils and Betsi Cadwaladr University Health Board (BCUHB) supported by Public Health Wales, to meet the requirements of the Social Services and Wellbeing Act (Wales) 2014 (the act).

### Affordability

The Private Rented Sector on Ynys Mon is not a particularly affordable market with proportions of properties within LHA levels. Buying a home remains outside the range of many first-time buyers due to high property prices relative to local incomes and the deposits needed. This, and the lack of available suitable social housing, has seen many of these households turn to the rental market. About 22% of the total population of Ynys Mon receive either HB or council tax support with 59.9% of these households of working age and subject to the whole range of welfare reforms. The report showed that 74.4% of these households are charged rent higher than their relevant LHA rate applied for Housing Benefit. Their average reported difference between rent and Housing Benefit is £25.74 per week. The majority of households (79.3%) affected by the LHA cap in Isle of Anglesey are of working-age.

A report by Policy into Practice, 2017, into the Private Rented Sector shows us that landlords charge between 10% and 20% above LHA levels knowing that households will find the additional rent. Affordability appears to be an issue especially for households on lower incomes or on benefits. Some landlords will specify 'no DSS' whilst others shy away from tenants on Universal Credit fearing the implications of *rent-direct*. Landlords accepting tenants on benefits will take a month's deposit and / or a guarantor who can cover the full rent.

Ynys Mon conducted a survey of private sector landlords during 2017. The survey was sent to 384 private landlord with a 11% response rate. In summary it showed that, the majority said they owed one house, 74% of the tenants stayed between 1 and 5 years, 42% were claiming HB. We also asked what would incentivise landlords to let to tenants on HB. The responses were, 71% would value some form of tenancy support, 85% wanted some form of rent guarantee. The types of problems reported were rent arrears, 52% and tenants causing damage to the property, 48%. When proposed a list of incentives, landlords were asked to rank their priority would be for financial assistance for minor improvements and guaranteed rent for empty properties until suitable tenants were found.

A recently conducted survey in December 2020 showed us that a number of Private Tenants were struggling to afford food or heat the house. Many were prioritising the payment of rent, with some resorting to borrowing money from family and friends in order to meet their commitments. It would be of concern that three of the fifty-two completing the survey had used money lenders to enable them to pay their rent. Those tenants struggling to afford their rent, or actually in debt, had not discussed these issues with their landlord with only one individual having agreed a repayment plan.

The survey had asked whether tenants were aware of the help that could be offered, of those answering fifteen were unaware of the advice, information and support that could be provided by the Local Authority to prevent households in the area becoming homeless. A number had requested further information on maximising income, tenancy support and tenancy rights, these details have been forwarded to the relevant services for further action.

## **Welsh Government's Welsh Language Communities Housing Plan**

The consultation document states that 'large numbers of second homes and short-term holiday accommodation have provoked strong feelings in particular communities in Wales for some years. In these communities, there is often a sense of injustice that people are priced out of their local housing market by those purchasing second homes or homes to let as short term holiday accommodation.

Second homes are often concentrated in and around Welsh-speaking communities, and this can lead to patterns of home occupation which have a detrimental effect on the use of Welsh in communities which are crucial to the long term flourishing of our language. Second homes, alongside a range of wider factors, impact on the affordability and availability of housing for local people and raising prices in the local housing market, sometimes dramatically'.

A recent report by the Joint Planning Service for Gwynedd and Anglesey, July 2021, stated 'The average median house price in Anglesey (2019) was £170,000. With an average income of £27,445 the income to house price affordability ratio in the county is 6.2:1. This means on average that 62.2% of local people are priced out of the housing market. This statistic increases greatly in the wards where there are high numbers of holiday homes. For instance, in the Rhosneigr where 35.12% of the houses in the community council area are holiday homes, the median average house price is £263,000. With an average household income of £31,596, the house price to affordability ratio in the area is almost double the county's average at 8.3:1'.

The Strategy acknowledges the pressures faced by families and households in wanting to access affordable housing within their local communities during an unprecedented change in the housing market which has seen a huge increase in house prices. The recent housing Needs Survey highlighted the type and need for local housing solutions and that this Strategy will facilitate in developing and implementing a range of housing options for the residents of Anglesey.

## Theme 1 – Development of the right homes for Anglesey’s future

### Why is this important?

- The Covid period has shown us how important it is for people to be able to live within their local community and to be digitally connected.
- Wages in North Wales are amongst the lowest in Britain and with an increase in rents in the private rented sector and increase in house prices access to affordable housing is even more difficult.
- The average house prices will continue to increase and the issue of second homes will continue to draw attention on a local and national level.
- Providing a range of affordable housing initiatives is important to help a variety of households such as single people, families and households requiring support and adapted properties, which also help, maintain Welsh communities.

### What are we going to do?

Build homes in communities with our key Housing Partners, this includes working with rural communities to understand the real housing need within the communities.

Housing Services and its key Housing Partners social rented properties, intermediate rents, self build and assistance to first time buyers in co-operation with our Housing Partners and our Shared Equity Policy.

Ensure provision suitable sites for Gypsy and Travellers as identified in the Gypsy and Traveller Accommodation Needs Assessment.

### How are we going to do this?

Over the next three years increase the Council housing stock by 176 homes and RSLs (our key Housing Partners) homes by 144 and we will encourage Welsh names on these new build schemes.

*This will be a will be a long term action with target set for the next 3 years and reviewed yearly.*

Review data for an update on the Local Market Housing Assessment which will include a prospectus of housing need for the Island.

*This is a short term action which will be reviewed.*

Respond to current Gypsy and Traveller Accommodation Assessment as well as conducting an assessment during 2021 and respond to any emerging need.

*This will be a medium to long term action.*

## **Theme 2 – Making best use of existing housing stock and improving homes and communities**

### **Why is this important?**

- Empty long term homes have an effect on the community causing complaints which the Council and other organisations have to deal with.
- Renting in the Private Sector is the only choice for some households.
- Assisting communities to be able to offer a network of volunteering, inclusive and digital opportunities to take part or ask for assistance as and when people need it.
- Decarbonisation agenda aims to make houses more energy efficiency and reduces our carbon footprint.
- The Rent Homes Act requirement for standard contracts will be implemented in Spring 2022 which will effect all private and social tenancies.

### **What are we going to do?**

Bring empty homes back into use, with at least 50 houses during 2021-22.

Target the most problematic houses within the communities and improve houses in the private rented sector.

Facilitate community networking and promote Place Shaping.

Produce a Decarbonisation Strategy.

Work collaboratively to encourage consistent messaging regarding the Renting Homes Act.

### **How are we going to do this?**

Review our Empty Homes Strategy for the next period 2023-28

*This is a short term action.*

*These are on going actions which are monitored regularly:*

Offer advice and liaise with private landlords in order to encourage a good supply of homes to help with people who have tenancy support or tenancy issues.

Offers advice, grants and loans to bring back empty homes into use, this includes offering shared equity and assistance to first time buyers by utilising the Housing Revenue Account and Council Premium to fund these initiatives.

Provide advice on fuel poverty, financial and digital inclusion and other money matters that affect households and sign post to initiatives such Low Carbon Happy Homes Initiative.

Actively seek opportunities to reduce emission and look at alternative heat sources and funding opportunities.

Introduce the Renting Homes Act changes to all our tenants as required by Welsh Government.

This is a short term action.

### **Theme 3 – Preventing housing crisis and increasing housing options**

#### **Why is this important?**

- Initial indication is that the priority need status within homelessness will not be reinstated with the additional pressures continuing into the long term for Housing Assessment Teams, Housing Solutions and Housing Support Providers.
- Single person households remains the highest category in terms of presentation to our Homeless Service, with many presenting with complex needs.
- The true effects of Covid remain uncertain as restrictions on interaction being limited at short notice causing families and households to deal with tensions, domestic violence and mental health issues during longer periods of isolation and reduced social interactions.

#### **What are we going to do?**

There will be a need to have a provision for emergency accommodation to ensure that those who present as homeless are able to access accommodation. By working to the principles of rapid rehousing the emphasis will be on sourcing or securing suitable accommodation with support complementing the needs of the person or family to be able to sustain their tenancy in the future.

Our Homeless Prevention Fund will assist in preventing homelessness to those who are at risk of losing their tenancy or would become homeless.

Continuing to work and develop connections with the private rented sector landlords will remain a key feature of our daily work over the course of the Strategy.

Dealing with issues relating to poverty will become a key feature within the Corporate agenda within the Council to ensure that services are targeted to households so that people are able to get support as needed.

Implement the Housing Support Grant Programme Strategy 2022-26.

#### **How are we going to do this?**

Our Housing Support Grant will be targeted towards services which promote the sustainability of tenancy avoiding homelessness by ensuring that families are in suitable accommodation and prevent homelessness via our support services.

*This is a long term action.*

Provide a minimum of 33 homes which offer a rapid rehousing approach to dealing with homelessness within the next year / year and half.

*This is a short term action which will be reviewed each year as we work to this principle over the long term.*

Develop a North Wales communication plan for Private Tenants to promote timely advice on how Housing Assessment and Options Teams can assist with potential on ongoing issue before they reach homeless crisis point.

*This is medium term action.*

Promote local initiatives such as Bwyd Da Môn.

*This is short to medium term action.*

The Council has established a Corporate Preventative Board to promote joint working to prevent families from a crisis situation which also reduces costs on statutory services through local service provision.

*This is a long term action.*

#### **Theme 4 – Support to promote housing independence**

##### **Why is this an important issue for Anglesey?**

- Supporting people to live independently is reflected in the Council's Corporate Plan with many of Housing Services and its partners work and activities contributing towards this, from Tenant Participation to Housing Support Grant empowering people to be able to contribute and take part in their community.
- Helping people to access services for support is key to preventing crisis points and intervention by statutory intervention.

##### **What are we going to do?**

Distribute the Housing Support Grant to our providers which reflect the needs as identified with the needs assessment.

Provide a wrap around service for victims of domestic violence.

We want to encourage opportunities for people to be able to take part in community and digital activities to prevent isolation.

##### **How are we going to do this?**

The needs mapping data continues to inform services going forward with mental health, homelessness, alcohol and drug misuse continue to be an issue.

