

# Public Document Pack



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

Mr Dylan Williams  
Prif Weithredwr – Chief Executive

CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
Swyddfeydd y Cyngor - Council Offices  
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<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>
<b>PWYLLGOR GWAITH</b>	<b>THE EXECUTIVE</b>
<b>DYDD MAWRTH 24 MEDI 2024 10.00 o'r gloch</b>	<b>TUESDAY 24 SEPTEMBER 2024 10.00 am</b>
<b>YSTAFELL BWYLLGOR, SWYDDFEYDD Y CYNGOR AC YN RHITHIOL DRWY ZOOM</b>	<b>COMMITTEE ROOM, COUNCIL OFFICES AND VIRTUALLY VIA ZOOM</b>
Swyddog Pwyllgor	<b>Ann Holmes 01248 752518</b> Committee Officer

## AELODAU/MEMBERS

### Plaid Cymru/The Party of Wales

Neville Evans, Carwyn E Jones, Gary Pritchard, Alun Roberts, Nicola Roberts, Robin Wyn Williams

### Y Grŵp Annibynnol/The Independent Group

Dafydd Roberts, Dafydd Rhys Thomas

## COPI ER GWYBODAETH / COPY FOR INFORMATION

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

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

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

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

## **A G E N D A**

### **1 DECLARATION OF INTEREST**

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

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

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

### **3 MINUTES (Pages 1 - 10)**

To submit for confirmation, the draft minutes of the meeting of the Executive held on 23 July 2024.

### **4 THE EXECUTIVE'S FORWARD WORK PROGRAMME (Pages 11 - 18)**

To submit a report by the Head of Democracy.

### **5 SCORECARD MONITORING - QUARTER 1, 2024/25 (Pages 19 - 32)**

To submit a report by the Head of Profession – HR and Transformation.

### **6 ANNUAL PERFORMANCE REPORT 2023/24 (Pages 33 - 64)**

To submit a report by the Head of Profession, HR and Transformation.

### **7 REVENUE BUDGET MONITORING - QUARTER 1, 2024/25 (Pages 65 - 90)**

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

### **8 CAPITAL BUDGET MONITORING - QUARTER 1, 2024/25 (Pages 91 - 104)**

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

### **9 HOUSING REVENUE ACCOUNT BUDGET MONITORING - QUARTER 1, 2024/25 (Pages 105 - 114)**

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

### **10 MEDIUM TERM FINANCIAL PLAN 2025/26 - 2026/27 (Pages 115 - 146)**

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

### **11 CHANGING THE CONSTITUTION - CONCERNS AND COMPLAINTS POLICY AND CONTRACT PROCEDURE RULES (Pages 147 - 152)**

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



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## THE EXECUTIVE

### Minutes of the meeting held on 23 July, 2024 in the Committee Room and virtually via Zoom

- PRESENT:** Councillor Robin Williams (Deputy Leader) (Chair)
- Councillors Gary Pritchard (Deputy Leader), Neville Evans, Alun Roberts, Dafydd Roberts, Nicola Roberts, Dafydd Rhys Thomas.
- IN ATTENDANCE:** Chief Executive  
Deputy Chief Executive  
Director of Function (Resources)/Section 151 Officer  
Director of Function (Council Business)/Monitoring Officer  
Director of Social Services  
Director of Education, Skills, and Young People  
Head of Democracy  
Corporate Planning, Performance and Programme Manager (GP)  
Chief Economic Development Officer (THJ)  
Energy Island Delivery Programme Manager (AC)  
Committee Officer (ATH)  
Webcasting Officer (FT)
- APOLOGIES:** Councillor Carwyn Jones, Mrs Carys Edwards (Head of Profession (HR) and Transformation)
- ALSO PRESENT:** Councillors Douglas Fowlie (Chair of the Corporate Scrutiny Committee), Glyn Haynes, Trefor Lloyd Hughes, MBE, R. Llewelyn Jones, Scrutiny Manager (AGD), Scrutiny Officer (EA) (for item 5).
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#### 1. DECLARATION OF INTEREST

No declaration of interest was received.

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

None to report.

#### 3. MINUTES

The minutes of the previous meeting of the Executive held on 23 May 2024 were presented for confirmation.

**It was resolved that the minutes of the previous meeting of the Executive held on 23 May 2024 be confirmed as correct.**

#### **4. THE EXECUTIVE'S FORWARD WORK PROGRAMME**

The report of the Head of Democracy incorporating the Executive's Forward Work Programme for the period from September 2024 to March 2025 was presented for confirmation.

The Head of Democracy updated the Executive on items new to the Forward Work Programme along with items that had been rescheduled for the reporting period.

**It was resolved to confirm the Executive's updated Forward Work Programme for the period September 2024 to March 2025 with the changes outlined at the meeting.**

#### **5. CORPORATE SELF-ASSESSMENT 2024**

The report of the Head of Profession (HR) and Transformation incorporating the Council's annual corporate self-assessment report for 2023/24 was presented for the Executive's consideration.

The report was presented by the Councillor Gary Pritchard, Deputy Leader, and Portfolio Member for Children, Youth and Housing Services as the third self-assessment report produced by the Council under the Local Government and Elections Act 2021. The report provides an evidential basis of how the Council has performed over the year using its available resources whilst managing and mitigating associated risks. Of the seven key areas which are the focus of the self-assessment, four areas (service planning, financial planning, workforce planning and performance management) are assessed as exceeding expectations while three areas (asset management, procurement and contract management, and risk and audit management) are assessed as meeting expectations. The report also identifies several areas as presenting opportunities for improvement and monitoring throughout 2024/25 and has been scrutinised by the Corporate Scrutiny Committee and reviewed by the Governance and Audit Committee.

Councillor Douglas Fowlie, Chair of the Corporate Scrutiny Committee provided Scrutiny's feedback on the Corporate Self-Assessment report from its 13 June 2024 meeting confirming that the Committee in endorsing the report had requested that it be updated in six months on the progress made on the actions in relation to the three key areas assessed as meeting expectations (as opposed to exceeding expectations), and that the self-assessment report for 2024/25 show how those actions have improved the performance for those three key areas.

The Chief Executive referred to the areas where opportunities for improvement and monitoring had been identified and he provided assurance that they are all being addressed and are progressing well.

The Executive's members welcomed the report as testament to the ongoing commitment and hard work of staff and their willingness to go the extra mile as reflected by the areas assessed as exceeding expectations. Members thanked all those who has been involved in compiling the self-assessment and in the robust process of challenging performance throughout the year. The outcome is a credit to the Authority in what are testing times financially and shows that it is making a difference. The Authority will continue to strive to maintain performance and to do better where it can. In this context Councillor Alun Roberts, Portfolio Member for Adults' Services and Community Safety highlighted the Council's financial resilience as one of the areas to be monitored in the current financial year due to cost-of-living pressures and a decrease in funding. He emphasised the importance of the public's being made aware of the potential for services to be put at risk if this and other councils do not receive a just financial settlement for 2025/26.

Councillor Dafydd Roberts sought assurance that the RAAC issue in council assets had been definitively addressed.

The Chief Executive confirmed that the reference to RAAC in the report is in relation to the completion of the renovation work in the two secondary schools where RAAC had been identified. The Director of Education, Skills, and Young People confirmed that a great deal of work had been carried out in the year since RAAC was found in the two schools and both schools had fully reopened in January 2024. The major works have been completed with a few minor tasks to be finished over the summer before the beginning of the new term in September.

**It was resolved to adopt the Corporate Self-Assessment 2023/24 document as a final version following its consideration and comments on its contents by the Governance and Audit Committee at its meeting on 18 July 2024.**

## **6. REVENUE BUDGET MONITORING – OUTTURN 2023/24**

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Council's services at the end of Quarter 4 2023/24 was presented for the Executive's consideration. The report set out the revenue budget outturn position for the 2023/24 financial year and included an analysis of budget variances.

The report was presented by Council Robin Williams, Deputy Leader and Portfolio Member for Finance as showing an overall projected financial position for 2023/24 including Corporate Finance and the Council Tax Fund of an underspend of £1.732m. This is 0.99% of the Council's net budget for 2023/24. Whilst this is a positive outcome it must be borne in mind that £3.78m from the General Reserve was used as a contribution towards balancing the 2023/24 budget so the result in effect reduces the level of the contribution from the General Reserve.

The Director of Function (Resources)/Section 151 Officer referred to rateable value refunds in relation to Oriol Ynys Môn and other property as having contributed an additional £1.6m towards the Council's income which is to be transferred to the General Reserve. Most services excepting Children and Families Services are underspent with the latter reporting a projected overspend of £1.715m at year end as a result of increased demand for placements and placement costs. The financial performance of Adults' Services has improved due to additional grant income. Children's Services represent the greatest financial risk to the Council going forward as a small change in the number of cases can have a significant impact on the cost of the service overall and it is an area which Welsh Government is reviewing. Services were also asked to reduce costs in the year by not filling vacant posts for as long as possible as a short-term strategy.

Councillor Gary Pritchard, Deputy Leader and Portfolio Member for Children, Youth and Housing Services said that pressures on children's social care demand and budgets are being felt nationally with the cost-of-living crisis being a factor. While the Council has invested significantly in inhouse foster care provision and small group homes as well as in preventative services, the challenges in terms of demand cannot be predicted but are ones which the Council must respond to as a statutory duty.

The Director of Social Services advised that specialist provision comes with the highest costs for those individuals who have experienced high level trauma whose needs the Council is not able to meet because of the specialism required and the associated cost. While the overspend in Children's Services would have been significantly higher had the Council not made the investment in developing its foster care and small homes provision, more complex cases including children with disabilities often require out of area provision which is costly.

The Chief Executive also referred to changing demographics and to Anglesey's ageing population which has implications as regards the demand for care services. The current funding system is unsustainable and needs to be reformed in light of the growing challenges

in social care and pressures on budgets otherwise more councils will find themselves in financial difficulties because they are unable to manage demand within a funding system that is not fit for purpose.

**It was resolved –**

- **To note the position set out in Appendices A and B of the report in respect of the Authority's financial outturn for 2023/24.**
- **To note the summary of Contingency budgets for 2023/24 detailed in Appendix C.**
- **To note the monitoring of agency and consultancy costs for 2023/24 in Appendices CH, D and DD.**
- **To note the estimated balance of the Council's general balances as at 31 March 2024 stands at £15.694m.**

## **7. CAPITAL OUTTURN 2023/24**

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the capital budget for the 2023/24 financial year that is subject to audit was presented for the Executive's consideration.

The report was presented by Councillor Robin Williams, Deputy Leader, and Portfolio Member for Finance who provided a summary of the capital budget for 2023/24 as per paragraph 1.2 of the report. The total capital budget for 2023/24 was £67.788m of which £50.574m or 75% was spent to 31 March 2024 giving an underspend of £17.214m.

The Director of Function (Resources)/Section 151 Officer highlighted the importance that grant funding plays in the Council's capital programme with 63% of the budget and 59% of the actual expenditure being funded from capital grants some of which are awarded competitively. The level of underspending on the programme is not unexpected given the number of large, complex projects involved and the majority of the underspend relates to large projects where unexpected issues or delays have occurred leading to projects slipping; an overview of these projects is provided in paragraph 2.2 of the report. The funding for these projects has been secured and will be carried forward to 2024/25 with no loss of resources for the Council. However an underspend on the Additional Learning Needs Grant is expected to be repaid back to Welsh Government. Councillor Gary Pritchard, Deputy Leader and Portfolio Member for Children, Youth and Housing Services clarified that it had not been possible to comply with the terms and conditions of the grant due to circumstances beyond the Council's control involving RAAC associated work in Holyhead High school. A request was made to Welsh Government to be allowed to carry forward the underspend but was not approved.

The Executive's members acknowledged the Council's dependency on grant funding for a high proportion of its capital schemes and thanked Officers for their time and application in competing for many of the grants that are key to sustaining the Council's capital programme. Although Members emphasised the importance of maximising grant opportunities, they also noted that a number of grants awarded can be for a specific purpose and their usage tied to projects which may not be a priority for the Council.

The Chief Executive advised that where grants are awarded through a competitive process, they require Officer time, expertise, and initiative to identify opportunities and secure the funding as well as to manage the expenditure thereafter. However as the Council curtails capacity there is a risk that the capacity and expertise to apply for grants in future may be reduced meaning that expectations need to be managed and the grants which the Council competes for may have to be prioritised.



**It was resolved –**

- **To note the draft outturn position of the Capital Programme 2023/24 that is subject to audit.**
- **To approve the carry-forward of £15.499m to 2024/25 for the underspend on the programme due to slippage. The funding for this will also carry-forward to 2024/25 as per paragraph 4.3 of Appendix A. The revised capital budget for 2024/25 is £59.337m.**

## **8. HOUSING REVENUE ACCOUNT BUDGET MONITORING – OUTTURN 2023/24**

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the HRA for the period April 2023 to March 2024 was presented for the Executive.

The report was presented by Councillor Robin Williams, Deputy Leader, and Portfolio Member for Finance who reported that the revenue budget had a budgeted surplus of £8.044k. The gross capital budget for 2023/24 was £19,988k with grant and other funding of £6,898k reducing the budget by £13,090k. The combination of both the revenue budget and adjusted capital budget gave a planned budget deficit of £5,046k which would be funded from the HRA reserve.

The actual HA revenue surplus of £8,727 exceeds the budgeted level of surplus by £683k as detailed in Appendix A to the report. Capital expenditure was underspent by £182k at out-turn as detailed in Appendix B. Grant income was £801k above the budget with other contributions £538k below the budget. At out-turn the net capital expenditure was underspent by £44k. An additional £509k was received from the joint equity sale of 4 dwellings which has been transferred to an earmarked reserve. The deficit combining both revenue and capital at out-turn was £3,918k, £1,127k less than the budget which leaves £8,189k as the closing HRA Reserve balance. The balance is ringfenced and only available to fund future HRA expenditure.