*This is a short term action which feeds into long term plans.*

By working with Children's Services Domestic Abuse Services are delivered in a co-ordinated way by offering a One Front Door to access services.

*This is a long term action.*

Review our current Tenant Participation Strategy 2018-23 and include the opportunity to promote digital inclusion.

*This is a short term action.*

## **Theme 5 – Homes for longer lives**

### **Why is this an important issue for Anglesey?**

- People are living longer and as such, we expect to see an increase of approximately 70% in the number of people over 85 living on the Island over the next 10 years.
- The World Health Organisation has developed an Age Friendly Communities framework of which housing is one of the 8 domains.
- Promoting independence is a key aspect of the Councils Corporate Plan.
- People and families are facing crises such as war and violence in other countries and we are ready to assist with the re-settlement schemes of families here on Anglesey.

### **What are we going to do?**

Ensure our provision of Sheltered Housing continues to offer an appropriate housing offer and that best use is made of the stock as well as offering downsizing incentives.

Complete a business case for a third Extra Care Scheme on the Island and agree a way forward on the development of the scheme via the Housing Revenue Account.

Promoting the Adult Services model of social prescribing and offering information, advice and assistance as required under the Social Services and Wellbeing Wales Act.

Work will continue to work towards offering a consistent service when a family or individual makes a request to adapt their home, regardless of tenure, i.e. owner occupied or a tenant.

Housing Services and it's key Housing Partners will work with North Wales Together (Seamless Services for people with Learning Disabilities) to ensure the correct provision for people with disabilities within the various grants for existing and new build properties.

Co-operate with the Home Office on National Resettlement Schemes.

### **How are we going to do this?**

The development of the right type of housing in the right area with provisions made for older people within extra care development as well as looking at the option of older people's accommodation.

*This is a short to medium term action.*

The provision of an occupational therapist within Housing Services will assist with timely advice and adaptations solutions to those needing to access social rented properties as well as ensuring that new developments are suitable for families or individuals who required purpose built homes.

*This is a short action.*

We will work with Adult Services in realising their Older Peoples Accommodation Strategy.

*This is a long term action.*

Offer an agreed set of Service Standards for adaptations, without distinction on tenure type to ensure that those receiving adaptations to their homes receive the best standard of service.

*This is a short term action.*

Work with North Wales Together to share information on the provision of services for people with Learning Disabilities and possible locations for accommodation.

*This is a medium term action.*

Agree on a Refugee Resettlement Scheme.

*This is a long term action.*

## **Theme 6 – Housing is a contributor to the local economy**

### **Why is this an important issue for Anglesey?**

- Social, Economic and Environmental benefits can come from the direct result of building new homes and the inclusion of smart living. The Council and its RSL partners can have a direct impact on this by building new affordable homes as well as being awarded the Innovative Housing Grant which promotes the use of measures which make homes more energy efficient.
- Appropriate development of affordable and open market housing is needed to support growth of town and rural economies.
- Recent information has highlighted that the lack of affordable homes available for local people to purchase has been linked to people now being able to work from home and therefore re/locating to Anglesey coupled with an increase in second homes and the holiday let market such as Air B&Bs
- There continues to be a contrast between the economic prosperity and levels of social deprivation in some of the prosperous communities and the least well off.
- The role of housing during the covid recovery as well as the green recovery will be crucial .

### **What are we going to do?**

The North Wales Ambition Board has an aim to improve the energy efficiency of homes in North Wales.

The Council continues to encourage initiatives which support local businesses to tender for contracts of work and encourage the opportunity for carbon reducing construction and retrofitting.

Respond to the challenges that second homes present by providing affordable homes and the plan issued by WG in response to these matters.

Housing Services and its Partners contribute significantly to the local economy through a number of work, construction and refurbishment contracts as well as service contracts which supports local support providers and work opportunities.

### **How are we going to do this?**

By contributing to Regeneration Projects such as bringing empty properties back into use will continue to be supported while funding is available.

*This is medium term action.*

Housing Services and its key Housing Partners continues to support a number of local firms via its planned maintenance schemes, retrofits, new build programme and its renovation of buy backs (ex Council Houses). Our Service Contracts also have an important role in supporting jobs and creating opportunities.

*This is an going action.*

We will encourage opportunities to work together to respond to the challenge of decarbonisation and local opportunities to encourage job and re-skilling for individuals e.g. by working with MSparc and local colleges.

*This is an going action.*

By establishing a Task and Finish Group on Second Homes we will seek solutions which will mitigate the effect second homes have on our communities and residents.

*This is a medium term action.*

# Summary of Responses to the Housing Strategy 2022-27 Consultation

December 2021

This report is a summary of responses received to the Housing Strategy 2022-27 consultation.

## 1. Background:

The draft Housing Strategy 2022-27 went out to public consultation for a period of 6 weeks.

The overall strategic aim of the Strategy is to ensure that the people of Anglesey have a place to call home, are empowered and supported to contribute to their local community.

The Strategy outlines how this will be achieved in the short, medium and long term through the following six themes:



Following consultation of the current Interim Housing Strategy 2021, it was felt that the 6 themes should be kept for the 5 year Strategy, and therefore Housing Services were seeking views on the issues and actions identified within the Housing Strategy 2022-27.

## 2. Methodology:

A presentation on the draft Strategy was provided at the following meetings:

14 <sup>th</sup> May 2021	PDP Meeting
24 <sup>th</sup> May 2021	Quarterly RSL Meeting
24 <sup>th</sup> May 2021	Mental Health Pathway Panel
22 <sup>nd</sup> June 2021	Anglesey Private Landlord Forum
30 <sup>th</sup> June 2021	HSG Provider Forum
29 <sup>th</sup> September 2021	Town and Community Councils Liaison Forum
7 <sup>th</sup> October 2021	Members Monthly Briefing Session
8 <sup>th</sup> October 2021	Anglesey Housing Partnership
29 <sup>th</sup> November 2021	Menter Mon Housing Workshop
14 <sup>th</sup> December 2021	Staff Information Session

The consultation was published on the Council's corporate website, with a link to complete the consultation questionnaire on 'Smart Survey'. The consultation was promoted through the following methods:

- Corporate social media
- Y Ddolen (weekly staff newsletter)

- Monthly housing staff email
- Press release (1<sup>st</sup> December – more quality council housing on the way)
- Medrwn Môn’s social media pages
- Banner on corporate webpage

The questionnaire was promoted regularly to members of the public through the Council’s social media platforms, throughout the 6 week consultation period.

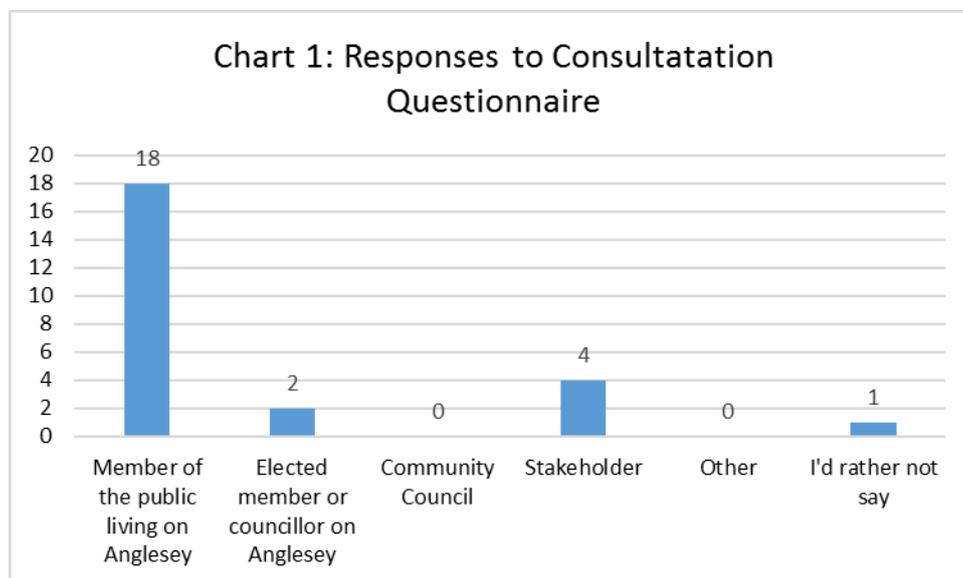
The consultation was included in Anglesey Council’s weekly staff newsletter (Medra Môn).

A link to the online questionnaire was sent to:

- Local Members
- Town and Community Councils
- HSG Providers
- Anglesey Housing Partnership (includes Housing Associations, BCUHB, JPPU, NWP, NRLA)
- Age Cymru
- Medrwn Môn
- Menter Môn
- Shelter Cymru
- Care and Repair

### 3. Consultation Responses:

25 responses were received to the online questionnaire. *Chart 1* shows which group each respondent belongs to.



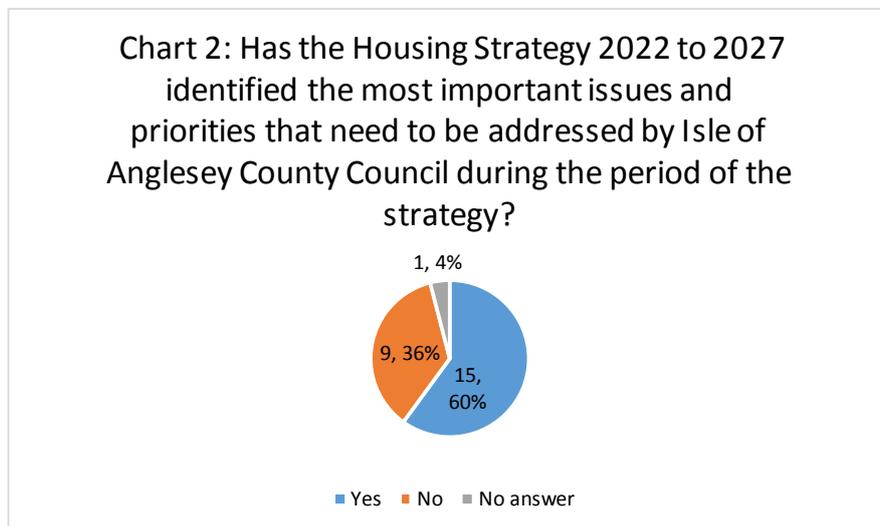
Those who wished to state which organisation they were responding on behalf of were as follows:

- Community councillor
- Welsh Government funded Digital Inclusion project
- Third sector organisation
- Housing Associations

A summary of the questionnaire responses can be found below.