The Director of Function (Resources)/Section 151 Officer referred to the HRA strategy as set out in the HRA 30-year Business Plan as being to utilise HRA revenue surplus as a contribution towards capital expenditure to maintain the current stock to WHQS standards with the HRA reserve being used to fund the development of new homes. As the HRA reserve reduces to the level agreed in the Business Plan which is approximately £1m to £1.5m, borrowing will be undertaken to continue the building process and the costs funded from the income from the new homes already developed.

**It was resolved to note the position set out in respect of the financial performance of the Housing Revenue Account (HRA) for 2023/24.**

## **9. DRAFT FINAL ACCOUNTS 2023/24 AND USE OF RESERVES AND BALANCES**

The report of the Director of Function (Resources)/Section 151 Officer incorporating the draft Comprehensive Income and Expenditure Statement (CIES) for 2023/24 and the draft Balance Sheet as at 31 March 2024 was presented for the Executive's consideration. The report provided a summary of the Council's general balances, earmarked reserves, school balances and HRA reserve.

The report was introduced by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance who reported that the Council's draft accounts had been forwarded to

Audit Wales for audit within the prescribed deadline and had been reviewed by the Governance and Audit Committee on 18 July 2024.

The Director of Function (Resources)/Section 151 Officer referred to the CIES which shows the Council's income and expenditure position for 2023/24 including the cost of services based on accounting practices rather than the amount to be funded from taxation. He reported on the movements in the Council's reserves and balances at 31 March 2024 as summarised in paragraph 3.4 of the report and advised that the figures presented are subject to audit and may change. The balance on the General Fund as at 31 March 2024 is £15.604m (including the underspend from 2023/24) or 8.95% of the 2023/24 net expenditure budget. The Council utilised £4.425m of this reserve as funding for the 2024/25 budget which reduces the net available balance to £11.179m or 6.08% of the 2024/25 net expenditure budget. The Section 151 Officer's recommendation approved by the Council is that 5% of the net revenue expenditure budget should be maintained as a minimum balance of the reserve for the forthcoming financial year. Based on this recommendation the minimum balance should be £9.2m which gives the Council £2m of balances above this minimum figure. Based on the available information, the funding position for 2025/26 appears challenging. The surplus in general balances strengthens the Council's position and provides it with the opportunity to use its general balances in 2025/26 to supplement its Welsh Government settlement and Council Tax funding. Staying on budget in 2024/25 will also help the Council's position as any overspend will have to be met from the general balances. Planning for the 2025/26 budget has already commenced.

The Section 151 Officer also referred to school balances which although they have reduced remain in a comparatively healthy state overall, and to earmarked reserves which are held for specific purposes. Table 4 of the report sets out the new reserves created in 2023/24 and the reasons for their creation for which the Executive's approval is sought.

The Executive thanked the Finance Service's staff for their work in completing the draft accounts on time and their subsequent submission for audit.

**It was resolved –**

- **To note the draft unaudited financial statements for the financial year 2023/24. (The full Draft Statement of Accounts 2023/24 is published on [IOACC-Draft-SOA-Redacted.pdf \(gov.wales\)](#)).**
- **To note the position of the Council's general balances of £15.604m.**
- **To note the balance of Earmarked Reserves of £16.778m and approve the creation of £1.553m of new earmarked reserves.**
- **To formally approve the transfer of £2.002m of earmarked reserves back to the Council's General Balances.**
- **To note the balance of the school reserves of £5.577m.**
- **To note the balance of the HRA reserve of £8.189m.**

## **10. CHANGES TO THE CONSTITUTION: SCHEME OF DELEGATION TO OFFICERS**

The report of the Head of Regulation and Economic Development and the Director of Function (Council Business)/Monitoring Officer which sought the Executive's endorsement for a scheme of delegation with regard to the Council carrying out its statutory function in relation to any development which is a National Significance Infrastructure Project (NSIP) was presented for consideration.

The report was introduced by Councillor Nicola Roberts, Portfolio Member for Planning, Public Protection and Climate Change.

The Energy Island Programme Manager provided an overview of the NSIP examination process and the Council's statutory role in relation to an NSIP and advised that it is considered necessary to have in place a scheme of delegation to ensure that the Council can effectively fulfil its statutory duties in terms of engaging with a project of scale that is a National Significance Infrastructure Project in order to be able to provide its submissions within the deadlines prescribed by the Planning Inspectorate and participate in the examination process either through hearings or inquiries. Due to the examination timetable being set by the Planning Inspectorate it is not possible to align the deadlines for the Council to submit representations and evidence with the Council's committee cycle. For this reason, it is requested that the Executive supports a scheme of delegation that allows the Head of Regulation and Economic Development to carry out all statutory functions of the Council in relation to NSIP. The Energy Island Programme Manager gave assurance that every effort will be made at all stages to enable as much political input as possible via existing governance arrangements.

Similarly, the examination timetable confirmed by the Planning Inspectorate does not allow sufficient time for the translation of the Council's submission by the submission date hence the request to depart from the requirements of the Council's Welsh Language policy to allow for the Welsh translation of the Council's submissions to the examination process to follow after the submission date. This will not affect the Council's compliance with the statutory service delivery of Welsh Language standards which provide for the Welsh/bilingual communication with the public and other persons in Wales. A Welsh version of the Council's submissions will be provided at all times and no documentation will be published or made available publicly until a Welsh translation is available.

Councillor Nicola Roberts added that the feasibility of writing to the Planning Inspectorate to highlight that the examination timetable as prescribed does not allow the submission of bilingual documentation with a view to the timetable being reviewed for the future to enable that to happen had been raised in informal discussions.

The Chief Executive advised that a letter to that effect would be sent to the Planning Inspectorate.

**It was resolved to recommend to the Full Council that it support the following –**

- **To delegate to the Head of Regulation and Economic Development in consultation with the Leader (or such delegated to a Portfolio Holder as may be nominated by the Leader), to carry out all the Council's statutory functions in relation to any development which is a National Significant Infrastructure Project (NSIP) and requires a Development Consent Order (DCO) as defined under the Planning Act 2008 as amended by the Secretary of State.**
- **The Director of Function (Council Business)/Monitoring Officer in consultation with the Head of Regulation and Economic Development to update section 3.5.3.10 of the Constitution to reflect the delegation given by the decision.**
- **Permission to deviate from the requirements of the Council's Welsh Language Policy to allow the Welsh translation of the Council's comments to be sent to the Planning Inspectorate after their submission in English. (This exception is required because the NSIP examination timetable does not include sufficient time for the Council's comments to be translated by the submission date).**

## **11. SOCIO-ECONOMIC CONDITION OF NORTH ANGLESEY AND THE CASE FOR INVESTMENT AND SUPPORT**

The report of the Head of Regulation and Economic Development incorporating the North Anglesey Socio-economic Impact Report was presented for the Executive's consideration.

The report was presented by Councillor Gary Pritchard, Deputy Leader and Portfolio Member for Children, Youth and Housing Services as providing an evidence base to set out the current position and challenges facing North Anglesey as well as the Council's ambitions for investment to address the distinctive socio-economic challenges in the area. The North of the Island has been in decline for many years with the closure of major employers, the loss of good quality jobs and the exodus of Welsh speaking, work age people leaving an ageing population and a struggling economy. Although North Anglesey covers a third of the Island, the area has less than 10% of all jobs in Anglesey and its largest town, Amlwch is within the top 30% of the most deprived areas in Wales. The report provides robust evidence and justification for writing to Welsh Government to highlight the issues, challenges, and opportunities with regard to North Anglesey and to make the case for investment and support to address the economic decline of the area.

The Chief Economic Development Officer said that although the report has been produced from an economic development perspective, it has relevance for all the Council's services making it important therefore that any interventions/solutions are made on a whole Council basis and that the Council also continues to engage closely with the Welsh and Westminster Governments and with other strategic partners to take this matter forward.

The Chief Executive advised that the Council has taken the bold step of bringing the challenges that face North Anglesey to public attention in a report that makes difficult reading. While the Council is making every effort with the resources available to address the situation in North Anglesey, there are policy considerations at Welsh and UK government levels and through the NDA that extend beyond the Council's reach. The proposed letter to Welsh Government is important and needs to be circulated more extensively as are urgent discussions about the situation to avert further decline. The situation in North Anglesey is also linked to changing demographics and the loss of residents aged between 25 and 50 over the past decade which if the trend continues will have implications for service provision. It requires a strategic plan to set out a long-term vision for the area taking into account the needs of the next generation. The Council through the publication of the report and assessment of the issues is taking that strategic approach with the aim of bringing the relevant organisations together to set objectives and to ensure that the decisions made will create a better future for the next generation in North Anglesey

The Executive agreed that North Anglesey is an area in need of attention and reflects the decline that can happen when businesses close and job opportunities reduce and people move out of the area as a result. The evidence and data collected provide a basis for taking collaborative action to address the issues in North Anglesey and to promote the area's regeneration.

### **It was resolved –**

- **To note the North Anglesey Socio-economic Impact Report and its contents in order to be fully informed as to the current situation, trends, opportunities, and challenges.**
- **To support the Leader writing to the new Cabinet Secretary for the Economy, Energy and Welsh Language to raise awareness of the issues, challenges, and opportunities.**

- To support the Council's ongoing activities to identify and secure external funding to facilitate future regeneration.
- To ensure Officers and Elected Members utilise the data provided in the Impact Report to make informed whole Council decisions to deliver the Council Plan 2023-28.

**Councillor Robin Williams**  
**Chair**

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<b>Isle of Anglesey County Council</b>	
Report to:	The Executive
Date:	24 September 2024
Subject:	The Executive's Forward Work Programme
Portfolio Holder(s):	Cllr Gary Pritchard Cllr Robin Williams
Head of Service / Director:	Lynn Ball, Director of Function – Council Business / Monitoring Officer
Report Author:	Dyfan Sion, Head of Democratic Services
Local Members:	Not applicable

<b>A – Recommendation/s and reason/s</b>
<p>In accordance with its Constitution, the Council is required to publish a forward work programme and to update it regularly. The Executive's Forward Work Programme is published each month to enable both members of the Council and the public to see what key decisions are likely to be taken over the coming months.</p> <p>The Executive is requested to:</p> <p>confirm the attached updated work programme which covers <b>October 2024 – May 2025</b>;</p> <p>identify any matters for specific input and consultation with the Council's Scrutiny Committees;</p> <p>note that the forward work programme is updated monthly and submitted as a standing monthly item to the Executive.</p>

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

<b>C – Why is this a decision for the Executive?</b>
The approval of the Executive is sought before each update is published to strengthen accountability and forward planning arrangements.

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

Yes.

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

Not applicable.

Dd – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	Not relevant.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	



E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The forward work programme is discussed monthly at Leadership Team meetings.
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	Under normal circumstances, monthly joint discussions take place on the work programmes of the Executive and the two Scrutiny Committees in order to ensure alignment.
9	Local Members	Not relevant

**F - Appendices:**

The Executive's Forward Work Programme: October 2024 – May 2025.

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

# The Executive's Forward Work Programme

## Isle of Anglesey County Council

Period: October 2024 – May 2025

This forward work programme lists all the decisions that the Executive intends to take and what business the scrutiny committees will be considering as well as when those matters will be discussed. It also lists any recommendations the Executive intends to make regarding decisions which must be made by the full Council.

Executive decisions may be taken by the Executive as a collective body or by individual members of the Executive acting under delegated powers.

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The forward work programme is reviewed on a regular basis and monthly updates are published. The fact that a decision has not been included in the forward work programme does not prevent urgent or unforeseen matters being considered.

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

Last updated on 13 September 2024

October 2024

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
22 October 2024 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	
	Procurement Strategic Plan and new Contract Procedure Rules	Cllr Robin Williams	
	Treasury Management Annual Report 2023/24	Cllr Robin Williams	
	Local Flood Risk Management Strategic Plan	Cllr Dafydd Rhys Thomas	

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November 2024

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
26 November 2024 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	
	Corporate Scorecard – Quarter 2, 2024/25	Cllr Carwyn Jones	Corporate Scrutiny Committee 14 November 2024
	Revenue Budget Monitoring – Quarter 2, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel 5 November 2024

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
	Capital Budget Monitoring – Quarter 2, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel 5 November 2024
	Housing Revenue Account Budget Monitoring – Quarter 2, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel 5 November 2024
	Council Tax Base 2025/26	Cllr Robin Williams	
	Modernising Adults Services Strategic Plan	Cllr Alun Roberts	Partnership and Regeneration Scrutiny Committee 20 November 2024
	Môn Actif Strategic Plan	Cllr Neville Evans	Corporate Scrutiny Committee 14 November 2024
	Anglesey Freeport – Full business case	Cllr Gary Pritchard Cllr Robin Williams	
	Local Housing Marketing Assessment	Cllr Gary Pritchard	Corporate Scrutiny Committee 14 November 2024

## December 2024

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
10 December 2024 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	
	Annual Governance Statement	Cllr Carwyn Jones	

## January 2025

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
21 January 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	

## February 2025

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
18 February 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	
	Revenue Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel
	Capital Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel
	Housing Revenue Account Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel

## March 2025

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
25 March 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	
	Corporate Scorecard – Quarter 3, 2024/25	Cllr Carwyn Jones	Corporate Scrutiny Committee
	Towards Net Zero Strategic Plan	Cllr Nicola Roberts	Partnership and Regeneration Scutiny Committee 12 March 2024
	Local Flood Risk Management Strategic Plan	Cllr Dafydd Rhys Thomas	Corporate Scrutiny Committee 11 March 2025

## April 2025

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
29 April 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	

## May 2025

Date of meeting or, if the decision is delegated, publication date	The matter to be considered	Portfolio Member	Date to scrutiny and / or full Council (if relevant)
May 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard Cllr Robin Williams	

Isle of Anglesey County Council	
Report to:	Executive Committee
Date:	24 September 2024
Subject:	Scorecard Monitoring Report - Quarter 1 (2024/25)
Portfolio Holder(s):	Councillor Carwyn E Jones, Portfolio holder for Transformation
Head of Service / Director:	Carys Edwards
Report Author: Tel: E-mail:	Gwyndaf Parry 01248 752111 <a href="mailto:GwyndafParry@ynysmon.llyw.cymru">GwyndafParry@ynysmon.llyw.cymru</a>
Local Members:	n/a