**Has the Housing Strategy 2022 to 2027 identified the most important issues and priorities that need to be addressed by Isle of Anglesey County Council during the period of the strategy?**

60% of respondents were of the opinion that the Housing Strategy 2022-27 had identified the most important issues and priorities for the period of the strategy.



**Are there any other issues that need to be addressed by Isle of Anglesey County Council?**

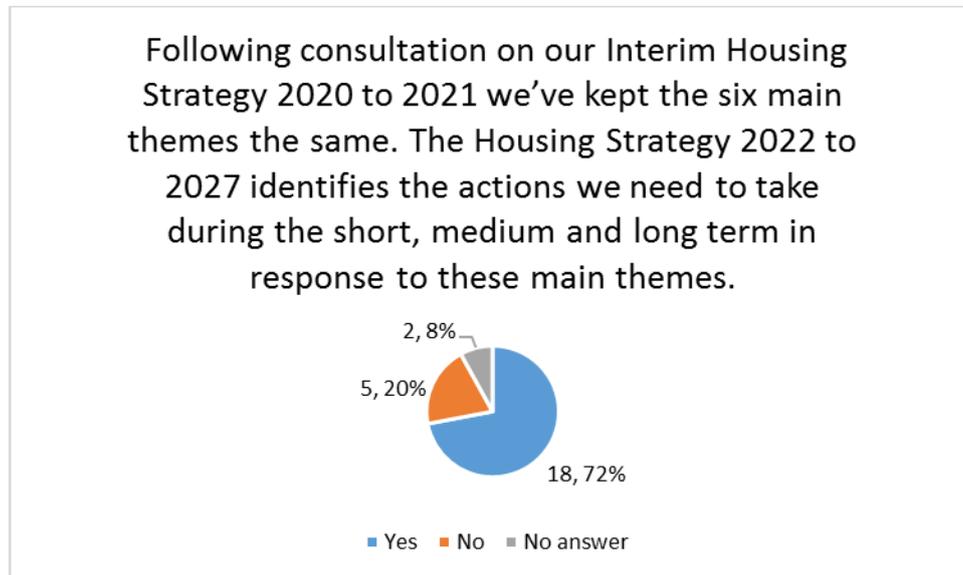
Comments received in the free text responses have been group together into Topics / Services where the Housing Strategy is unable to influence directly.

Testun / Gwasanaeth Topic / Services	Gwasnaeth Cynllunio / Planning Service	Gwasanethau Cymdeithasol / Social Services	Gwarchod bywyd gwylt /Wildlife conservation
Nifer o sylwadau / No. of responses received	4	1	1

All other comments have been incorporated into the revised version of the final Housing Strategy 2022-27.

**Following consultation on our Interim Housing Strategy 2020 to 2021 we've kept the six main themes the same. The Housing Strategy 2022 to 2027 identifies the actions we need to take during the short, medium and long term in response to these main themes. Do you agree with these?**

As seen in the chart below, the majority of respondents, 72%, were of the opinion that the Strategy identifies the actions the Housing Department needs to take in the short, medium and long term.



Comments received in the free text responses have been group together into Topics / Services

Testun / Gwasanaeth	Gwarchod bywyd gwyllt / Wildlife conservation
Nifer o sylwadau / No. of responses received	1

All other comments have been incorporated into the revised version of the final Housing Strategy 2022-27.

**We are required to consider and seek views on the impact of our plans on the Welsh language and have conducted an equality and language impact assessment. What effects might the Housing Strategy 2022 to 2027 have on the Welsh language, specifically on opportunities for people to use Welsh and in not treating the language less favourably than the English language? How do you think positive effects could be promoted, or negative effects mitigated?**

*Please note this question was not initially asked as part of the consultation (the question was added 5<sup>th</sup> November) and consequently some respondents will not have answered this question.*

Comments within this free text response have been group together into Topics / Services, some of which relate to the equality and language impact assessments:

<b>Testun / Gwasanaeth</b>	<b>Ail Gartrefi / Second Homes</b>	<b>Cynnal Cymunedau Cymraeg / Sustaining Welsh communities</b>	<b>Gwasnaeth Cynllunio /Planning Services</b>	<b>Gwarchod Bywyd Gwyllt / Wildlife conservation</b>
<b>Nifero sylwadau / No. of responses received</b>	4	5	1	1

#### **4. Conclusion:**

25 responses were received through the consultation questions, with responses received from a variety of stakeholders.

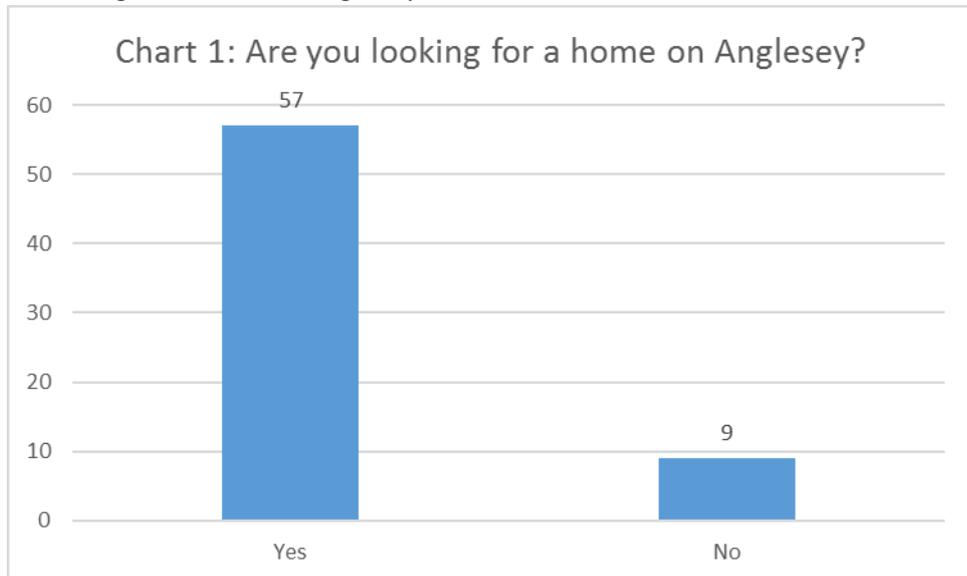
With 60% agreeing that the Strategy has identified the most important issues and priorities with comments taken from the 9 who did not agree the revised version of the Strategy incorporates further detail / clarification on comments which were relevant to this Strategy.

72% were of the opinion that the Strategy identifies the actions the Housing Services and it's key partners needs to take in the short, medium and long term. Of the 5 respondents which did not agree on the short, medium and long term actions that were identified their comments have been incorporated, where applicable, within the revised version.

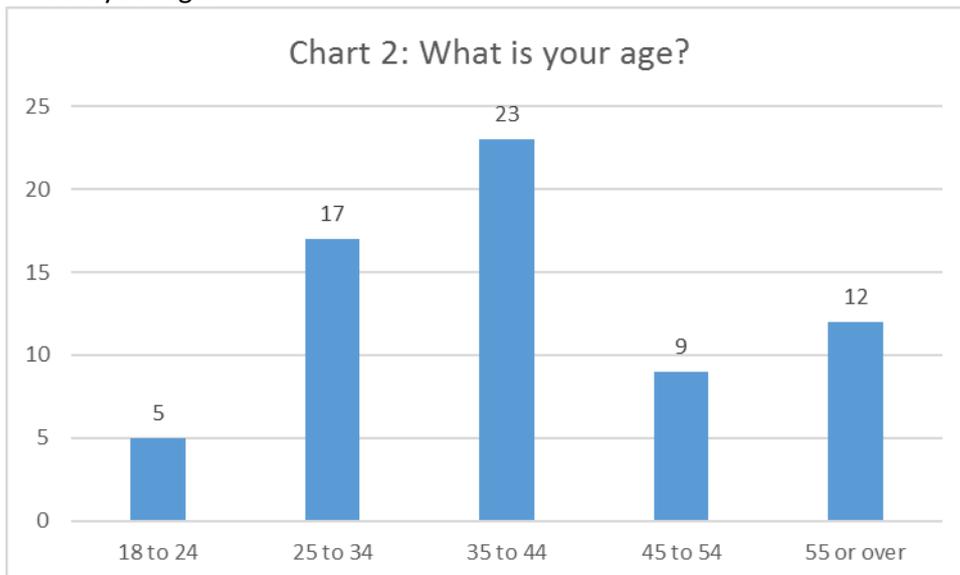
## Housing Needs Survey Results

December 2021

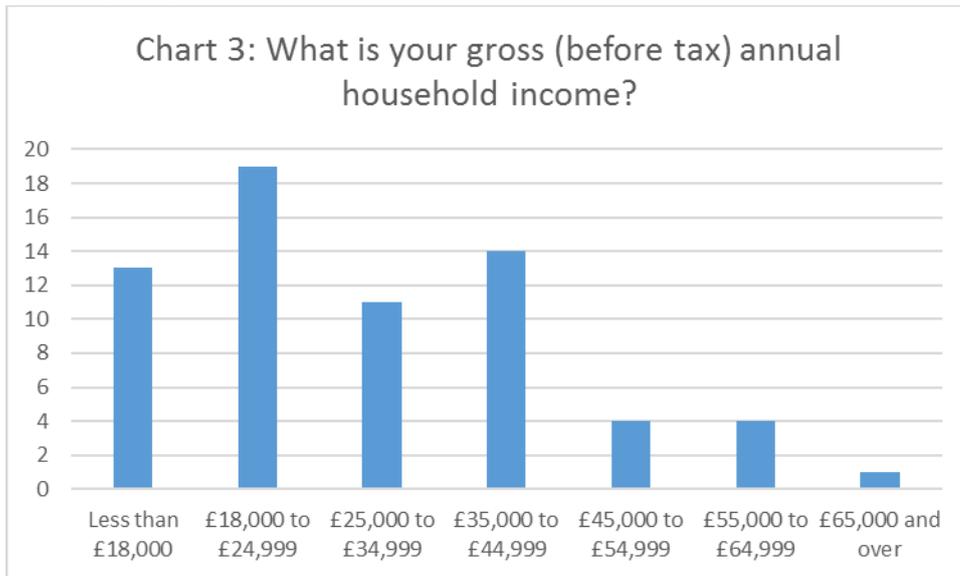
1. Are you looking for a home on Anglesey?