A –Recommendation/s and reason/s	
<b>1.1</b>	This is the new scorecard for the 2024/25 financial year. It portrays the Council’s performance against the strategic objectives outlined in the Council Plan.
<b>1.2</b>	<p>The report highlights some of the positive stories with respect to the quarter 1 performance. Some of these highlights include:</p> <ul style="list-style-type: none"> <li>• The Children and Families indicators are all green against their targets</li> <li>• 29 schools designated as eco-schools</li> <li>• All Housing indicators are green against target</li> <li>• The Planning indicators (Economy 4 &amp; 5) are green and are performing better than targets</li> </ul>
<b>1.3</b>	<b>The Committee is requested to review the scorecard and note the areas which the Leadership Team are exploring and investigating to manage and secure further improvements into the future.</b>
<b>1.4</b>	<p>These are recommended as follows:</p> <ul style="list-style-type: none"> <li><b>1.4.1</b> Freedom of Information (FOI) requests responded to within timescale;</li> <li><b>1.4.2</b> The percentage of high risk businesses that have been inspected in accordance with the food hygiene standards</li> <li><b>1.4.3</b> Continue to work with Services to ensure new KPIs are reported on from Q2 onwards, to enable better understanding of performance trends.</li> </ul>

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

<b>C – Why is this a decision for the Executive?</b>
This matter is delegated to the Executive

<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>
Yes

<b>Dd – Assessing the potential impact (if relevant):</b>		
1	How does this decision impact on our long term needs as an Island?	The Corporate Scorecard Report gives a snapshot of the Key Performance Indicator (KPI) performance against the Council Plan's strategic objectives at the end of each quarter.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Performance of some KPIs could potentially have an impact on future costs however mitigation measures proposed looks to alleviate these pressures.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Elements of the work monitored within the Scorecard is undertaken in a collaborative manner with other organisations such as Betsi Cadwaladr University Health Board, Welsh Government, Keep Wales Tidy, Careers Wales, Sports Wales, GWE, amongst others.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	N/A
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	N/A
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	N/A
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.	N/A

<b>E – Who did you consult?</b>		<b>What did they say?</b>
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	This was considered by the Leadership Team and their comments are reflected in the report
2	Finance / Section 151 (mandatory)	Comments reflected in the report
3	Legal / Monitoring Officer	Comments reflected in the report



E – Who did you consult?		What did they say?
	(mandatory)	
4	Human Resources (HR)	Comments reflected in the report
5	Property	
6	Information Communication Technology (ICT)	
7	Procurement	
8	Scrutiny	Was considered by Corporate Scrutiny on the 17/9. The Committee Chairman will feedback in this meeting.
9	Local Members	

F - Appendices:
Appendix A - Scorecard Quarter 1

Ff - Background papers (please contact the author of the Report for any further information):
<ul style="list-style-type: none"> <li>• Council Plan 2023-2028</li> </ul>

# Corporate Scorecard 2024/25

## Quarter 1 report

**Prepared by** – Transformation Service

**Publication date:** September 2024

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

## 1. Introduction

1.1 The Council Plan 2023-28 identifies six strategic objectives and sets out the key actions and commitments for the next five years.



Welsh Language



Social Care and Wellbeing



Education



Housing



Economy



Climate Change



### Council Plan 2023 to 2028

1.2 This scorecard monitoring report for 2024/25 is used to monitor the performance of our Key Performance Indicators (KPIs) in delivering the council's day to day activities that underpin the delivery of the Council Plan.

1.3 A number of KPIs are new, many currently do not have targets and are there to set a baseline, with some data not available until end of the year. Trends will however be monitored from Q 2 during 2024/25 with the aim of setting targets in 2025/26.

1.4 It provides the evidence to enable the Council to monitor its performance and to be data informed when identifying any mitigating actions agreed by the Leadership Team to drive and secure performance improvements into the future.

1.5 The results within the scorecard are all cumulative and as such a trend column will be made available from Q2 to inform the performance trends from quarter to quarter.

1.6 The RAG status for each section of the scorecard, with the exception of financial management which is done from a professional opinion perspective, can be found below:

- Red - more than 10% below target and/or needing significant intervention
- Amber - between 5% & 10% below target and/or requiring some intervention
- Yellow - within 5% of target
- Green - on or above target

## 2. Overview

2.1 The majority (94%) of the indicators with targets monitored during the quarter performed well against targets (Green or Yellow RAG).

2.2 Only two indicators are currently Red or Amber against targets. They are:

2.2.1 Economy - 07) Percentage of high-risk businesses subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation – RED – 71%, Target – 80%

22 of the 31 inspections due during Q1 were inspected. The service will ensure that the target of 80% will be achieved during the year by monitoring staff availability to undertake the inspections and redeploying other work if necessary. While catching up on the inspections, the service will prioritise the businesses that have the highest risk to the public in the first instance.

2.2.2 Whole Council Health - 12) % of FOI requests responded to within timescale – AMBER – 83%, Target – 90%

There was a total of 247 FOI requests during Q1 with 205 of them responded to within timescale. The Council remain committed to increasing the response rate for FOIs, however due to the need to make savings, some reduction in capacity to deal with tasks within the services ensures that the target of 90% remains a difficult one.

2.3 Some examples of the good performance seen during the quarter include:

2.3.1 95% of adults received advice and assistance from the information, advice and assistance service and have not contacted the service in the following 6 months

2.3.2 All the Children and Families Service indicators (Social Care and Wellbeing indicators 6 – 10) are Green against targets.

2.3.3 29 Schools are designated as Eco-Schools on the island

2.3.4 All indicators currently being monitored in the Housing objective are Green against targets

2.3.5 The planning indicators with targets (Economy indicators 4 and 5) are both Green and outperforming targets for the quarter

2.3.6 The waste management indicators reported (Climate Change 4-5) are Green against target

### 3. Welsh Language



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) The percentage of jobs advertised by the Council as Welsh level 4 or 5				Data available in Q3
02) The number of officers receiving Welsh language training	43			
03) The number of complaints suggesting a failure to comply with the Welsh Language Standards	2			
04) The number of complaints that were subject to a statutory investigation by the Welsh Language Commissioner	0			
05) The percentage of visits to Welsh language interface of our main website	8%			
06) The percentage of Welsh language responses to official consultations	15%			
07) The percentage of followers following the Welsh side of the Council's main social media accounts	23%			
08) The number of businesses receiving support as part of the ARFOR programme	15			
09) The percentage of year 11 pupils studying Welsh [first language]	68.46%	69.30%	Yellow	

## 4. Social Care and Wellbeing



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) Number of adults in receipt of Direct Payments	212	224	Yellow	
02) The percentage of adult protection enquiries completed within statutory timescales	89.36%	90%	Yellow	
03) The percentage of adults who have received advice and assistance from the information, advice and assistance service and have not contacted the service in the following 6 months	94.95%	85%	Green	
04) Number of older people (aged 65 or over) whom the authority supports in care homes, as at 31 March	289	352	Green	
05) The percentage of carers of adults who received an assessment or review in their own right during the year following a request	94.30%	93%	Green	
06) The average length of time for all children who remain on the Child Protection Register as at end of quarter	142	270	Green	
07) Children Re-Registered on the Child Protection Register within 12 Months of previous removal from the register	0	15	Green	
08) The percentage of referrals of children that are re-referrals within 12 months	7.50%	15%	Green	
09) The percentage of statutory visits to children on the Child Protection Register due in the year that took place in accordance to regulations	94.12%	90%	Green	
10) The percentage of Initial Pathway Plans due in the year that took place within timescales	100%	85%	Green	
11) Number of visits to leisure centers	130704	115000	Green	
12) Percentage of NERS clients who completed the exercise programme				Data available in Q3

## 5. Education



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) Percentage of pupil attendance in primary schools (termly)	91.98%			
02) Percentage of pupil attendance in secondary schools (termly)	87.10%			
03) Percentage of Year 11 leavers not in Education, Training or Employment [NEET]				
04) Percentage of Quality Indicators (with targets) achieved by the library service				
05) Number of schools in Estyn Follow up / Statutory Category	1			
06) Number of schools with the Eco-schools status	29			2 Secondary Schools and 27 Primary Schools
07) Môn Actif - Number of children undertaking swimming lessons throughout the year	1847	1900	Yellow	
08) Number of children and young people excluded permanently from school	14			2023/24 result
09) Number / proportion of schools with a financial recovery plan	6			

## 6. Housing



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) Landlord Services: Average number of days to complete Responsive Maintenance repairs				Data not available due to reporting issues in the system. Data should be available for Q2 reporting.
02) Percentage of tenants satisfied with Responsive Maintenance repairs	88%	85%	Green	
03) The average number of calendar days to let lettable units of accommodation (excluding DTLs)	26	35	Green	
04) Average number of calendar days taken to deliver a Small and Minor Disabled Facilities Grant - Adaptions (<£36k)	185	185	Green	
05) Average number of calendar days taken to deliver a Major Disabled Facilities Grant - Adaptions (>£36k)	-	211		No major adaptions in Q1
06) Number of new Council homes developed, and former Council Homes purchased and brought back into Council rented homes.	22	11	Green	
07) The total amount of rent arrears owed by current tenants as a percentage of the total rent collectable for the permanent accommodation	3.02	3.1	Green	
08) Number of empty private properties brought back into use through our Empty Homes interventions	16	12	Green	
09) Percentage of households successfully prevented from becoming homeless	92.60%	85%	Green	
10) Number of homelessness applications for assistance (section 62 assessments)	185	-		
11) Number of Households currently placed in Emergency and Temporary Accommodation	85	-		



## 7. Economy



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) % of economic and development / regeneration grant funding received and implemented	38%			
02) Percentage of council business units let	86%			
03) Total number of customers with annual mooring contract	179			
04) Percentage of all planning applications determined in time	97%	90%	Green	
05) Percentage of planning enforcement cases investigated within 84 days	97%	80%	Green	
06) Number of planning appeals allowed (as a % of overall planning applications)	1%			
07) Percentage of high-risk businesses subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation	71%	80%	Red	22 of the 31 inspections due during Q1 were inspected. The service will ensure that the target of 80% will be achieved during the year.
08) Percentage of food establishments that meet food hygiene standards	98%	95%	Green	

## 8. Climate Change



	Q1	Q1 Target	Q1 RAG	Q1 Comments
01) Total carbon emissions from council buildings (tCO2e)				Data available in Q4
02) Percentage of domestic waste reused, recycled, or composted				The full data for Q1 is not yet available
03) Percentage of waste reused, recycled, or composted from Council buildings	48.28%			
04) Percentage of streets that are clean	96.60%	96%	Green	
05) Average number of working days taken to clear fly-tipping incidents	0.04	1	Green	
06) Percentage of A roads in poor condition (annual)				Data available in Q3
07) Percentage of B roads in poor condition (annual)				Data available in Q3
08) Percentage of C roads in poor condition (annual)				Data available in Q3
09) Total carbon emissions from council fleet (tCO2e)	162			
10) Proportion of low carbon (electric) vehicles within the council fleet	12%			
11) Number of Council operated electric vehicle chargers	49			

## 9. Whole Council Health

	RAG	Budget	Actual	Variance (%)	Forecasted Actual	Forecasted Variance (%)
01) Forecasted end of year outturn (Revenue)	Yellow	£179,738,000			£180,418,000	0.38%
02) Forecasted end of year outturn (Capital)		£69,361,000			£68,659,000	-1.01%
03) Income v Targets (excluding grants)	Green	-£4,088,676	-£4,522,447	10.61%		
04) Forecasted general balances at end of year					-£10,991,950	
05) Cost of borrowing - % of budgeted revenue expenditure	Green	2.62%			2.62%	
06) No of Services forecast to overspend by over 5% of their budget			1			
07) % of Council Tax collected (for last 3 years)	Yellow		97.6%			
08) % of Sundry Debtors collected (for last 3 years)	Yellow		93.2%			

	Q1	Q1 Target	Q1 RAG	Q1 Comments
09) Total number of complaints upheld / partially upheld	7	12	Green	6 Corporate and 1 Social Services
10) Total % of written responses to complaints within 20 days (Corporate)	83%	80%	Green	5 of the 6 complaints responded to within 20 days
11) Total % of written responses to complaints within 15 days (Social Services)	100%	80%	Green	
12) % of FOI requests responded to within timescale	83%	90%	Amber	247 FOIAs requested in Q1
13) Proportion of queries dealt with and closed by Cyswllt Môn (not forwarded to Services)	50%			
14) Number of staff authority wide staff, including teachers and school based staff (FTE)	2406			
15) Sickness absence - average working days/shifts lost	2.09	2.13	Green	
16) Short Term sickness - average working days/shifts lost per FTE	0.93			
17) Long Term sickness - average working days/shifts lost per FTE	1.16			
18) Local Authority employees leaving (%) (Turnover)				Data available in Q4
19) % of posts advertised and filled during first round of advertising				Data available in Q3

## 10. Conclusion and Recommendations

- 10.1 The performance of 94% of the performance indicators performing above target or within 5% tolerance of their targets for the quarter is positive.
- 10.2 It demonstrates that services are operating in line with the values and general principles of the Council.
- 10.3 **Recommendation – that the Leadership Team manage, investigate and secure improvements into the future for the following KPIs:**
  - 10.3.1 Economy - 07) Percentage of high-risk businesses subject to planned inspections that were inspected to ensure compliance with Food Hygiene Legislation;
  - 10.3.2 Whole Council Health - 12) % of FOI requests responded to within timescale
  - 10.3.3 Work with Services to ensure KPIs which do not have data against for Q1 can be reported on from Q2 onwards to enable better understanding of performance and trends.

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
Report to:	Executive Committee
Date:	24 <sup>th</sup> September 2024
Subject:	Annual Performance Report 2023/24
Portfolio Holder(s):	Councillor Carwyn E Jones
Head of Service / Director:	Carys Edwards
Report Author:	Gwyndaf Parry
Tel:	01248 752111
E-mail:	<a href="mailto:GwyndafParry@anglesey.gov.uk">GwyndafParry@anglesey.gov.uk</a>
Local Members:	n/a

<b>A –Recommendation/s and reason/s</b>
<p><b>1. Agree on the content of the Annual Performance Report for the financial year 2023/24. It shows the Council's performance against its strategic objectives as outlined in the Council's Plan. Recommend that the full Council adopt the report at the September 26 Council meeting.</b></p> <p>2. The report provides an update on the Council's performance, including, summarizing:</p> <p style="margin-left: 20px;">2.1. Annual Delivery Document 2023/24</p> <p style="margin-left: 20px;">2.2. Scorecard Report 2023/24</p>

<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>
n/a

<b>C – Why is this a decision for the Executive?</b>
n/a

<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>
Yes

<b>E – Impact on our Future Generations(if relevant)</b>		
1	How does this decision impact on our long term needs as an Island?	The annual performance report summarizes the Council's performance during 23/24 and how the Services have

		performed against our Key Performance Indicators, Annual Delivery Document and Budget. It provides assurance of performance against the strategic objectives of the Council's Plan at the end of the year.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Performance within certain areas could potentially have an impact on future costs, this will feed into the scorecard and delivery document the following year.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Elements of the work monitored in the report are undertaken in a collaborative manner with other organizations such as Betsi Cadwaladr University Health Board, Welsh Government, Keep Wales Tidy, Careers Wales, Sport Wales, GWE, Stena and Local Businesses , among others.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	N/A
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	N/A
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	N/A
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.	N/A

<b>DD – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Senior Leadership Team (SLT)</b> (mandatory)	This was considered by the Leadership Team and their comments are reflected in the report
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	Comments are reflected in the report
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	Comments are reflected in the report
<b>4</b>	<b>Human Resources (HR)</b>	Comments are reflected in the report
<b>5</b>	<b>Property</b>	

<b>6</b>	<b>Information Communication Technology (ICT)</b>	
<b>7</b>	<b>Procurement</b>	
<b>8</b>	<b>Scrutiny</b>	Was considered by Corporate Scrutiny on the 17/9. The Committee Chairman will feedback in this meeting.
<b>9</b>	<b>Local Members</b>	

**F - Appendices:**

Annual Performance Report Draft 2023/24

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

- Council Plan 2023-2028



# Annual Performance and Wellbeing Report 2023/24

**Prepared by** – Transformation Service

**Publication date** – September 2024

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



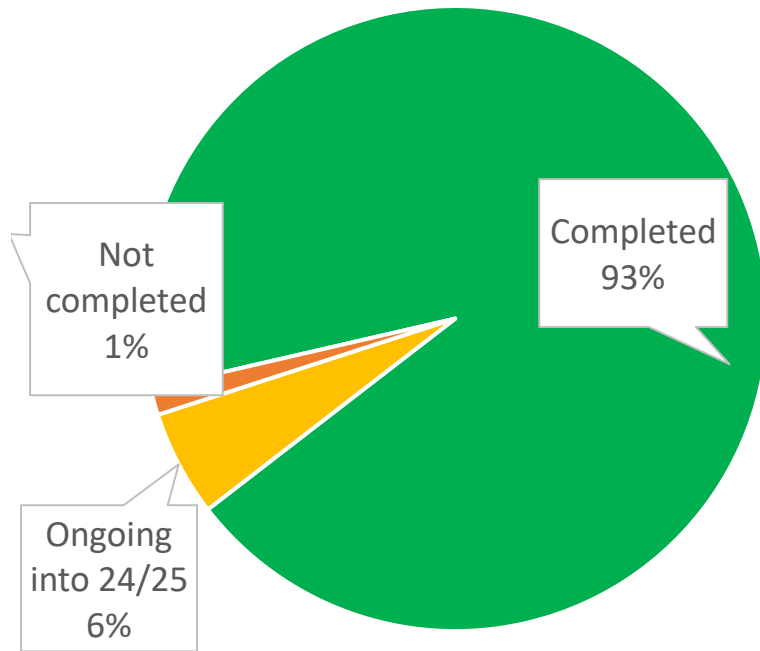
# Introduction

The Annual Performance and Wellbeing Report for the year 2023/24 provides an overview of the work undertaken by the Council over the past year in collaboration with our resilient community.

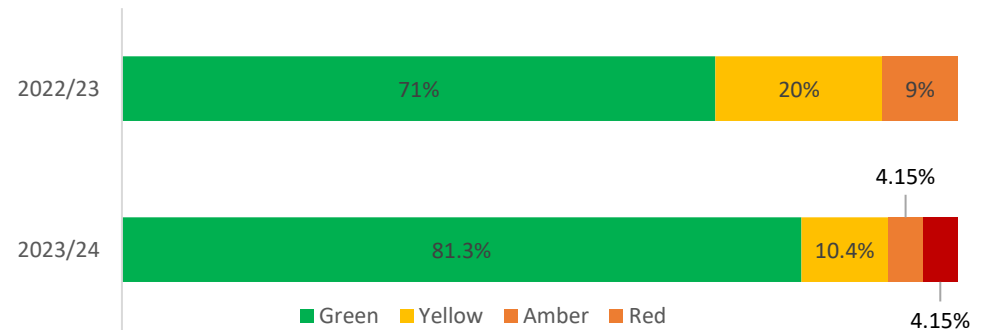
The report presents a year of notable achievements that have contributed to several improvements on our island and provides a firm foundation to support the Council Plan despite the economic challenges ahead.

Some of the key highlights for this year's performance can be found below. For information on how we monitor performance visit [www.anglesey.gov.wales/en/Council/Performance/Council-Plan/Performance-management](http://www.anglesey.gov.wales/en/Council/Performance/Council-Plan/Performance-management)

**Progress against the Annual Delivery Document**



**Key Performance Indicators Results 2022/23 and 2023/24**



## Development against the Council’s six strategic objectives

Updates against each key priority for the Council Plan activities for 2023/24 that were completed are discussed in this next section of the report.

Progress reports against the key actions undertaken on our current work plan can be found below:



### Welsh Language

Key Actions	Update	Status
<p><b>a) Implement a Welsh in Education Strategic Plan (WESP) work plan, taking an integrated approach and reporting on its delivery</b></p>	<p>Over this year, schools have received the support of the Learning Service, the language centres, the Language Charter and GwE to ensure provision of standard that reflects school categories and the needs of the county’s children.</p> <p>Ysgol Uwchradd Caergybi declared it’s intention to move towards a Welsh medium school (category 3) by 2029 and a WESP project board has been established to support the school.</p> <p>A progress report on WESP was discussed by the <a href="#">Partnership and Regeneration Scrutiny Committee</a> in June 2024.</p>	Planned 23/24 work completed
<p><b>b) Working together to promote the OgiOgi app as a useful resource to help parents and carers improve their confidence and use more Welsh with their children</b></p>	<p>A Marketing Officer post employed by Menter Môn and funded until December 2024 has been appointed during the year. Promotional work is underway.</p> <p>The OgiOgi app offers a treasure trove of information with more than 400 useful links to local and national resources - including information on pregnancy, health, services, rights, welfare, and leisure opportunities. It also includes a section on child development and guidance on the benefits of bilingualism and using Welsh from birth. There’s also plenty of fun activities for children and parents to enjoy.</p>	Planned 23/24 work completed

Key Actions	Update	Status
<p><b>c) Ensure that more opportunities to speak Welsh are available to staff and work with Bangor University to pilot the ARFer programme, which seeks to change language practices to enable colleagues who can speak Welsh (but who have developed the habit of using English) to use more Welsh at work</b></p>	<p>3 Welsh classes for staff being held at entry, foundation and intermediate level since September 2023.</p> <p>The university did not require the Council to pilot ARFer during the year, but the Council did collaborate with the university to offer more practice opportunities for higher level learners.</p>	<p>Planned 23/24 work completed</p>
<p><b>d) Ensure, by way of an annual assessment and secret shopper surveys, that we comply with the Welsh language standards</b></p>	<p>The Corporate Management Team assessed the Services' compliance with Welsh language duties during the year. There was general assurance that services meet the requirements of the standards and our language policy. This is mainly due to our officers' Welsh language ability and a high level of awareness of the requirements as well as the secret shopper exercise results undertaken during the year.</p> <p>Some challenges were identified, specifically difficulties in recruiting qualified officers to posts of a specialist nature. There are also challenges of outsourcing services to companies that do not understand the bilingual nature of the Council's work. Collaborating with private companies, which primarily provide technical expertise, often involves significant extra effort from Council officers to make sure services work bilingually.</p> <p>Further information on the Council's compliance with the Welsh Language Standards can be found in the annual report.</p>	<p>Planned 23/24 work completed</p>

Key Actions	Update	Status
<p><b>e) Work with the Anglesey Language Forum to provide community based Welsh classes and identify sources to fund community activities</b></p>	<p>Ensuring that the Welsh language remains integral to the island's identity, culture and heritage remains at the forefront of Fforwm Iaith Ynys Môn's work.</p> <p>One of the forum's key responsibilities is keeping a strategic overview of Welsh in education, and this year has also seen the forum establish thematic subgroups to ensure that its targets were achieved collaboratively. The targets are: 'The Welsh language in the workplace', 'Family and language transfer', 'Community and young people', 'Education' and 'Infrastructure and legacy'. Resources were pooled together to enrich the work already taking place, and to add value. Further information can be found here.</p>	<p>Planned 23/24 work completed</p>
<p><b>f) Promote Welsh lessons amongst parents, newcomers and refugees and ensure that materials for learning the Welsh language are available on our website</b></p>	<p>Welcome packs for new arrivals and refugees have been distributed throughout Ynys Môn communities during the year.</p> <p>Updated information on the Welsh language on Anglesey including how and where to learn Welsh, Welsh in education, Welsh in business, place names and other useful information can be found on the Council Website.</p>	<p>Planned 23/24 work completed</p>
<p><b>g) Provide resources for Schools and Placements on Caru Iaith</b></p>	<p>The Caru Iaith intranet resources for schools and placements have been updated in line with the Curriculum for Wales requirements for the year.</p>	<p>Planned 23/24 work completed</p>
<p><b>h) Libraries will work with teaching and learning providers to offer opportunities to residents to learn and develop Welsh language skills in their communities</b></p>	<p>The Council, working in partnership with Grŵp Llandrillo Menai, have –</p> <ul style="list-style-type: none"> <li>• identified the Welsh learning needs within the community</li> <li>• undertook a meet the buyer event for potential providers</li> <li>• established a framework to sub-contract providers to undertake the courses</li> <li>• Updated the various ways to learn Welsh in the community on the <a href="http://learnwelsh.cymru">learnwelsh.cymru</a> website</li> </ul> <p>Plan to be implemented in September 2024</p>	<p>Planned 23/24 work completed</p>

Key Actions	Update	Status
i) Establish and deliver the new Arfor Enterprising Communities grant on Anglesey, and ensure sufficient capacity for effective delivery	14 applications have been approved with a total of grants worth £550,000 awarded.	Planned 23/24 work completed
j) Participate in regional Arfor 2 schemes and programmes and maximise the benefits for Anglesey.	4 projects on Anglesey have been approved through the Challenge Fund and implemented including some from M-Sparc and the Haia company.	Planned 23/24 work completed



Key Actions	Update	Status
<p><b>a) Undertake a public consultation on the future of Day Opportunities on the island with the aim to strengthen community opportunities by working and integrating with our Community Hubs</b></p>	<p>Following a public consultation with users and discussion by the Partnership and Regeneration Scrutiny Committee, the Executive resolved to approve the recommendation of the report as follows –</p> <p>To integrate service users within the community and respond to the aspirations of people who attend activities to provide better outcomes. Continue to transform and modernise the way Day Services are provided with an emphasis on utilising community buildings. As the use of Morswyn has reduced, to bring the existing service to an end. Declare the property surplus to requirements and invite expressions of interest from other departments. If no use is identified, dispose of the property, and transfer the receipts to the Adults’ Services Department. Ensure that there are transitional measures for users and ensure transitional adaptation of the service for users. Ensure also that resources/facilities within the community are appropriate and meet the needs of individuals.</p>	<p><b>Complete</b></p>
<p><b>b) Map all activities and improve local data intelligence to tackle poverty on the island focusing on food and fuel poverty as well as reducing homelessness and debt</b></p>	<p>Activities and data have been used to build a Cost of Living Dashboard which is available to staff and Councillors. This data is used to help make better informed decisions and is updated regularly.</p> <p>A publicly available webpage on the cost of living has been updated on the Council website which includes information on organisations that can help individuals and families, funding that is available towards household costs and benefits, support with childcare, information on homelessness, support for mental health and wellbeing, and much more.</p>	<p><b>Planned 23/24 work completed</b></p>

Key Actions	Update	Status
<p><b>c) Launch the implementation of the Right Door Strategy by developing and expanding the early hub arrangements as a live referral process working in a multi-disciplinary forum</b></p>	<p>Work has progressed in implementing the Right Door Strategy during 2023/24. The early intervention hub meets twice a week to ensure that referrals are discussed, and arrangements put in place for individuals.</p> <p>A new process for children with autism or waiting for an official diagnosis for autism has also been put in place to streamline decisions and interventions.</p>	<p>Planned 23/24 work completed</p>
<p><b>d) Develop opportunities for people with mental health needs</b></p>	<p>A programme of intervention activities for individuals with a mental health diagnosis was successfully run throughout the year. A partnership with Oriel Môn was established where individuals undertook a series of art classes over a six-week period and the artwork they produced was exhibited for all visitors to view.</p>	<p>Planned 23/24 work completed</p>
<p><b>e) Increasing participation by enhancing the service offer within the Integrated Community Hubs including developing and delivering training that focuses on integration and accessibility</b></p>	<p>A dementia centre was established in the Canolfan Glanhwfa Centre, Llangefni.</p> <p>Accessibility and integration training sessions have been held at community hubs across the island.</p> <p>A session with the Dementia Bus that allows people to experience the sensory journey of how it may feel to live with dementia, was provided to increase awareness of dementia and ensure that there is better support in the community.</p>	<p>Planned 23/24 work completed</p>
<p><b>f) Increase opportunities for public engagement with the Local Authority through the Older People's and Local forums so that individuals can positively influence policies and service delivery</b></p>	<p>Older people's forum, which are recognised as an effective means of ensuring the voices of older people are heard, met regularly over the year within local community forums as well as the island wide forum.</p> <p>A number of events for people over the age of 50 were also held throughout the year, including two open days in Holyhead and Llangefni to increase participation and awareness.</p>	<p>Planned 23/24 work completed</p>