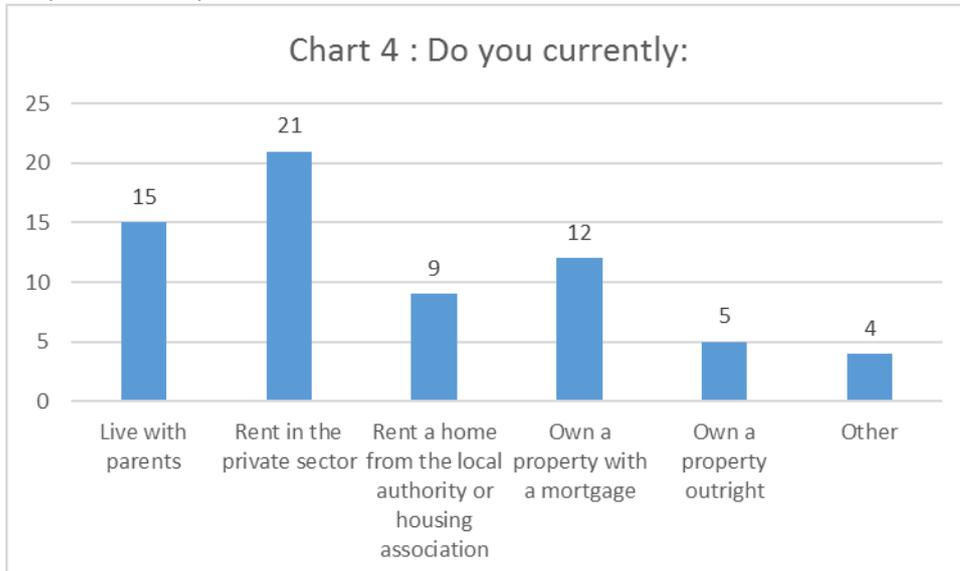
2. What is your age?



3. What is your gross (before tax) annual household income?



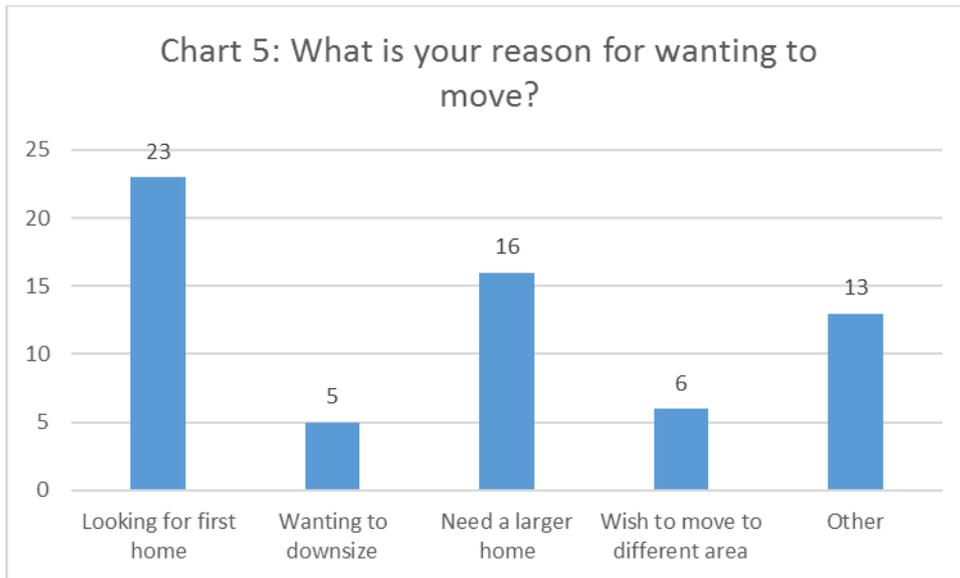
4. Do you currently



Other:

- Homeless
- Live with ex partner
- Byw mewn ty sydd pia teulu
- Living in a caravan

5. What is your reason for wanting to move?



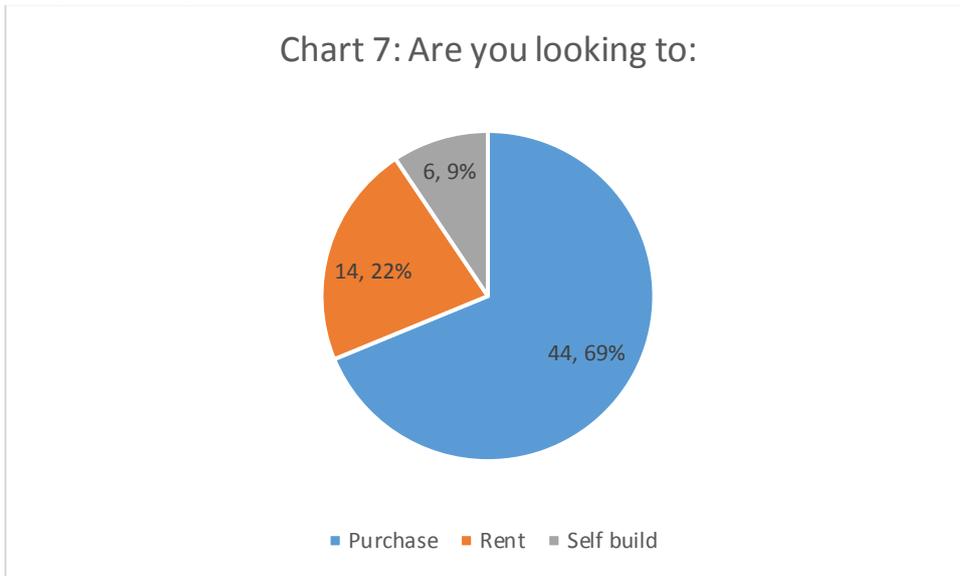
Other:

- Adeiladu ty ary fferm i ymddeol iddo
- angen cartref mwy i fy nheulu - gadael pentref llawn o dai haf,
- Angen symud yn ôl i fy nghynefin i ofalu am rieni
- Build a house on parents land
- Eisiau symud o lle dwi ynddo rwan
- Housing disrepair
- I fod yn berchen ty, ardd mwy
- I want to come home
- I would prefer to own than rent
- Need home of my own as live with daughter and partner
- Rat infestation and black damp mould
- Unable to afford a mortgage and would like to feel secure within my home for years to come
- Want permanent home at affordable rent

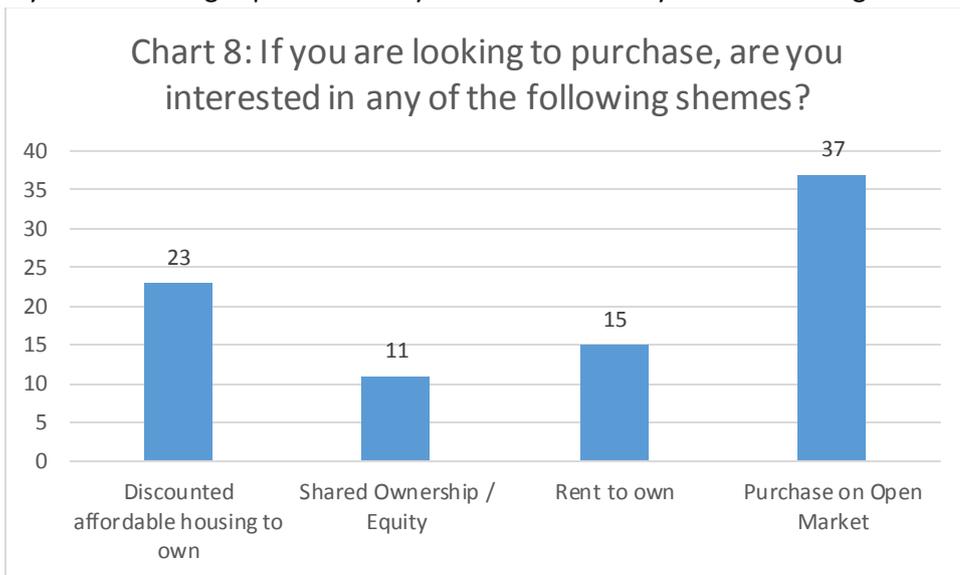
6. In which community council area do you currently live?

Respondents live in a wide range of community council areas (add map), with the majority living in towns such as Menai Bridge (10%), Amlwch (8%), Caergybi (6%), Llangefni (6%) and Llanfairpwll (6%).