Key Actions	Update	Status
<b>g) Establish and Develop an Age Friendly Network and become members of the World Health Organisation (WHO) Age friendly Global Network</b>	Anglesey has been accepted as an official member of the World Health Organisation's Global Network of Age-Friendly Communities. The Network includes over 1,400 communities in 51 countries across the world. As a new member of the network, Anglesey becomes part of a worldwide movement which is working to create communities where everyone there can look forward to ageing well.	Planned 23/24 work completed
<b>h) Review the options available for modernising external supported living services and work with housing providers to secure suitable accommodation options</b>	A review of the options available for modernising external supported living services has been undertaken. Discussions with external providers and families have taken place, although this work took longer than initially thought due to a reduction in the funding available and the need to review provision with some external providers.	Work continues in the Annual Delivery Document for 24/25
<b>i) Open our third Cartref Clyd (Small Group Homes) provision</b>	A third Cartref Clyd was opened in Rhosybol in August 2023	Completed
<b>j) Work towards becoming a Trauma informed Island by ensuring the accreditation of 5 schools as Trauma Informed Schools (TIS)</b>	Many activities have taken place with regards to the Trauma Informed Island over the year. Over 150 staff attended training sessions with Dr Coral Harper on Trauma SPF funding was utilised to allow Anglesey to become the first authority in the UK to run a course on trauma specifically for foster parents. Further training for school-based staff as well as school governors	Planned 23/24 work completed



Key Actions	Update	Status
<p><b>k) Invest £1m in our leisure centre buildings and manage the installation of a new 3G pitch at Ysgol Uwchradd Bodedern</b></p>	<p>Improvement works in excess of £1m has been spent on Anglesey leisure centre buildings throughout the year. Some of the spend include –</p> <ul style="list-style-type: none"> <li>• A 3G pitch at Ysgol Uwchradd Bodedern</li> <li>• A newly laid floor in the main hall, repair work to the squash courts, new windows, roof repair and improvements to the changing rooms at Holyhead Leisure Centre.</li> <li>• Extensive work has taken place at Amlwch Leisure Centre with investment of up to £600,000 on various projects including a new disabled wet changing room, new toilets, new automatic doors, new windows, roof work and new flooring including a new floor in the sports hall.</li> <li>• New LED floodlights on the Plas Arthur 3G pitch, including an addition of two new columns to increase cover.</li> <li>• Various repairs and maintenance at David Hughes Leisure Centre</li> </ul>	<p>Planned 23/24 work completed</p>
<p><b>l) Provide free swimming opportunities for young carers and work towards increasing the number of children having swimming lessons, whilst maintaining 500,000 visits to our leisure centres annually</b></p>	<p>There were 515,000 visits to undertake physical activities in the leisure centres throughout 2023/24.</p> <p>Of those visits, close to 1900 children and young people received swimming lessons by MônActif staff.</p>	<p>Planned 23/24 work completed</p>

Key Actions	Update	Status
<p>a) Ensure that the Curriculum for Wales is in place in all schools and that systems have been developed to measure the impact of work relating to well-being, inclusion and welfare on children, young people and the workforce.</p>	<p>The Curriculum for Wales is being followed in all school settings.</p> <p>There are sufficient systems in place to ensure that learners wellbeing and inclusion are key priorities for the Council. Data for all are regularly monitored by the Learning service and Education Scrutiny Panel as well as regular updates to the <a href="#">Partnership and Regeneration Scrutiny Committee</a> on progress.</p> <p>A Health and Wellbeing event was organised for school staff at Ysgol Corn Hir with around 70 staff attending the event. A similar event is planned for 24/25.</p>	Planned actions for 23/24 completed
<p>b) Ensure that all schools are able to offer free school meals to all primary pupils as part of the Welsh Government's scheme to provide free school meals to all primary school children</p>	<p>All primary schools are providing free school meals to pupils.</p> <p>Ysgol Gynradd Bodffordd received a new mobile unit for the transfer of a classroom from the main building. This will allow the old classroom to be used as a canteen and enable the school to cater for more pupils at a time.</p>	Planned actions for 23/24 completed
<p>c) Strengthen integrated collaboration arrangements with services / external agencies to offer support and guidance to the children, young people and youth of Anglesey, in an inclusive and innovative manner</p>	<p>The Council strengthened relationships and collaborations internal and external services throughout the year.</p> <p>Some of the work regarding Trauma Informed Island has been updated in <a href="#">j above</a>.</p> <p>Collaborative work with schools and the youth service have been strengthened to identify and work with potential NEET students earlier. The Additional Learning Needs and Inclusion (ADYaCh) team continue to implement the <a href="#">ALN Inclusion Strategy</a> working collaboratively with many external specialists including Betsi Cadwaladr University and SNAP Cymru.</p> <p>Work continues to further strengthen the support that our children and young people require.</p>	Planned actions for 23/24 completed

Key Actions	Update	Status
d) Provide opportunities to develop leadership across the Island, in collaboration with GwE	<p>Many opportunities were provided with GwE during the year with, including the leadership development programme for teaching staff and governors' development with school governors.</p> <p>Following a national decision that regional consortium, including GwE are to cease in 24/25, there will not be further opportunities to develop leadership with GwE. Alternative arrangements will be developed to replace what was offered by GwE.</p>	Planned actions for 23/24 completed
e) Deliver the plan to attract teaching assistants to the profession, including working with the college and providing local training opportunities	The Council has established a new recruitment process within Education in respect to attracting teaching assistants to the profession from college settings.	Planned actions for 23/24 completed
f) Implement the Adult Community Education Service Delivery Plan	<p>The Council, working in partnership with Grŵp Llandrillo Menai, have –</p> <ul style="list-style-type: none"> <li>• identified the learning needs within the community</li> <li>• undertook a meet the buyer event for potential providers</li> <li>• established a framework to sub-contract providers to undertake the courses</li> </ul>	Planned actions for 23/24 completed
g) Consult and adopt the new strategy for Modernising Learning Communities and Developing the Welsh language and implement the associated work programme	<p><a href="#">Modernising Learning Communities and Developing the Welsh language</a> Strategy agreed and programme is being implemented accordingly.</p>	Planned actions for 23/24 completed
h) Investigate methods of modernising and developing post-16 provision and learning opportunities in order to set a direction and adopt a post-16 strategy	Work is underway to investigate and develop post-16 provision in line with the Modernising Learning Communities and Developing the Welsh Language Strategy.	Planned actions for 23/24 completed

Key Actions	Update	Status
i) <b>Increase the number of schools that are able to run the SHEP Scheme (School Holiday Enrichment Programme) during the summer holidays</b>	There are now 6 schools in place to run the School Holiday Enrichment Programme (SHEP) during the summer holidays	Planned actions for 23/24 completed
j) <b>Adopt and begin to deliver a new strategy for the provision of Library Services</b>	A draft strategy has been prepared for the provision of Library Services. The draft is due to be discussed by the committees during 2024/25	Ongoing into 24/25
k) <b>Ensure that our children and young people are given opportunities to voice their opinions during the year when the Council engages and consults on different issues relating to education</b>	An Anglesey Children and Young People forum has been established with two representatives from each school being invited to each forum. One forum has taken place with presentations and discussions on the Draft Poverty Strategy, Draft Equality Plan and the consultation on the draft budget for 24/25.	Planned actions for 23/24 completed
l) <b>Review and align the Archives and Oriel Môn Strategy to support the continued retention of our accreditation status</b>	Both strategies were aligned to support the continued retention of the accreditation status	Planned actions for 23/24 completed



## Housing

Key Actions	Update	Status
<b>a) Continue to develop plans for an Extra Care Housing Development at Tyddyn Mostyn, Menai Bridge</b>	<p>Development work for a new Extra Care Housing Development has progressed well in the year.</p> <p>The Outline Business Case (OBC) was submitted to the Welsh Government.</p> <p>A pre-planning application is scheduled to be undertaken in early 2024/25.</p>	Planned work for 23/24 completed
<b>b) Ensure that any new build developments are built through Modern Methods of Construction to a minimum A rated Energy Performance Certificate</b>	<p>All new build developments comply with the Modern Methods of Construction, including the newly built estate at Llys Llwydiarth, Pentraeth.</p>	Planned work for 23/24 completed
<b>c) Contribute to implementing the Council's Local Housing Strategy by developing 30 new homes and purchasing 15 former Council Houses</b>	<p>18 former Council Houses have been purchased during 2023/24 and work has been undertaken or is in the process of being undertaken to add them to the available stock.</p> <p>10 new units at Llys Llwydiarth, Pentraeth have been completed and have tenants in place. Work has started on the old Ysgol Niwbwrch site where 14 new units are planned. 10 units have been bought at Parc y Coed, Llangefni. 8 units are in the process of being constructed at Garreglwyd, Holyhead.</p>	Planned work for 23/24 completed

Key Actions	Update	Status
<p>d) <b>Make use of the Council Tax Premium to facilitate the restoration of 70 empty homes, aid up to 20 first time buyers entering the property market, and provide support to local households seeking rental affordability on the open market within their communities</b></p>	<p>The Council Tax Premium assisted in the restoration of 71 empty homes in the year.</p> <p>18 grants were provided to Anglesey first time buyers during 2023/24, as well as an additional 8 residents who bought with the help of a shared equity agreement with Tai Teg.</p>	<p>Planned work for 23/24 completed</p>
<p>e) <b>Utilise data gathered in the 2022 Stock Condition Survey to identify the future investment required to ensure that Council Housing Stock can meet the new Welsh Housing Quality Standards</b></p>	<p>Following the appointment of a specialist company, the Council have commenced work to establish individual Target Energy Pathways (TEPs) for all housing stock. This work is expected to be completed in 2024/25.</p> <p>The technical specifications for the required work have been agreed and the tender documents are expected to be live on Sell2Wales by the end of Quarter 2 2024/25.</p>	<p>Planned work for 23/24 completed</p>
<p>f) <b>Launch our new Digital tenants portal in order to improve means of contact for our tenants</b></p>	<p>The Digital Tenants Portal is nearing completion but has not been launched. The main reason for the delay is due to additional IT upgrades that the Housing team needed to complete prior to launching the portal. This work is now complete and the project slips into 2024/25 work with the aim of launching the portal during the first half of the year.</p>	<p>Not completed</p>
<p>g) <b>Prepare for the digital switchover in 2025 by assessing our Council Housing Stock door entry systems and re-modelling our hard wired telecare solutions to be portable solutions which are based on individual needs</b></p>	<p>Work to upgrade the Telecare stock has started with around 900 units purchased from the new provider, Chiptech.</p> <p>BT announced that the Digital Switchover will now not happen until January 2027, and therefore the Council are ahead of schedule and have time to ensure that the new systems are working as they should.</p>	<p>Planned work for 23/24 completed</p>

Key Actions	Update	Status
<p><b>h) Prepare, adopt and implement a new Empty Homes Strategy for 2023-2028</b></p>	<p>A new <a href="#">Empty Homes Strategy</a> was agreed by the Executive during 2023/24. The purpose of the Empty Homes Strategic Plan is to ensure that the number of empty properties are kept to a minimum and to encourage owners to bring them back into use.</p>	<p>Completed</p>
<p><b>i) Work in partnership with the UK and Welsh Governments to support people coming to live on Anglesey as a result of asylum through implementing the WLGA Asylum Dispersal Toolkit</b></p>	<p>The Council continues to work in partnership with the UK and Welsh Governments to support people coming to live on Anglesey because of asylum. The number of asylum applications were none for much of the year, however the Council have received a small number of applications during the final quarter of the year.</p>	<p>Planned work for 23/24 completed</p>

Key Actions	Update	Status
<b>a) Complete additional business units in Llangefni and Holyhead as well as secure full planning consents on proposals to build business units in Amlwch.</b>	The Llangefni and Holyhead business units have been completed and have tenants in place or are available to rent. Full planning consents to build business units at Amlwch are also in place.	Planned 23/24 work completed
<b>b) Undertake consultation on the new Town Centre Strategy and Place Making Plans for the five Anglesey towns, and secure funding to deliver improvements to our Town Centres</b>	The new <a href="#">Town Centre Improvement Strategy</a> was agreed with the Executive in September 2023 following a public consultation.  Two posts have been filled to help create plans for the town centres as well as access funding for the developments.	Planned 23/24 work completed
<b>c) Provide NDA grants to the north of Anglesey as well as working in collaboration with partners to progress the development of Urban Parkland</b>	Full planning consents for the creation of business units in Amlwch have been agreed. A full planning application for the urban parkland development with Cymdeithas Amlwch has been submitted. NDA community grants have been distributed in the north of Anglesey during the year. Further information on the North Anglesey Economic Regeneration can be found on the <a href="#">council website</a> .	Planned 23/24 work completed
<b>d) Work with Stena, the UK and Welsh Governments and the North Wales Ambition Board to ensure investment opportunities for Holyhead Port</b>	The Council continue to work with the North Wales Ambition Board, Stena, UK and Welsh Governments to seek investment opportunities for Holyhead Port.  Funding towards the restoration of the Holyhead Breakwater has been secured. The Outline Business Case and Full Business Case are in development for submission in 24/25.	Planned 23/24 work completed



Key Actions	Update	Status
<p><b>e) Collaborate with key stakeholders to establish a secure customs zone at Holyhead and other sites on Anglesey</b></p>	<p>Anglesey Council and Stena Line secured <a href="#">Freeport status</a> in 2023 have submitted an Outline Business Case (OBC) for Anglesey Freeport, a transformative project poised to stimulate economic growth and create numerous job opportunities across Anglesey and North Wales.</p> <p>The OBC, submitted to both the UK and Welsh Governments, contains extensive details of how Anglesey Freeport plans to operate, as well as defining the specified tax and initial customs locations which will lie within the Freeport boundary.</p> <p>Further information on the Freeport, including updates on the works carried at at Prosperity Park (former Anglesey Aluminium site) can be found on the <a href="#">Anglesey Freeport website</a>.</p>	Planned 23/24 work completed
<p><b>f) Collaborate and influence North Wales' Growth Programmes to ensure the best possible local benefits</b></p>	<p>The Council continue to be a member of various Programme Boards within the NWEAB to influence the projects delivered on Anglesey maximise opportunities and benefits.</p>	Planned 23/24 work completed
<p><b>g) Successfully implement the UK Government Levelling Up Fund (LUF), and the Shared Prosperity Fund (SPF)</b></p>	<p>The Council have a delivery team in place for the programme.</p> <p>The programme consists of the development of vacant properties in Holyhead, transformation of the beach frontages on Newry Beach, expansion of the Empire Complex, expansion of the Ucheldre Arts Centre, the transformation of St Cybi's and Eglwys y Bedd, visitor improvements at Holyhead Breakwater Country Park and the refurbishment of town centre properties. Further information on the developments and updates on progress can be found on the <a href="#">Council website</a>.</p> <p>The UK Shared Prosperity Fund (UKSPF) is part of the UK government's Levelling Up agenda and will provide a total of £16.1 million of funding for local investment by March 2025 on Anglesey.</p> <p>Isle of Anglesey County Council, with the help of local partners, selected 25 projects from across Anglesey to receive funding from Anglesey's allocation of the UKSPF. Further information is available on the <a href="#">Council website</a>.</p>	Planned 23/24 work completed

Key Actions	Update	Status
<b>h) Ensure that the road network is safe to use and maintained</b>	Anglesey's roads remained well maintained during 23/24. All three indicators relating to the road condition were Green against target – <ol style="list-style-type: none"> <li>1. Percentage of A roads in poor condition - 2.7%</li> <li>2. Percentage of B roads in poor condition - 2.3%</li> <li>3. Percentage of C roads in poor condition - 7.5%</li> </ol>	Planned 23/24 work completed
<b>i) Manage the Council's maritime and countryside assets safely and effectively including the management of Ynys Llanddwyn, Dingle Local Nature Reserve and the Holyhead Breakwater County Park.</b>	Work continues to ensure that the Council's maritime and countryside assets are safely managed. Some of the work undertaken during 23/24 includes – <ul style="list-style-type: none"> <li>• Maintenance and identifying maintenance work at Amlwch Port, St George's Pier and Beaumaris Pier,</li> <li>• Reviewing the fees and charges of the maritime moorings, boat registrations and launchings</li> <li>• A new wardens office was opened at the Breakwater County Park</li> <li>• Tree surveys were undertaken in the Dingle and unsafe trees removed</li> <li>• Plans and funding put in place to upgrade the existing boardwalk in the Dingle during 2024/25</li> </ul>	Planned 23/24 work completed
<b>j) Install new landing pontoons at Amlwch Port and St George's Pier as well as improve footpaths, cycling facilities, recycling facilities, EV charging points, and access and signage throughout the island.</b>	SPF funding was secured and work has started to improve 5 circular coastal trails, cycle facilities and more.  The installation of new landing pontoons at Amlwch Port and St Georges Pier were delayed and funding has been carried forward into 2024/25.	Some work completed but work continues into 24/25

Key Actions	Update	Status
<p><b>k) Adopt and deliver a new AONB Management Plan, and Destination Plan, in consultation with partners and residents</b></p>	<p>A new <a href="#">AONB Management Plan</a> was successfully launched during the year. The AONB Management Plan's purpose is to evaluate and determine the special qualities of the AONB, and identifies what actions are required to make sure these qualities are conserved and enhanced for future generations.</p> <p>A <a href="#">Destination Management Plan</a> was also launched in the year. This plan seeks to enhance a spirit of collaboration and holistic thinking to develop an offer which enhances these key qualities and delivers economic and social benefits to the local communities.</p>	Completed
<p><b>l) Follow Welsh Government guidelines and change 30mph zones to 20mph zones and consult with specific communities (exempted from the 20mph rule) to introduce 20mph areas in populated areas (built up)</b></p>	<p>20mph zones were all identified and changed in respect to Welsh Government guidelines</p>	Completed
<p><b>m) Deliver tourism infrastructure improvements as part of the Brilliant Basics 2 Funding Programme</b></p>	<p>The Anglesey Brilliant Basics project which improved public conveniences at Benllech, Porth Swtan, Trearddur Bay and Porth Dafarch was completed during 23/24.</p>	Completed
<p><b>n) Welcome 50 cruise ships to the island and work with the Welsh Government on Cruise Ship on-shore activities</b></p>	<p>43 Cruise Ships successfully docked at Holyhead Port in 2023 and a further 62 have docked so far in 2024 season and on-shore activities have been arranged to welcome visitors.</p>	Completed

Key Actions	Update	Status
<p><b>o) Increase the monitoring of council owned car parks and streets to encourage good visitor behaviours with regards to car parking</b></p>	<p>There has been an increased monitoring of Council owned car parks and streets throughout 23/24. No reports of serious issues and good behaviour by the vast majority of visitors.</p>	<p>Completed</p>
<p><b>p) Implement the Menai Strait Code of Conduct to ensure adequate and effective management of the Menai Strait</b></p>	<p>A review of the maritime team was undertaken, and an improvement plan has been developed to implement and effectively manage the Menai Strait Code of Conduct. The improvement plan will be discussed by the Executive in 2024/25</p>	<p>Delayed due to the review of the maritime team. Work continuing into 24/25</p>

Key Actions	Update	Status
a) Invest in our buildings to improve energy efficiency, reduce energy use, and reduce the Councils carbon emissions	<p>The Council has continued to implement its ReFit programme to install energy efficiency measures with development of the Car Solar Port Continuing.</p> <p>To continue investment in our assets, the Council has been awarded £14M in Low Carbon Heat grant to invest in air source heat pumps, energy performance measures and infrastructure upgrades in 27 locations across the Island.</p>	Planned work for 23/24 completed
b) Deliver our fleet transformation plan by increasing the number of electric vehicles in our fleet and increase their use when delivering our services	<p>Our EV fleet expanded by 22 vehicles during the year, increasing its size to 10% of the overall fleet.</p> <p>The EV fleet were used by council staff to cover 120,466 miles during 2023/24, consequently reducing the carbon emissions as a result due to a reduction in the use of the petrol, diesel and LPG fleet.</p>	Planned work for 23/24 completed
c) Change how we work to reduce our energy use and carbon emissions e.g. by moving to cloud based IT solutions	<p>Much work was undertaken to modernise our IT systems and databases during the year. Hardware, including laptops and servers, were upgraded to newer and more efficient equipment.</p> <p>The Council also moved 3 large IT databases to cloud technology. The move will help reduce the onsite carbon emissions as well as increasing efficiency and resilience for the three systems.</p> <p>Further work to move more systems to cloud based technology was also started during 2023/24 and are due for completion in 2024/25.</p>	Planned work for 23/24 completed
d) Work towards the Welsh Government target of 70% recycling by 2025	<p>The Council achieved 64.67% recycling rate during 2023/24, the highest rate for several years. Work continues towards meeting the 70% recycling target by 2025.</p>	Planned work for 23/24 completed

Key Actions	Update	Status
<p>e) <b>Seek to establish a Circular Economy Strategy in partnership with Menter Môn to contribute to improve recycling rates and waste reduction across Ynys Môn</b></p>	<p>£600k of Circular Economy grant funding was secured from the Welsh Government during the year. The plan is to work with Menter Môn to establish re use 'trwsio' locations on the Island during 2024/25.</p>	<p>Planned work for 23/24 completed.</p>
<p>f) <b>Enable sustainable travel by implementing active travel plans at Lôn Graig to Lôn Refail, Llanfairpwll, and other smaller improvements to the active travel network</b></p>	<p>With the support of a grant from the main Active Travel application by the Welsh Government, work was carried out to improve active travel provision in Holyhead and Trearddur Bay to enhance infrastructure for walkers and cyclists and to raise awareness of active travel between the two settlements.</p> <p>Through the active travel program and financial support of £1.74m from the Welsh Government and Transport for Wales, the Council continues to invest in infrastructure improvements to encourage low-carbon local travel. With the main scheme from Holyhead to Trearddur Bay nearing completion, the improvements included the creation of a new multi-use path by widening the existing width, new crossings, and the installation of signage to raise awareness of active travel in the area.</p> <p>Through the core grant, minor improvement work was completed in Amlwch, Malltraeth, and Valley to improve safety for all users through a mix of improvements in the settlements, including: improving the surface of the path, enhancing crossings, new signage where appropriate, remarking the road, and renewing the public domain, particularly in Malltraeth.</p> <p>In addition to the on-ground work, further efforts were made on preliminary development studies in the area from Porth Amlwch to Amlwch, Benllech, and Pont Marquis to Newborough, where public consultations were held during the year. Detailed designs in Llanfairpwll also continued, and studies were initiated in the areas of Gaerwen - Llanddaniel and Llanfihangel yn Nhowyn - Valley.</p>	<p>Planned work for 23/24 completed</p>

Key Actions	Update	Status
<p><b>g) Utilise Welsh Government funding and continue to implement the Charging Point Plan by installing EV charging points at various locations</b></p>	<p>Rapid electrical vehicle (EV) charging points installed by the county council are proving popular with residents and visitors.</p> <p>During the last 12 months they have been used nearly 5,000 times – providing enough charge for 390,768 miles of travel - the equivalent of travelling around the Earth 15 times. This has prevented 75 tonnes of carbon from being released into the atmosphere.</p> <p>A map with the locations of all Anglesey EV charge points can be viewed on the <a href="#">ZapMap website</a> and an updated list of Council owned EV charging points can be found on the <a href="#">Council website</a>.</p>	<p>Planned work for 23/24 completed</p>
<p><b>h) Continue with the work of maintaining the public path network and coastal path</b></p>	<p>The council continues to implement the <a href="#">Rights of Way Improvement Plan</a>, as well as working together with Natural Resources Wales, The National Trust and local Community Councils to maintain the public and coastal paths to as high a standard as possible.</p>	<p>Planned work for 23/24 completed</p>
<p><b>i) Deliver projects to enhance biodiversity and tree cover across Ynys Môn and map out suitable areas for the replanting of trees</b></p>	<p>Projects to enhance biodiversity have continued across the island with projects underway to improve wildlife pools in the Breakwater County Park, new nature and habitat developments. Tree planting projects have also resulted in 2000 trees being planted in Holyhead, Bodorgan, Benllech and Aberffraw.</p>	<p>Planned work for 23/24 completed</p>
<p><b>j) Develop a ‘Local flood risk management’ strategy to identify &amp; prioritise long-term interventions across Ynys Mon.</b></p>	<p>The Local Flood Risk Management Strategy is now in final draft form and will follow the Council's public consultation process in Q2 2024/25 followed by the Council's adoption process. It is currently anticipated that full adoption of the strategy will be completed by April 2025.</p>	<p>Planned work for 23/24 completed</p>
<p><b>k) Deliver small-scale flood management schemes across the island and develop funding proposals for large flood risk interventions</b></p>	<p>2 small scale schemes were delivered in Bull Bay and Maes Cyttir, Holyhead during the year. The design has been agreed on a further four small scale schemes at Llansadwrn, Trearddur Bay, Bodffordd and Kings Road, Holyhead.</p> <p>The design and development on two large schemes at Menai Bridge and Llanfairpwll continues, with studies continuing in four other locations that may require a large scale schemes.</p>	<p>Planned work for 23/24 completed</p>

Key Actions	Update	Status
<b>l) Establish an internal policy team to support and prepare the Local Development Plan</b>	A Planning Policy Team have been recruited and are now in post for the Council. A draft Delivery Agreement has been prepared which will contribute towards the creation of a new Local Development Plan.	Planned work for 23/24 completed
<b>m) Engage with developers of major energy projects and other stakeholders to promote opportunities for transformational socio-economic benefits for the island, adopting the proximity principle and ensuring community benefits and local ownership</b>	The Council continue to engage with developers and key stakeholders on major energy project. <ul style="list-style-type: none"> <li>• Discussions with the UK Government previous to and following their purchase of the Wylfa site as well as Great British Nuclear</li> <li>• Engagement with many interested key stakeholders including the Department for Energy Security and Net Zero (DESNZ), M-Sparc, Bangor University, Coleg Menai, Menter Môn and more</li> <li>• Numerous Energy Island Forums with presentations from Great British Nuclear on energy developments and Stena on the Freeport Status</li> <li>• Numerous representations at events in London (Nuclear Week, Wales innovation week) and Cardiff (Nuclear Energy and the Welsh Economy)</li> </ul>	Planned work for 23/24 completed
<b>n) Fully participate in the statutory consenting processes for any low carbon energy projects</b>	During this year the Council has participated fully through the Energy Island programme and has managed its responsibilities in relation to the statutory consenting process. This includes work on: <ul style="list-style-type: none"> <li>• Holyhead Hydrogen Hub</li> <li>• Morlais</li> <li>• Traffwll Solar Farm</li> <li>• Carrog Battery Energy Storage System</li> <li>• Planning matters in relation to the Freeport Sites</li> <li>• Morgan and Mona Wind farms</li> </ul>	Planned work for 23/24 completed



## Overall KPI Performance

92% of the Corporate Scorecard performance indicators are performing above target or within 5% tolerance of their targets for the year. This is the best performing scorecard report since its introduction.

The Council's year on year performance for all comparable indicators (35 in total) demonstrates that 20 (57%) have improved during the year, 13 (37%) have declined and 2 (6%) have maintained on their performance levels.