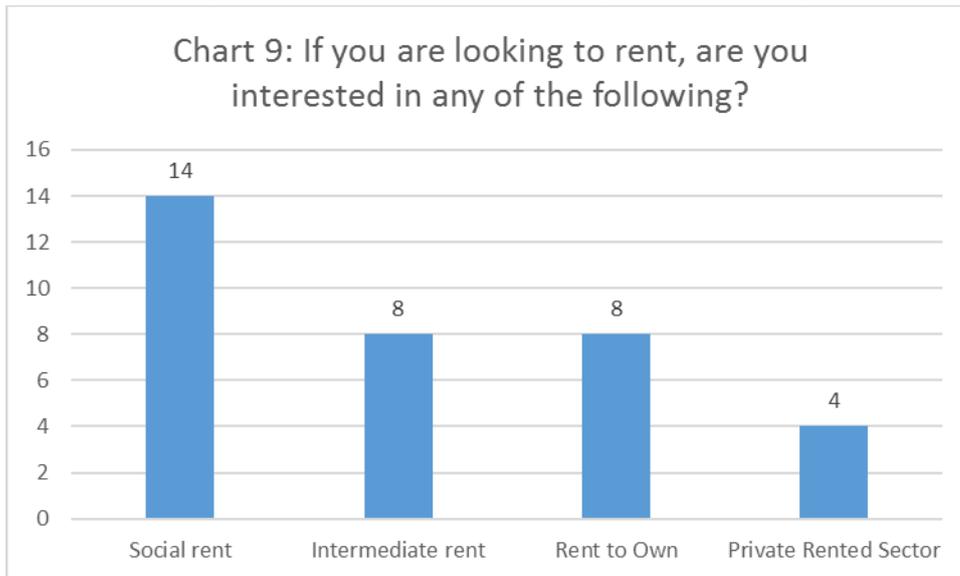
7. Are you looking to:



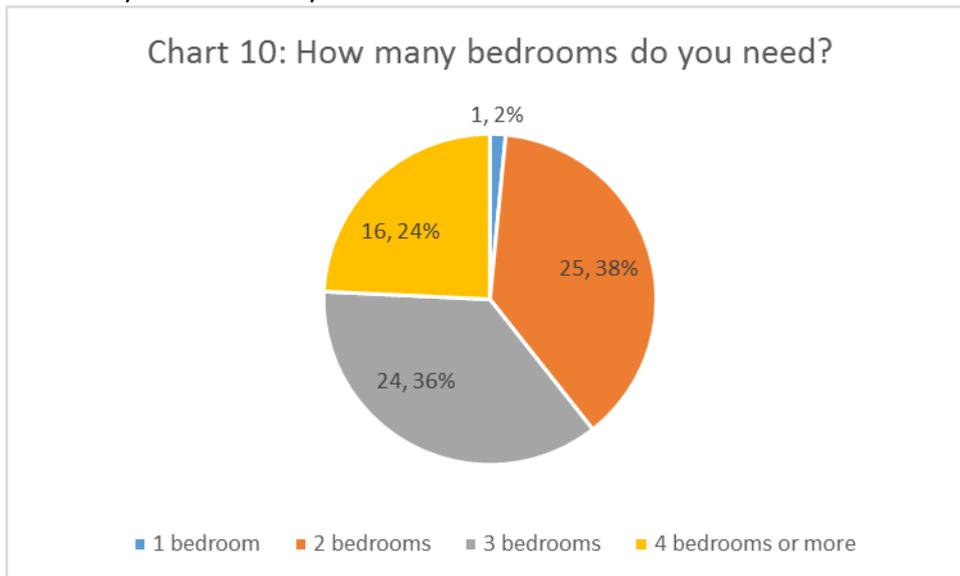
8. If you are looking to purchase are you interested in any of the following?



9. If you are looking to rent are you interested in any of the following?



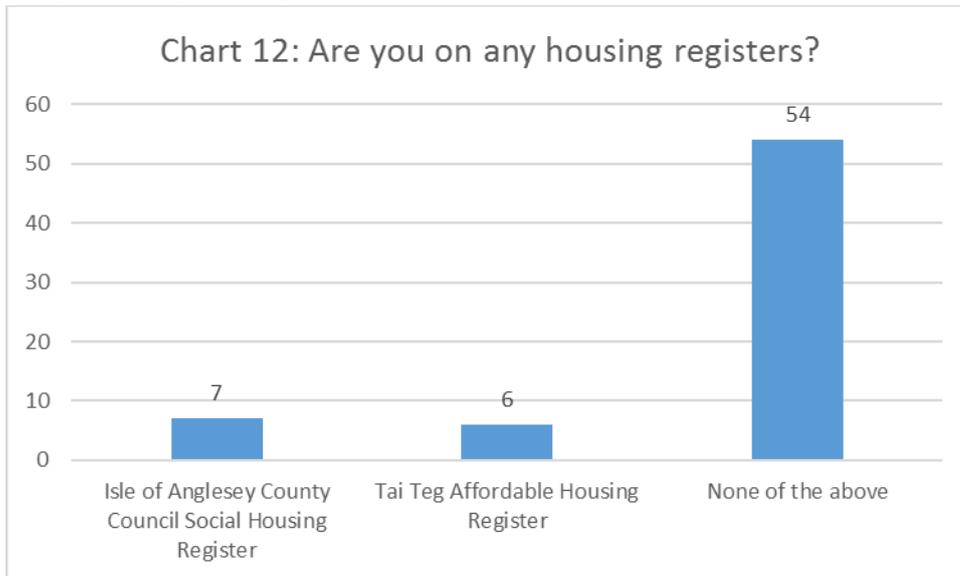
10. How many bedrooms do you need?



11. Which community council areas are you looking for a home?

Respondents were looking for a home in many areas on the Island, however the most popular areas were Menai Bridge (15%) and Llanfairpwll (9%).

12. Are you on any housing registers?



13. In your opinion, is anything preventing you from finding a suitable home?

56 of the 66 individuals who completed the survey provided an answer for this question, with the large majority of respondents stating that they feel that house prices on the Island are far too high with this situation being exacerbated by second homes and holiday homes. A few respondents also felt that there is a lack of housing supply on the Island and that Planning Policy was a contributor.



## Equality Impact Assessment Template (including the Welsh language and the Socio-Economic Duty)

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

Version	Date	Summary of changes
V0.1	October 2021	
V0.2	January 2022	Q18

Step 1: Background	
1 - What are you assessing?	Isle of Anglesey CC Housing Strategy 2022-27
2 - Is this a new or existing proposal?	Replaces previous Housing Strategy for Anglesey
3 - What are the aims and purpose of this proposal?	The Housing Strategy for Anglesey fulfils the Council's statutory duty to provide leadership for the improvement of housing and housing related services for the island. It explains the evidence base for the housing needs of the county and the priority outcomes for the Council in meeting these.

<b>Step 1: Background</b>		
4 - Who is responsible for the proposal you are assessing?	Housing Services- Strategy, Policy and Commissioning Unit	
5 - Who is the lead officer for this assessment?	Housing Strategy, Policy and Commissioning Manager	
6 - Who else is involved in undertaking this assessment?	Strategy, Policy and Commissioning Unit	
7 - Is the proposal related to other areas of work? For example, are there other proposals of policies that should be taken into consideration as part of this assessment?	Interim Housing Strategy 2021-22 and Draft Housing Strategy 2022-27 The Housing Strategy helps deliver the aims of the Corporate Plan.	
8 - Is the proposal relevant to how the Authority complies with the public sector general duty relating to people who are protected by the Equality Act 2010?  As a general rule, any policy that affects people is likely to be relevant across all protected groups.	The elimination of discrimination and harassment	yes
	The advancement of equality of opportunity	yes
	The fostering of good relations	yes
	The protection and promotion of human rights	yes
9 – Is the proposal a strategic decision? If so, the Socio-Economic Duty is relevant - see appendix 1.	yes	

<b>Step 1: Background</b>	
<p>10 - Who would be affected by the proposal(s) (adversely or positively, directly or indirectly)?</p> <p><b>If this is a strategic proposal</b>, ensure that you give specific consideration to whether the proposal would affect more on people living in less favourable social and economic circumstances than others in the same society (see appendix 1)</p>	<p>Potentially all Anglesey citizens but particularly those who are vulnerable and / or who struggle to meet their housing needs in the open market. Groups that need especial consideration include older people, people with disabilities, those affected by social deprivation.</p> <p>Key Partners in delivering improved housing include housing providers (housing associations, private landlords), organisations providing housing support services and assisting the homeless, Police, Probation Service and the local Health Board.</p>

<b>Step 2.1: Information Gathering – Welsh Language Standards and the Welsh Language Measure (Wales) 2011</b>	
11 - Does this proposal ensure that the Welsh language is treated no less favourably than the English language, in accordance with the Council's Welsh Language Policy?	Any services associated with the offer will be provided in Welsh in accordance with the requirements of the Welsh language standards and the Council's Welsh language policy
12 - Is there an opportunity here to offer more opportunities for people to learn and / or use the Welsh language on a day-to-day basis?	It will offer people the opportunity to stay within their communities and contribute and use local services available in Welsh. It will also offer people the opportunity to access local education opportunities, including Welsh-medium education
13 – Will this area of work proactively offer services in Welsh for users?	Any services associated with the offer will be provided in either Welsh or bilingually to allow Welsh speakers to use the language by default
14 – Is this proposal likely to protect and promote the Welsh language within communities?	We believe it will and it contributes to the achievement of the priority area vision of three Welsh Promotion Strategy 2021-26, namely; 'Residents can afford to live and buy houses in their local communities.'
To help you to answer the questions above, the corporate <b>Impact Assessment Guidance</b> lists a series of questions which should be considered when assessing how proposals impact on the Welsh language in general. The extent to which these questions are relevant will depend on the proposal in question. However:	

<b>Step 2.1: Information Gathering – Welsh Language Standards and the Welsh Language Measure (Wales) 2011</b>	
<ul style="list-style-type: none"> <li>• If you are looking at how the implementation of the Council’s key policies, strategies or guidance would affect the Welsh language; or</li> <li>• If your initial response to the above questions raises any concerns or evidence to suggest that the proposal would treat the Welsh language less favourably than the English language, or would have a detrimental impact on opportunities for people to use the Welsh language;</li> </ul> <p><b>a more comprehensive impact assessment on the Welsh language should be carried out.</b> A separate template is available on MonITor. The <b>Welsh Language Commissioner’s good practice advice document</b> is also available on MonITor to assist you further.</p>	

<b>Step 2.2: Information Gathering – Human Rights Act 1998</b>	
15 - Are there any Human Rights issues? If so, what are they? For example, could this proposal result in the failure to safeguard the right to privacy?	<p>(The 16 basic rights are listed at Appendix 2).</p> <p>The strategy would not negatively impact on Human rights.</p> <p>It should support Article 8 right to respect for private and family life through ensuring sufficient and appropriate accommodation for all households.</p>

<b>Step 2.3: Information Gathering – Well-Being of Future Generations (Wales) Act 2015</b>		
16 – Does this proposal meet any of the seven national well-being goals outlined in the Well-being of Future Generations (Wales) Act 2015?  (Descriptions of the wellbeing goals are listed at Appendix 3)	A prosperous Wales	<b>yes</b>
	A resilient Wales	<b>yes</b>
	A healthier Wales	<b>yes</b>
	A more equal Wales	<b>yes</b>
	A Wales of cohesive communities	<b>yes</b>
	A Wales of vibrant culture and thriving Welsh language	<b>yes</b>
	A globally responsible Wales	<b>New Build will be of high energy standard</b>

<b>Step 2.4: Information Gathering – Engagement / Consultation / Evidence / Filling gaps in information</b>	
Please see the pre-consultation and pre-engagement checklist, which is available on MonITor	
17 - What has been done to date in terms of involvement and consultation with regard to this proposal?	The development of the draft Strategy was taken forward through discussion with staff representing different elements of housing throughout the Council. County Councillors were all invited to a information sharing session and a presentation made at the Community and Town Council. Consultation also took place with a number of stakeholders A housing questionnaire and Strategy questionnaire will feed into this section
18 – What other information have you used to inform your assessment? Please list any reports, websites, links used etc here and include the relevant evidence in the table in Step 3 below	Information from the Housing Strategy, Housing Prospectus and Needs Assessment
19 - Are there any gaps in the information collected to date? If so, how will these be addressed?	No

### Step 3: Considering the potential impact and identifying mitigating action

20 – Note below any likely impact on equality for each individual group, and identify what action could be taken to reduce or improve the impact. \*For determining potential impact, please choose from the following: **Negative / Positive / No impact**

<b>Protected group</b>	<b>*Potential Impact</b>	<b>Details of the impact</b> (including evidence to support the findings)	<b>Actions to mitigate negative impact</b>
Age	<b>Positive</b>	Census 2011 data.	