Overall 89% of the indicators that are used to monitor the Wellbeing Objectives were Green against target for the year.

The scorecard report highlights some of the good performance some of these highlights include:

- The Welsh Language in Schools indicators
  - The Môn Actif Leisure Centre and NERS indicators;
  - The number of empty homes brought back into use;
  - The Adult Services indicators;
  - The Children and Families Service indicators;
  - The homelessness indicators;
  - The Waste Management indicators,
  - The Highways indicators; and
  - The Planning indicators 5.5
- The report also highlights certain areas that are underperforming against targets.

The report also highlights three areas that underperformed against set targets. These were discussed by the Corporate Scrutiny Committee and The Executive and improvement will be led and monitored by the Leadership Team. The indicators are:

1. Percentage of Freedom of Information (FOI) requests responded to within timescale;
2. The percentage of year 11 leavers who are NEET; and
3. The average number of days to deliver Disabled Facilities Grant (DFG)

Further information, including all indicators, can be found in the [Q4 Scorecard for 2023/24](#).

## Corporate Self-Assessment

As part of the Local Government and Election (Wales) Act 2021 monitoring the performance of all local authorities based on a self-assessment was set out.

Each Service (of which Anglesey County Council has 9) was asked to complete a self-evaluation - scoring their performance on identified areas deemed important as to measure the general performance of services. They were asked to evaluate their performance against one of the 5 criteria and were thereafter challenged as to their findings by a group of officers and elected members known as the Service Review process:

The overall assessment following the Service Review process identified the following ratings:

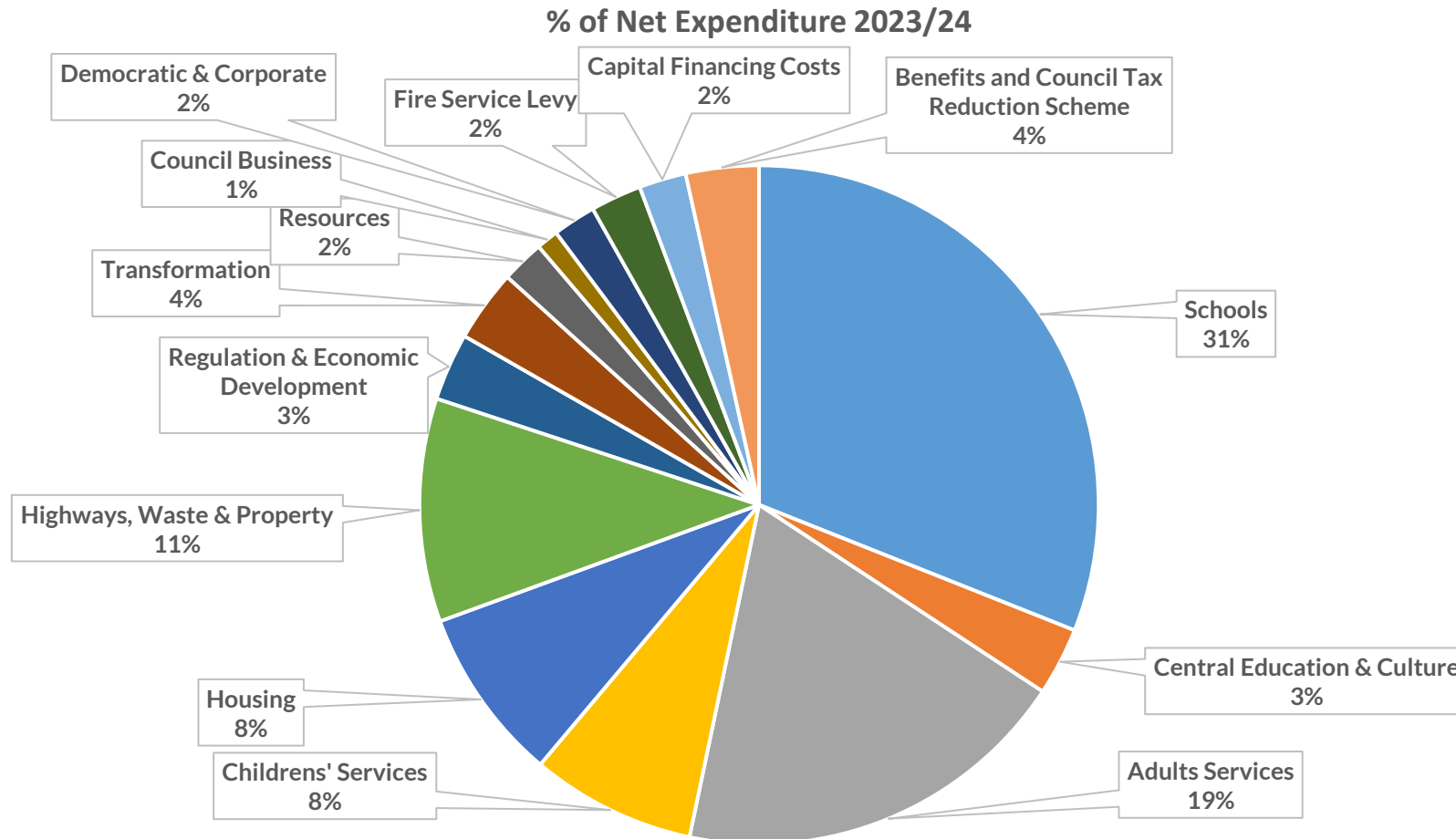
Identified Area	Performance Rating
Service Planning	Exceeds Expectations
Financial Planning	Exceeds Expectations
Workforce Planning	Exceeds Expectations
Asset Management	Meets Expectations
Procurement & Contract Management	Meets Expectations
Risk & Audit Management	Meets Expectations
Performance Management	Exceeds Expectations



Further information on the [Corporate Self-Assessment](#)

## Financial Revenue Outturn 2023/24

The revenue outturn split per Service for the financial year ending 31<sup>st</sup> March 2024, including the Housing Revenue Account (HRA), can be found in the chart below:



## The Council's Well-being Objectives

The Council's strategic objectives outlined in the council plan and reported on above, have been produced to support the Council's duty to meet the well-being objectives for the benefit of current and future generations. The Council's Well-being Objectives are:

1. The people of Anglesey are educated to reach and fulfil their long-term potential
2. The people of Anglesey are safe, healthy and as independent as possible
3. The people of Anglesey and its communities enjoy, protect and enhance their built and natural environment for future generations

The table below shows how the well-being objectives align with the Welsh Government's national well-being objectives and the Council's strategic objectives:

The Council's Well-being Objectives	Council Plan Objectives	Prosperous	Resilient	Healthier	More Equal	Cohesive Communities	Vibrant Culture & Thriving Welsh Language	Globally Responsive
<b>Wellbeing Objective 1</b> - The people of Anglesey are educated to reach and fulfil their long-term potential	Welsh Language, Social Care and Wellbeing, Education, Housing and Economy	✓	✓	✓	✓	✓	✓	✓
<b>Wellbeing Objective 2</b> - The people of Anglesey are safe, healthy and as independent as possible	Social Care and Wellbeing, Education and Housing		✓	✓	✓	✓	✓	
<b>Wellbeing Objective 3</b> - The people of Anglesey and its communities enjoy, protect and enhance their built and natural environment for future generations	Welsh Language, Economy, Climate Change	✓	✓	✓	✓	✓	✓	✓

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>EXECUTIVE COMMITTEE</b>
<b>Date:</b>	<b>24 SEPTEMBER 2024</b>
<b>Subject:</b>	<b>REVENUE BUDGET MONITORING, QUARTER 1 2024/25</b>
<b>Portfolio Holder(s):</b>	<b>ROBIN WILLIAMS – DEPUTY LEADER &amp; PORTFOLIO HOLDER – FINANCE</b>
<b>Head of Service / Director:</b>	<b>MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b>
<b>Report Author:</b>	<b>BETHAN HUGHES OWEN – ACCOUNTANCY SERVICES MANAGER</b>
Tel:	01248 752663
E-mail:	BETHANOWEN2@YNYSMON.LLYW.CYMRU
<b>Local Members:</b>	n/a
<b>A –Recommendation/s and reason/s</b>	
<p><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>(i) To note the position set out in Appendices A, B and C in respect of the Authority’s financial performance to date and expected outturn for 2024/25;</li> <li>(ii) To note the summary of Contingency budgets for 2024/25, detailed in Appendix CH;</li> <li>(iii) To note the monitoring of agency and consultancy costs for 2024/25 in Appendices D and DD.</li> </ul> <p><b>Reason</b></p> <p>The overall forecasted position at the end of the first quarter indicates that the final position will result in an overspend on the revenue budget of £90k (0.05%).</p> <p>This report sets out the financial performance of the Council’s services at the end of quarter 1, 30 June 2024. The projected position for the year as a whole is also summarised. It should be noted that predicting the final year-end position at the end of quarter 1 is difficult, and the position can change considerably as we move through the remainder of the financial year. There are key areas that are difficult to predict and forecast so far ahead, the key areas being:-</p> <ol style="list-style-type: none"> <li>1. A change in the requests for demand led services, mainly the placement of children in care, demand for adult services, homelessness, school transport and out of county education.</li> <li>2. Additional grant funding received during the year that was not known.</li> <li>3. Unforeseen one-off expenditure</li> <li>4. Recruitment and retention difficulties leading to a higher than anticipated level of vacant posts.</li> <li>5. Pay awards and the funding of increased pension contribution costs.</li> </ol> <p>The forecasted position and other changes will result in the Council ending the financial year with a general balance of £10.991m (6.96% of the 2024/25 net revenue budget), which is £1.78m above the minimum figure recommended to the Council.</p> <p>Given that the forecasted financial position is for an overspend at the end of the financial year, and that the level of general balances is expected to exceed the minimum recommended level, the Executive is not required to approve any remedial action.</p>	
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>	
Not Applicable – Monitoring Report with no options which require consideration.	
<b>C – Why is this a decision for the Executive?</b>	
Monitoring of the Council’s budget is a function that has been delegated to the Executive.	

<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>		
Yes, but any change from the approved budget is noted in the report.		
<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?	The report is for monitoring purposes only and is used, along with other reports, to set the medium term financial strategy and annual budget. In setting the annual budget, the impact on the long term needs of the Island will be assessed.
<b>2</b>	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Not applicable
<b>3</b>	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Not applicable
<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 citizens of Anglesey were consulted as part of the 2024/25 budget setting process and will be consulted on future budgets.
<b>5</b>	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable
<b>6</b>	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	Not applicable
<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.	Not applicable
<b>E - Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	The report has been considered by the LT at its meeting on 3 September 2024 and the comments made 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 LT and comments made have been considered.
<b>4</b>	<b>Human Resources (HR)</b>	N/A

<b>5</b>	<b>Property</b>	N/A
<b>6</b>	<b>Information Communication Technology (ICT)</b>	N/A
<b>7</b>	<b>Scrutiny</b>	The financial position at the end of quarter 1 was reviewed by the Finance Scrutiny Panel at its meeting on 11 September 2024.
<b>8</b>	<b>Local Members</b>	N/A
<b>9</b>	<b>Any external bodies / other/s</b>	N/A
<b>F - Appendices:</b>		
<ul style="list-style-type: none"> <li>• Appendix A - Provisional Revenue Outturn Report for 2024/25</li> <li>• Appendix B - Table of Provisional Outturn 2024/25</li> <li>• Appendix C - Analysis of the Forecasted Variance by Service and Reason</li> <li>• Appendix CH - Summary of Contingency Budgets position for 2024/25</li> <li>• Appendix D - Information regarding monitoring of Agency Staff 2024/25</li> <li>• Appendix DD - Information regarding monitoring of consultants 2024/25</li> </ul>		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
2024/25 Revenue Budget (as recommended by this Committee on 29 February 2024 and adopted by the County Council on 7 March 2024).		

## REVENUE BUDGET MONITORING REPORT – QUARTER 1 2024/25

## 1. APPROVED REVENUE BUDGET 2024/25

1.1 The Council approved a net revenue for 2024/25 as follows:-

Table 1

## Approved Budget and Funding for 2024/25

	£'000	£'000
Total Approved Revenue Expenditure	184,164	
Amendments to Budget Since Approval		
Use of Council reserves	(4,425)	
Current Approved Budget for 2024/25 (Net of Reserves)		<b>179,739</b>
<b>Funded By</b>		
Aggregate External Finance	127,586	
Standard Council Tax Debit Raised	48,387	
Premium Council tax on Second and Empty Homes	3,766	
<b>Total Funding 2024/25</b>		<b>179,739</b>

## 2. FORECAST BUDGET POSITION AS AT END OF QUARTER 1 2024/25

2.1 The estimated forecast position at the end of quarter 1 is shown in Table 2, below:-

Table 2

## Summary Forecast Financial Position at End of Quarter 1

	2024/25 Budget	Q1 Forecast (Under) / Over	% Variance
	£'000	£'000	%
Service Budgets	165,854	1,333	0.80
Corporate Budgets	18,310	(652)	(4.7)
General Reserves	(4425)	0	0.00
<b>Net Revenue Expenditure</b>	<b>179,739</b>	<b>681</b>	<b>(3.80)</b>
Aggregate External Finance	127,586	0	0
Standard Council Tax	48,387	(68)	0.14
Council Tax Premium	3,766	(523)	13.89
<b>Funding</b>	<b>179,739</b>	<b>(591)</b>	
<b>Net Forecast (Under) / Over</b>	<b>0</b>	<b>90</b>	<b>(0.33)</b>



2.2 The estimated position for the Council's General Balances is shown in Table 3, below:-

**Table 3**  
**Estimated Council General Balances as at 31 March 2025**

Executive Meeting	Amount £'m	Purpose
Opening Balance	(15,606)	Unaudited General Reserve at 31 March 2024
Used for Budget 2024/25	4,425	
<b>Revised Council Fund General Balance</b>	<b>(11,181)</b>	

2.3 During 2024/25, a sum of £100k has been released from General Balances to meet the cost of dealing with an animal health issue which has arisen. An application has been made to Welsh Government (WG) for additional funding to cover all or part of the costs relating to this matter. If funding is received, it will be credited back to the Council's general balances but, as at the end of quarter 1 of 2024/25, the available funding totalled £11.081m.