Protected group	*Potential Impact	Details of the impact (including evidence to support the findings)	Actions to mitigate negative impact
		Stats Wales – especially population change projections	
Disability	<b>Positive</b>	Census data 2011 Strategy sets out ways of accessing support such as grants for people and families with a disability	
Sex	<b>Positive</b>	Census 2011 StatsWales There is no indication of negative impact on this group. The focus on identifying and responding to need should ensure equality of opportunity	
Gender Reassignment	<b>Positive</b>	Information specific to this group for the Anglesey area is not currently available. There is no indication of negative impact on this group. The focus on identifying and responding to need should ensure equality of opportunity.	
Pregnancy & Maternity	<b>Positive</b>	Although no specific information is available for this group the Common Allocations Policy reflects household needs of pregnant women	
Race / Ethnicity / Nationality	<b>Positive</b>	Data used : Census 2011 StatsWales Only 1.8% of the population at the time of the 2011 from a non-white ethnic background. This number had grown since the 2001 census. The Strategy support the agenda of community cohesion which includes recognising the importance of being pro-active to encourage tolerance and respect especially in the face of potentially increased migration.	
Religion or Belief	<b>Positive</b>	Data used : Census 2011 StatsWales	

Protected group	*Potential Impact	Details of the impact (including evidence to support the findings)	Actions to mitigate negative impact
		Similarly to above the focus on cohesion and inclusiveness in the strategy should support positive impact.	
Sexual Orientation	<b>Positive</b>	Data used : Census 2011 StatsWales  Similarly to above the focus on cohesion and inclusiveness in the strategy should support a positive impact.	
Marriage or Civil Partnership	<b>Positive</b>	Data used : Census 2011 StatsWales  Similarly to above the focus on cohesion and inclusiveness in the strategy should support a positive impact.	
Welsh language	<b>Positive</b>	See Welsh Language Impact Assessment	
Human Rights	<b>Positive</b>	See q15	
Any other relevant issue.			
There are clear links between equality and socio-economic issues. Discrimination against protected groups can be a direct cause of socio-economic disadvantage. If any such issues become apparent when assessing non-strategic matters, they should be given due regard and recorded under the relevant protected group, or under 'any other relevant issue' above.			

Please complete this section if the proposal is a strategic matter (see appendix 1)			
The Socio-Economic Duty	Potential impact	Details of the impact (including evidence to support the findings)	Actions to mitigate negative impact
Is the proposal likely to cause any inequalities of	Low impact	The Strategy supports the measurement framework of Living Standards: The capability to enjoy a comfortable	

outcome resulting from socio-economic disadvantage?		standard of living, with independence and security, and to be cared for and supported when necessary	
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#### Step 4 – Outcome of the assessment

There are four possible outcomes – bear these in mind when completing the next section:

- **No major change** - The assessment demonstrates the proposal is robust; there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken.
- **Adjust the proposal** - The assessment identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality.
- **Continue the proposal** - The assessment identifies the potential for adverse impact or missed opportunities to promote equality. Clearly set out the justifications for continuing with it. The justification should be included in the assessment and must be in line with the duty to have due regard. For the most important relevant proposals, compelling reasons will be needed.
- **Stop and remove the proposal** - The proposal shows actual or potential unlawful discrimination. It must be stopped and removed or changed. (The codes of practice and guidance on each of the public sector duties on the Commission’s website provide information about what constitutes unlawful discrimination.)

Step 4: Outcome of the assessment	
21 - Note the impacts identified and how it is intended to mitigate any negative impact in terms of equality, the Welsh language and, if relevant, socio-economic disadvantage (ie a summary of the table/s in step 3)	<b>No major change (as defined above)</b>
22 - Describe any actions taken to maximise the opportunity to promote equality and the Welsh language, the goals of the Well-being of Future Generations (Wales) Act 2015 (sustainability) and, if relevant, ensure better outcomes for those facing economic disadvantage.	<b>No major change (as defined above)</b>

<b>Step 4: Outcome of the assessment</b>	
23 - Would any aspect of the proposal contravene the wellbeing goals of the Well-being of Future Generations (Wales) Act 2015?	<b>No major change (as defined above)</b>
24 – Is there a need to look at what could be done differently, or to reconsider the entire proposal as a result of conducting this assessment?  (Evidence of negative impact could render the proposal or decision unlawful. If you have identified negative impact, you should consider at this stage whether it is possible to proceed with the proposal).	<b>No major change (as defined above)</b>
25 - Is there a strategy for dealing with any unavoidable but not unlawful negative impacts that cannot be mitigated?	
26 - Will the proposal be adopted / forwarded for approval? Who will be the decision-maker?	It will be approved by The Executive
27 - Are there monitoring arrangements in place? What are they?	Review within 2 years

### Step 5: Action Plan

Please detail any actions that are planned following completion of your assessment. You should include any changes that have been made to reduce or eliminate the effects of potential or actual negative impact, as well as any arrangements to collect data or to carry out further research.

<b>Ref</b>	<b>Proposed actions</b>	<b>Lead officer</b>	<b>Timescale</b>

## Appendix 1 – A More Equal Wales – The Socio-Economic Duty (Commencement date of the Duty: 31 March 2021)

### What is the Duty?

The general aim of the duty is to ensure better outcomes for those suffering socio-economic disadvantage. When making strategic decisions such as deciding priorities and setting objectives, due regard must be given to the need to reduce the inequalities of outcome resulting from socio-economic disadvantage.

### Who is likely to experience socio-economic disadvantage?

Socio-economic disadvantage can be disproportionate in both ‘communities of interest’ and ‘communities of place’, leading to inequality of outcome, which can be further exasperated when considering ‘intersectionality’:

**Communities of interest** – groups who share an experience, eg homelessness; or people who share an identity, eg lone parents, carers. Also those who share one or more of the protected characteristics listed in the Equality Act 2010.

**Communities of place** – people who are linked together because of where they live, work, visit or spend a substantial portion of their time there.

**Intersectionality** - crucially, this is about understanding the way in which a combination of characteristics such as gender, race or class, can produce unique and often multiple experiences of disadvantage in certain situations. One form of discrimination cannot and should not be understood in isolation from other forms. A truly intersectional approach ensures that this does not happen.

### When will the Duty be relevant?

When making **strategic decisions**. The Welsh Government has provided some examples of strategic decisions (this is not an exhaustive list):

- Strategic directive and intent.
- Strategies developed at Regional Partnership Boards and Public Service Boards which impact on public bodies’ functions.
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans).
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy).
- Changes to and development of public services.
- Strategic financial planning.
- Major procurement and commissioning decisions.
- Strategic policy development

**Further details can be found in the corporate equality impact assessment guidance.**

## Appendix 2 – Human Rights

Human rights are rights and freedoms that belong to all individuals, regardless of their nationality and citizenship. There are 16 basic rights in the Human Rights Act – all taken from the European Convention on Human Rights. For the purposes of the Act, they are known as ‘the Convention Rights’. They are listed below:

(Article 1 is introductory and is not incorporated into the Human Rights Act)

Article 2: The right to life

Article 3: Prohibition of torture

Article 4: Prohibition of slavery and forced labour

Article 5: Right to liberty and security

Article 6: Right to a fair trial

Article 7: No punishment without law

Article 8: Right to respect for private and family life

Article 9: Freedom of thought, conscience and religion

Article 10: Freedom of expression

Article 11: Freedom of assembly and association

Article 12: Right to marry

Article 14: Prohibition of discrimination

Article 1 of Protocol 1: Protection of property

Article 2 of Protocol 1: Right to education

Article 3 of Protocol 1: Right to free elections

Article 1 of Protocol 13: Abolition of the death penalty

### **Appendix 3 - Well-being of Future Generations (Wales) Act 2015**

This Act is about improving the social, economic, environmental and cultural well-being of Wales. Public bodies need to make sure that when making their decisions they take into account the impact they could have on people living their lives in Wales in the future. The Act puts in place seven well-being goals:

#### **A prosperous Wales:**

An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.

#### **A resilient Wales:**

A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).

#### **A healthier Wales:**

A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.

#### **A more equal Wales:**

A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).

#### **A Wales of cohesive communities:**

Attractive, viable, safe and well-connected communities.

#### **A Wales of vibrant culture and thriving Welsh language:**

A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.

#### **A globally responsible Wales:**

A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

# Isle of Anglesey County Council - Welsh Language Impact Assessment Template

## Issues to consider with regard to the Welsh Language

The corporate equality impact assessment template includes specific questions about the impact of decisions on the Welsh language (questions 11-14). The extent to which these questions are relevant will depend on the proposal in question.

However:

- If you are looking at how the implementation of the Council's key policies, strategies or guidance would affect the Welsh language; or
- If your initial response to the above questions raises any concerns or evidence to suggest that the proposal would treat the Welsh language less favourably than the English language, or would have a detrimental impact on opportunities for people to use the Welsh language;

**a more comprehensive impact assessment on the Welsh language should be carried out.** Please complete this template and attach to your equality impact assessment on the same proposal.

The **Welsh Language Commissioner's good practice advice document** is also available on MonITor to assist you further.

<b>What is being assessed?</b>	<b>Housing Strategy 2022-27</b>
<b>Who is carrying out this assessment?</b>	<b>Housing Services – Strategy, Commissioning and Policy</b>
<b>Assessment completion date</b>	<b>October 2021</b>

# Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>1 - Compliance with the Welsh Language Policy</b>	
<p>1.1 Is the proposal influential in terms of dealing with the Welsh-speaking public?</p> <ul style="list-style-type: none"> <li>• Will activities such as corresponding by letter, communicating by telephone, public meetings and other meetings comply with the language policy?</li> <li>• Will any new IT development comply with the policy?</li> </ul>	<p>No Housing Services offer a bilingual services, work with partners who offer a bilingual services and commission services to the public bilingually</p>
<p>1.2 Is the proposal likely to impact upon the public image of the organisation?</p> <ul style="list-style-type: none"> <li>• Will all signs comply with the language policy?</li> <li>• Will publications and forms be compliant?</li> <li>• Will any publicity material or marketing campaigns comply?</li> <li>• Will staff recruitment advertisements comply?</li> <li>•</li> </ul>	<p>Yes, any material relating to this Strategy will be published bilingually</p>
<p>1.3 Is the proposal likely to have an impact upon the implementation of the language policy?</p> <ul style="list-style-type: none"> <li>• Will the proposal create new jobs?</li> <li>• Will the staffing arrangements facilitate the implementation of the language policy?</li> <li>• Will the proposal offer training through the medium of Welsh?</li> <li>• Will any arrangements with third parties comply with the</li> </ul>	<p>Yes, new build, existing and new contracts and commissioning of services offer and create new roles and training</p>

## Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>1 - Compliance with the Welsh Language Policy</b>	
language policy? <ul style="list-style-type: none"> <li>• Will the proposal include any targets or indicators relating to the language?</li> <li>• How will performance be monitored and measured?</li> </ul>	

<b>2 - Effect on Welsh speaking users</b>	
2.1 Will the proposal offer a language choice for users?  <ul style="list-style-type: none"> <li>• Will it be possible for users to receive any part of the service in Welsh?</li> </ul>	No new service is created as it is a strategy
2.2 If there a risk for the proposal to discriminate against Welsh speaking service users?  <ul style="list-style-type: none"> <li>• Have the needs of Welsh speakers been considered in the proposal?</li> <li>• Are Welsh speakers likely to receive the same standard of service as provided in English?</li> <li>• Are Welsh language arrangements likely to lead to a delay in the service?</li> </ul>	No new service is created as it is a strategy
2.3 Is the proposal likely to make Welsh more visible?  <ul style="list-style-type: none"> <li>• Is it likely to increase use of the language by producing Welsh language materials and signs?</li> </ul>	No new service is created as it is a strategy

## Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>2 - Effect on Welsh speaking users</b>	
<ul style="list-style-type: none"> <li>Is it likely to influence others to make more use of Welsh, for example businesses?</li> </ul>	No
<p>2.4 Will the Welsh language service in relation to the proposal be accessible?</p> <ul style="list-style-type: none"> <li>Will the service be as accessible in Welsh as in English?</li> <li>Will the services be available at the same time?</li> </ul>	Yes, in accordance with the Council's Policy

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<b>3 - Effect on Welsh speaking communities</b>	
<p>3.1 Is the proposal likely to contribute towards safeguarding Welsh in communities?</p> <ul style="list-style-type: none"> <li>Is it likely to contribute towards efforts to tackle the challenges of demographic change and migration - such as providing opportunities for young people to stay in their communities?</li> <li>Is it likely to contribute towards the local economy in Welsh speaking areas?</li> <li>Will it provide Welsh medium services - such as child-minding services?</li> </ul>	<p>This Policy complements our Housing Strategy which promotes the opportunity for people to stay within their communities and on the Island by offering a range of different initiatives.</p> <p>According to the Census, the percentage of Welsh speakers in the population aged 16-64 (working age) fell by 27.1%, a decrease of 8% in Welsh speakers aged 3-15; but a 16% increase in the percentage of Welsh speakers over the age of 65. This means that it is extremely important to hold on to young families, encourage Welsh speakers who have moved away to return to the area and encourage individuals to learn Welsh in order to at least maintain the language. Providing housing that is affordable enough and of the right kind to address the need in the local area and in a Local Service Centre (which is a sustainable location to live in) is an important way of doing this.</p>
<p>3.2 Does the proposal take steps to promote and facilitate the Welsh language?</p>	No new service is created as it is a strategy

## Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>3 - Effect on Welsh speaking communities</b>	
<ul style="list-style-type: none"> <li>• Does the proposal contribute towards Welsh medium community activities?</li> <li>• Does it offer opportunities for young people to use Welsh outside school hours?</li> <li>• Does it offer a new service that will also be available in Welsh – for example leisure or sporting activities and provision?</li> <li>• Does it contribute or add value to other activities relating to language, such as the work of the local Welsh language initiative (Menter Iaith), the Urdd etc.</li> </ul>	

<b>4 - Contribution towards Welsh language standards, language policies, strategies and other relevant guidance relating to the Welsh language</b>	
<p>4.1 The language policies of partner organisations or nearby public bodies:</p> <ul style="list-style-type: none"> <li>• Is the authority working in partnership on the proposal?</li> <li>• Which other organisations are likely to be affected by the development?</li> <li>• Do those organisations have Welsh language standards or language policies?</li> <li>• Does the proposal contribute towards these schemes?</li> </ul>	<p>No new service is created as it is a strategy</p>
<p>4.2 Relevant Welsh language strategies:</p> <ul style="list-style-type: none"> <li>• Will the proposal contribute towards the Anglesey Welsh</li> </ul>	<p>Yes, it will offer opportunities for people to have access to housing within their communities and the Island. See 3.1 above.</p>

## Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>4 - Contribution towards Welsh language standards, language policies, strategies and other relevant guidance relating to the Welsh language</b>	
<p>Language Strategic Forum’s Welsh Language Strategy 2016 – 2021 which was adopted by this Council in September 2016?</p> <ul style="list-style-type: none"> <li>• How does the proposal contribute towards the vision of the Assembly Government for one million Welsh speakers by 2050?</li> </ul>	

<b>5 – The impacts identified and assessed</b>	
5.1 What impacts and effects have you identified (ie summary of the responses to the above questions) together with the probability and likely severity/ significance of impact? How do you plan to address these impacts in order to improve the outcomes for the Welsh language? Detail mitigation measures/ alternative options to reduce adverse impacts and increase positive outcomes:	
Positive impact	Opportunities for people to have access to housing and support through a range of initiatives
Adverse impact	
Opportunities to promote the Welsh language e.g. status, use of Welsh language services, use of Welsh in everyday life, Welsh at work increased?	
Evidence / data used to support your assessment:	

## Isle of Anglesey County Council - Welsh Language Impact Assessment Template

<b>6 - Consultation</b>	
<p>6.1 During consultation, what questions do you wish to ask about the Welsh Language Impacts?</p> <p>Guidance has been included in the pre-consultation and pre-engagement checklist, which is available on MonITor</p>	<p>We have completed an Impact Assessment on the positive and negative impact on Equality and the Welsh Language. In your opinion, have we missed anything?</p>
<p>6.2 With whom are you consulting? How are Welsh language interest groups likely to respond?</p>	<p>Consultation on line and raising awareness of the consultation</p>
<p>6.3 Following consultation, what changes have you made to address language issues raised?</p>	<p>Referencing of the Welsh Language Promotion Strategy and strengthen the link with this Strategy</p>

<b>7 – Post consultation, final proposals and ongoing monitoring</b>	
<p>7.1 Summarise your final decisions, list the likely effects on the Welsh language and how you will promote/ mitigate these. Record your compliance with the Welsh language standards.</p> <p>You will need to refer to this summary in the equality impact assessment template (Step 4 – result of the assessment)</p>	<p>No negative impact identified</p>
<p>7.2 How will you monitor the ongoing effects during the implementation of the policy?</p>	<p><b>The action plan at the end of the equality impact assessment template should be used to note any actions planned following completion of the assessment.</b></p>

# Isle of Anglesey County Council - Welsh Language Impact Assessment Template

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<b>ISLE OF ANGLESEY COUNTY COUNCIL Scrutiny Report Template</b>	
<b>Committee:</b>	Corporate Scrutiny Committee
<b>Date:</b>	24 <sup>th</sup> January, 2022
<b>Subject:</b>	Corporate Scrutiny Committee Forward Work Programme
<b>Purpose of Report:</b>	Assist the Scrutiny Committee in considering, agreeing and reviewing its forward work programme for 2021/22
<b>Scrutiny Chair:</b>	Cllr Aled Morris Jones
<b>Portfolio Holder(s):</b>	Not applicable
<b>Head of Service:</b>	Lynn Ball, Head of Function (Council Business) / Monitoring Officer
<b>Report Author:</b>	Anwen Davies, Scrutiny Manager
<b>Tel:</b>	01248 752578
<b>Email:</b>	AnwenDavies@ynysmon.gov.uk
<b>Local Members:</b>	Applicable to all Scrutiny Members

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<b>1 - Recommendation/s</b>
The Committee is requested to: <b>R1</b> agree the current version of the forward work programme for 2021/22 <b>R2</b> note progress thus far in implementing the forward work programme.

<b>2 – Link to Council Plan / Other Corporate Priorities</b>
Effective work programming is the foundation of effective local government scrutiny. Our Scrutiny rolling forward work programmes are aligned with the corporate priorities of the 2017/2022 Council Plan and corporate transformation programmes – ensuring the role of Member scrutiny makes a tangible contribution to the Council’s improvement priorities.

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

**3.6** The potential impacts the decision would have on:

- protected groups under the Equality Act 2010
- those experiencing socio-economic disadvantage in their lives (when making strategic decisions)
- opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language

[focus on equality and the Welsh language]

#### 4 - Key Scrutiny Questions

### 5 – Background / Context

#### 1. Background

1.1 Effective work programming is the bedrock of an effective local government scrutiny function<sup>1</sup>. Done well, work programming can help lay the foundations for targeted and timely work on issues of local importance demonstrating where Member scrutiny can add value. Good practice advocates two key issues at the heart of the scrutiny forward work programme:

- i. Challenge around prioritising work streams
- ii. Need for a member-led approach and interface with officers.

#### 1.2 Basic principles of good work programming<sup>2</sup>

- Work programming should not be a “start-stop” process
- Complementary work programmes for separate scrutiny committees
- Balance between different methods of work
- An effective process for reporting / escalating issues to the Executive
- Input and views of internal stakeholders
- Close working with the Executive
- Links with the Annual Scrutiny Report (evaluation and improvement tool).

#### 2. Local context

2.1 There is now a well-established practice of forward work programming which are now rolling programmes focusing on the quality of scrutiny with fewer items, to add value. They are an important tool to assist Members in prioritising their work and are discussed with the Senior Leadership Team and Heads of Service. Both committees review the content of their work programmes on a regular basis, to ensure that they remain relevant and keep abreast with local priorities. Our local forward planning arrangements now ensure greater focus on:

- Strategic aspects
- Citizen / other stakeholder engagement and outcomes
- Priorities of the 2017/2022 Council Plan and transformation projects
- Risks and the work of inspection and regulation
- Matters on the forward work programme of the Executive.

<sup>1</sup> A Cunning Plan? Devising a scrutiny work programme, Centre for Public Scrutiny (March, 2011)

<sup>2</sup> A Cunning Plan? Devising a scrutiny work programme, Centre for Public Scrutiny (March, 2011)

**Outcome:** rolling work programmes for scrutiny committees which are aligned with corporate priorities.

2.2 Committee chairs lead on developing the forward work programmes and are submitted to the monthly Scrutiny Chairs and Vice-chairs Forum and for approval at each ordinary meeting of the scrutiny committees. The Forum is considered an important vehicle to oversee these programmes and jointly negotiate priorities.

2.3 **“Whole council” approach to Scrutiny:** our work programmes provide a strong foundation for our improvement programme, ensuring the role that Scrutiny plays in the Authority’s governance arrangements:

- i. Supports robust and effective decision-making
- ii. Makes a tangible contribution to the Council’s improvement priorities
- iii. Continues to evolve

#### 2.4 **Impact of the current Emergency on the Committee’s Work Programme**

The current period (**managing the emergency response to the Pandemic, the Recovery Period and gradually returning to the New Norm**) are extremely challenging periods for the Council and every other public organisation throughout Wales as we continue to face the challenges of the Covid-19 emergency and it is inevitable that this will impact on the Committee’s work programme. As a result, the Council has changed its way of working as a result of the global health emergency. During an emergency period, governance and accountability are of key importance.

The Centre for Public Scrutiny proposes a specific scrutiny model as a result of the pandemic, which in conjunction with the Council’s Committee Strategy provides a structure to inform the Committee’s work programme. A summary is provided below:

- i. Focus on a smaller number of key issues around “life and limb” aspects of local people’s lives
- ii. Maintain a “watching brief” over Council services, performance and financial matters
- iii. **Specific elements of the Scrutiny Model**
  - Overview of the Council’s response to Covid-19
  - Specific overview of *life and limb* matters (social care legislation, safeguarding children and adults; public health)
  - Continued overview of the Council’s financial matters
  - Act as a conduit for community experiences.

### 3. **Issues for consideration**

3.1 The Scrutiny Committee receives regular update reports on the implementation of its forward work programme. A copy of the current 2021/22 work programme is attached as **APPENDIX 1** to this report for reference and includes changes made to the work programme since the Committee last considered the document.<sup>3</sup>

<sup>3</sup> Meeting of the Corporate Scrutiny Committee convened on 16<sup>th</sup> November, 2021

3.2 Where appropriate, items may be added to the Committee's forward work programme during the municipal year. Requests for additional matters to be considered for inclusion on the work programme can be submitted via the Members Request Form for an item to be considered for Scrutiny. Requests are initially considered by the Scrutiny Chairs and Vice-chairs Forum, using the following criteria:

- the Council's strategic objectives and priorities (as outlined in the Council Plan 2017/2022)
- the ability of the Committee to have influence and/or add value on the subject (A Scrutiny Test of Significance Form will be completed).

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

### **6.1 Potential impacts on protected groups under the Equality Act 2010**

### **6.2 Potential impacts on those experiencing socio-economic disadvantage in their lives (strategic decisions)**

### **6.3 Potential impacts on opportunities for people to use the Welsh language and treating the Welsh language no less favourably than the English language**

Not applicable for this overarching issue but will be considered as an integral part of preparing for specific proposals to be submitted for consideration by the Committee.

## **7 – Financial Implications**

Not applicable.

## **8 – Appendices:**

Corporate Scrutiny Committee Forward Work Programme 2021/22

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

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

**ITEMS SCHEDULED FOR SCRUTINY → June 2021 – April, 2022**  
**[Version dated 17/01/22]**

**Note for Stakeholders and the Public:**

A [Protocol for Public Speaking at Scrutiny Committees](#) has been published by the Council.

Should you wish to speak on any specific item at a Scrutiny Committee then you should register your interest by submitting a written request using the form available as soon as possible and at least 3 clear working days prior to the specific Committee meeting. You can access information about the meeting and which items being discussed by reading this Forward Work Programme. Contact the Scrutiny Manager if you have any queries

[\[AnwenDavies@ynysmon.gov.uk\]](mailto:AnwenDavies@ynysmon.gov.uk)

<b>CORPORATE SCRUTINY COMMITTEE</b>	<b>PARTNERSHIP AND REGENERATION SCRUTINY COMMITTEE</b>
<b>June, 2021 (07/06/21)</b>	<b>June, 2021 (15/06/21)</b>
Performance Monitoring: Corporate Scorecard Qtr4: 2020/21	Update from Chief Executive of BCUHB
Finance Scrutiny Panel Progress Report	Annual Report on the Welsh Standards 2020/21
Housing Service Homelessness Data	Committee Forward Work Programme for 2021/22
Committee Forward Work Programme for 2021/22	
<b>July, 2021 (08/07/21)</b>	<b>June, 2021 (28/06/2021)</b>
Social Services Statutory Director Annual Report 2020/21	North Wales Economic Ambition Board Annual Report 2020-21
Committee Forward Work Programme for 2021/22	Public Services Board Annual Report 2020/21
	Annual Report: North Wales Regional Partnership Board (Part 9: Health and Social Services) 2020/21
	Committee Forward Work Programme for 2021/22
<b>September, 2021 (13/09/21)</b>	<b>September, 2021 (20/09/21)</b>
Monitoring Performance: Q1: 2021/22	North Wales Economic Ambition Board Quarter 1 Progress Report 2021/22
Finance Scrutiny Panel Progress Report	Schools Progress Review Panel Progress Report
Progress Monitoring: Social Services Improvement Plan / Social Services Improvement Panel Progress Report	
Committee Forward Work Programme for 2021/22	Committee Forward Work Programme for 2021/22
<b>October, 2021 (18/10/21)</b>	<b>October, 2021 (19/10/21) - cancelled</b>
Annual Performance Report 2020/21	
Nomination of Committee Member on the Waste Steering Group with WRAP Cymru	

<b>CORPORATE SCRUTINY COMMITTEE</b>	<b>PARTNERSHIP AND REGENERATION SCRUTINY COMMITTEE</b>
Committee Forward Work Programme for 2021/22	
<b>November, 2021 (01/11/21) - Budget 2022/23 - cancelled</b>	<b>November, 2021 (09/11/21)</b>
	Welsh Language: <ul style="list-style-type: none"> <li>• Language Strategy: 2021/26 – review</li> <li>• Welsh in Education Strategic Plan</li> </ul>
	Joint Local Development Plan: Review Report
	Committee Forward Work Programme for 2021/22
	Update – For Information <ul style="list-style-type: none"> <li>• Public Services Board - Governance Arrangements</li> <li>• North Wales Economic Ambition Board Qtr 2 Progress Report 2021/22</li> </ul>
<b>November, 2021 (16/11/21) - Q2</b>	
Monitoring Performance: Corporate Scorecard Q2: 2021/22	
Finance Scrutiny Panel Progress Report	
Transition Plan	
Committee Forward Work Programme for 2021/22	
<b>January, 2022 (24/01/22)</b>	<b>January, 2022 (18/01/22)</b>
Local Housing Strategy: 2022/27	Annual Report - Community Safety Partnership
2022/23 Budget Setting (Revenue Budget) – initial budget proposals	Corporate Safeguarding
2022/23 Budget Setting (Capital Budget) – initial budget proposals	
Finance Scrutiny Panel Progress Report	
Committee Forward Work Programme for 2021/22	Committee Forward Work Programme for 2021/22
<b>February, 2022 (28/02/22)</b>	<b>February, 2022 (08/02/22) - cancelled</b>
Final Draft Budget Proposals for 2022/23	
Finance Scrutiny Panel Progress Report (to be confirmed)	
Climate Change Plan (to be confirmed)	
Committee Forward Work Programme for 2021/22	
<b>March, 2022 (07/03/22)</b>	<b>March, 2022 (08/03/22)</b>
Monitoring Performance: Corporate Scorecard Q3: 2021/22	Annual Report on Equalities: 2020/21
Housing Revenue Account Business Plan: 2022/23	North Wales Economic Ambition Board Qtr 3 Progress Report 2021/22

<b>CORPORATE SCRUTINY COMMITTEE</b>	<b>PARTNERSHIP AND REGENERATION SCRUTINY COMMITTEE</b>
Progress Monitoring: Social Services Improvement Plan / Social Services Improvement Panel Progress Report	Population Needs Assessment: Social Services and Wellbeing Act 2014 (to be confirmed)
Homelessness Strategy and Housing Support Grant (07/03/2022)	Public Services Board – scrutiny of progress and delivery of the Wellbeing Plan (to be confirmed)
	Scrutiny of Partnerships
Committee Forward Work Programme for 2021/22	Committee Forward Work Programme for 2021/22

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