### 3. FINANCIAL PERFORMANCE BY SERVICE

3.1 The overall combined position for the Council's services shows a forecasted overspend position at the end of the financial year of £1,966k. The analysis by Service is shown in Table 4, below:-

**Table 4**  
**Analysis of the Forecasted Budget Position By Service**

	(Under) / Overspend £'000	%
Adult Services	(391)	(1.02)
Children's Services	1,775	7.61
Highways	(139)	(1.68)
Economic Development	(135)	(4.13)
Resources	(105)	(2.6)
Unbudgeted Costs (Insurance, Capital Pension Costs & Bad Debt Provision)	500	
Other Services (Variances under £100k)	(172)	(0.47)
<b>Total Service Variances</b>	<b>1,333</b>	<b>1.19</b>

3.2 The main reasons for the variances are summarised in Table 5, below, with a more detailed analysis by Service and Sub-Service provided in Appendix C:-

**Table 5**  
**Analysis of the Forecasted Variance by Reason**

	<b>Forecasted Variance £'000</b>
Cost variances arising from changing demand for services	2,062
Variances in staffing costs arising from vacancies, net of the cost of additional temporary staff and the use of agency staff	(907)
Changes to contract prices not allowed for in the approved budget	127
Changes to grant funding which increase or reduce the requirement for funding from the core budget	(74)
Income from fees and charges (above) / below the income target	(620)
Cost variances relating to buildings	123
Cost variances relating to the employment of external consultants	71
Transfer of funding to / (from) earmarked reserves and general balances	(103)
Clearly identified errors in the budget setting process	11
Miscellaneous reasons	643
<b>TOTAL FORECASTED VARIANCE</b>	<b>1,333</b>

**3.3** The table above highlights that the main budget pressure that the Council is still experiencing is as a result of an increased demand for services, with £2.06m of budget pressure resulting. The main area of concern is within Children's Services, with an increase in both the number of children having to be placed with out of county providers and the cost of each placement. However, the position in respect of Adult Services has stabilised, with the budget currently sufficient to meet the level of demand. The demand for school transport is also lower, but this can change in September as the new academic year commences.

**3.4** The financial position is improved due to staff vacancies, where pay costs, net of any additional costs incurred in employing temporary staff and agency staff, is forecast to underspend by £907k, although recruitment issues in the Council's residential homes and within Legal Services has resulted in agency costs being higher than the staffing budget available in these services. Further information on agency costs is provided in paragraph 7 and Appendix D.

**3.5** School meal prices will increase in September, and this will create a budget pressure, given that the level of grant funding for universal free school meals in primary schools will remain unchanged. This pressure could be reduced by increasing the price of meals to pupils in secondary schools.

**3.6** Increased grant funding has improved the financial position in some areas but the grant that is used to fund Welsh Language Centres reduced in 2024/25, which has resulted in a forecast overspend of £101k on this service.

**3.7** Forecasting income generated through fees and charges is always difficult, particularly at this early stage in the financial year, but the indications are that overall income will exceed the budget by £620k, with income levels in Leisure and Highways being significantly higher than the income target.

#### **4. FINANCIAL PERFORMANCE OF CORPORATE BUDGETS**

**4.1** The forecasted financial position at the end of the financial year for Corporate Budgets is shown in Table 6, below:-

**Table 6**  
**Corporate Budgets Forecasted Financial Position 2024/25**

	2024/25 Budget	Q1 Forecast (Under) / Over	Variance	Reason for Variance
	£'000	£'000	%	
Levies	4,931	0	0.00	
Discretionary Rate Relief	105	26	24.48	
Capital Financing	5,753	(604)	(1.21)	Lower borrowing and higher investment returns
Benefits Granted	7,392	(498)	(6.73)	Lower than anticipated case load
Support Services Contribution by HRA	(800)	0	0.00	
Budget Savings to be Achieved	(1,000)	452	0.00	Work still ongoing to achieve the saving
General & Other Contingencies	1,929	(28)	(1.470)	
Use of General reserves	(4,425)	0	0.00	
<b>TOTAL</b>	<b>13,885</b>	<b>(652)</b>	<b>(0.85)</b>	

## 5. COLLECTION OF COUNCIL TAX

**5.1** The Council Tax Fund budget is determined using the estimated collectable debt for the current year only, based on the tax base figure set in November 2023. It does not provide for arrears collected from previous years, adjustments to liabilities arising from previous years (exemptions, single person discounts, transfers to business rates etc.), changes to the current year's tax-base or the provision for bad and doubtful debts. These changes cannot be estimated when the budget is set and, invariably, lead to a difference between the final balance on the Council Tax Collection Fund and the original budget. Historically, the forecasted levels of Council Tax fall during the year as recovery action is undertaken and taxpayers come forward to claim exemptions and discounts that they are entitled to. The current core Council Tax income is forecasted to be £68k above the budget.

**5.2** The Council Tax premium is designed to encourage owners of empty properties and second homes to return the property to general use and, as such, there is a risk that the number of properties paying the premium can reduce significantly during the year. In order to mitigate this risk, the tax base for premium properties is set at 80% and, if the numbers of properties paying the premium does not fall significantly, then the budget will generate a surplus. The change in the eligibility rules for business rates on self catering accommodation has resulted in a number of properties being transferred back from business rates to Council Tax, which has increased properties subject to the second home premium, and this has offset the reduction in properties resulting from the increase in the premium from 75% to 100%. As a result, the Council Tax premium budget is forecasting a surplus of £523k at the end of the financial year.

## 6. BUDGET SAVINGS 2024/25

**6.1** As part of the budget, a target of £1m was set for savings in staff costs. The savings would be generated by assessing the need for posts as they become vacant. To date, £548k of savings have been identified and work is ongoing to identify further savings as posts become vacant.

**6.2** The budget also included a package of budget savings amounting to £1.165m, which included the deletion of unused budgets, additional income generation, reduction of grants to outside bodies and the reduction of some services. The budget monitoring review has not identified any issues in delivering the savings proposals made.

## **7. AGENCY AND CONSULTANCY COSTS**

**7.1** During the year to date, £290k was spent on Agency staff. These were, in the main, part-funded from staffing budgets as they related to staff vacancies, while £163k related to staff cover for vacant posts. The Waste Service spent £93k for site agents at the recycling centres. The full details can be seen at Appendix D.

**7.2** A total of £248k was spent on Consultancy during the period April to June 2024, with £159k funded through grant or external sources. A full summary of expenditure per service, and additional details of the expenditure, can be seen at Appendix DD.

## **8. CONCLUSIONS**

**8.1** The initial projection at the end of the first quarter is that the budget will be overspent by £0.090m for the year ending 31 March 2025. Forecasting accurately the financial position at this early stage is always difficult, and it is likely that the position will change as services deal with issues and service demands during the year. There are also a number of matters which have yet to be resolved which will also impact on the final financial position.

**8.2** The main areas that have yet to be finalised relate to:-

i. The pay award for both non-teaching staff (from April 2024) and teaching staff (from September 2024) have yet to be agreed. The provision made in the budget for the pay award for non-teaching staff is sufficient to meet the employers' current pay offer. However, the Unions are seeking a higher award and are currently consulting their members on strike action. The recent announcement by the Government of increases of between 5% and 6% for other public sector pay groups may put pressure on the Employers to increase their offer. The Council has an earmarked reserve of £1.7m to cover inflationary pressures, but this may not be sufficient if the final pay award is close to the Unions' demand.

ii. Teachers' pay is set by Welsh Government (WG). It was recently announced that teachers in England would receive a 5.5% pay rise and it may be the case that WG is considering a similar rise in Wales. Previously, any pay award for teachers that had been higher than allowed for in the local government settlement had been funded by Welsh Government. It is, therefore, possible that any additional cost may be cost neutral for the Authority.

iii. The employers' contribution towards teachers' pension costs rose from 23.68% to 28.68%. The additional cost of £1.3m was included in the delegated school budget, but no additional funding was included in the local government settlement. Discussions between WG and H.M.Treasury are ongoing, but it is likely that additional funding will be received by WG and this should be passed on to local authorities. The exact figure has not been announced and it may not cover the full cost but, if it is received, this will be a windfall and could be used to offset any additional unfunded pay costs.

**8.3** The position in respect of Social Care is of particular concern, with a forecast overspend of £1.775m for Children's Services. The forecast is based on the current level of demand, but demand fluctuates during the year and can change significantly, e.g. one placement for a high dependency client with specialised care needs can amount to between £250k and £500k. Any increase in the demand for services will only worsen the position.

As we move through the remainder of the financial year, the impacts of the above will be factored into future monitoring reports as things become clearer.

**8.4** The financial position in 2024/25 will also influence the Council's financial strategy for 2025/26 and beyond, as it will highlight the need to realign budgets to reflect the increases in costs seen in 2024/25 and to reflect the changing demand for services. Any significant overspending will also result in an erosion of the Council's earmarked reserves and general balances, and this will reduce the ability to use reserves and balances to help to balance the revenue budget in 2025/26. Management will review the financial position closely during the remainder of the financial year and may need to implement cost saving measures in 2024/25, in order to maintain the current level of earmarked reserves and general balances.

## PROJECTED REVENUE OUTTURN FOR THE FINANCIAL YEAR ENDING 31 MARCH 2025 – QUARTER 1

Gwasanaeth/Swyddogaeth Service/Function	2024/25 Cyllideb Blynyddol Annual Budget	2024/25 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2024/25 Ch1 Amrywiad Q1 Variance	2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2025 Estimated Expenditure to 31 March 2025	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2025 gor/(tan) wariant Estimated Outturn 31 March 2025 over/(under)	2024/25 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over /(Under) spend as a % of Total Budget	2023/24 Gor/(Tan) Wariant Drafft Draft Over/Underspend)
	£'000	£'000	£'000	£'000	%	£'000	£'000	%	£'000
<b><u>Addysg, Sgiliau a Phobl Ifanc</u></b> <b><u>Education, Skills and Young</u></b> <b><u>People</u></b>									
Cyllideb Datganoledig Ysgolion <i>Delegated Schools Budget</i>	61,111	10,353	10,353	0	0.00%	61,111	0	0.00%	0
Addysg Canolog <i>Central Education</i>	5,240	1,525	1,519	(6)	-0.41%	5,231	(9)	-0.17%	(512)
Diwylliant <i>Culture</i>	1,576	373	267	(106)	-28.44%	1,572	(4)	-0.25%	(112)
<b><u>Gwasanaethau Oedolion</u></b> <b><u>Adult Services</u></b>	38,462	8,024	7,813	(211)	-2.63%	38,071	(391)	(1.02%)	(585)
<b><u>Gwasanaethau Plant</u></b> <b><u>Children's Services</u></b>	14,434	4,299	4,571	272	6.32%	16,209	1,775	12.30%	1,403
<b><u>Tai</u></b> <b><u>Housing</u></b>	1,660	339	299	(40)	-11.87%	1,615	(45)	(2.71%)	(63)

<b>Gwasanaeth/Swyddogaeth Service/Function</b>	<b>2024/25 Cyllideb Blynyddol Annual Budget</b>	<b>2024/25 Ch1 Cyllideb hyd yma Q1 Budget Year to Date</b>	<b>2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual &amp; Committed spend</b>	<b>2024/25 Ch1 Amrywiad Q1 Variance</b>	<b>2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual &amp; Committed Spend</b>	<b>Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2025 Estimated Expenditure to 31 March 2025</b>	<b>Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2025 gor/(tan) wariant Estimated Outturn 31 March 2025 over/(under)</b>	<b>2024/25 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over /(Under) spend as a % of Total Budget</b>	<b>2023/24 Gor/(Tan) Wariant Drafft Draft Over/Underspend)</b>
<b><u>Priffyrdd, Eiddo a Gwastraff Highways, Property &amp; Waste</u></b>									
Priffyrdd Highways	8,264	1,758	1,755	(3)	-0.15%	8,125	(139)	-1.68%	79
Eiddo Property	1,991	(858)	(857)	1	-0.17%	1,974	(17)	-0.85%	106
Gwastraff Waste	10,111	1,506	1,494	(12)	-0.81%	10,016	(95)	-0.94%	(513)
<b><u>Rheoleiddio a Datblygu Economaidd Regulation &amp; Economic Development</u></b>									
Datblygu Economaidd Economic Development	3,271	960	884	(76)	-7.95%	3,136	(135)	-4.13%	(500)
Cynllunio a Gwarchod y Cyhoedd Planning and Public Protection	2,917	893	775	(119)	-13.27%	2,696	(6)	-0.21%	(182)
<b><u>Trawsnewid Transformation</u></b>									
Adnoddau Dynol Human Resources	1,713	481	478	(4)	-0.79%	1,724	11	0.64%	(3)
TGCh ICT	4,701	2,282	2,418	136	5.96%	4,650	(51)	-1.08%	(546)
Trawsnewid Corfforaethol Corporate Transformation	1,243	270	255	(14)	-5.34%	1,210	(33)	-2.65%	(89)

<b>Gwasanaeth/Swyddogaeth Service/Function</b>	<b>2024/25 Cyllideb Blynyddol Annual Budget</b>	<b>2024/25 Ch1 Cyllideb hyd yma Q1 Budget Year to Date</b>	<b>2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual &amp; Committed spend</b>	<b>2024/25 Ch1 Amrywiad Q1 Variance</b>	<b>2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual &amp; Committed Spend</b>	<b>Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2025 Estimated Expenditure to 31 March 2025</b>	<b>Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2025 gor/(tan) wariant Estimated Outturn 31 March 2025 over/(under)</b>	<b>2024/25 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over /(Under) spend as a % of Total Budget</b>	<b>2023/24 Gor/(Tan) Wariant Drafft Draft Over/Underspend)</b>
<b><u>Adnoddau Resources</u></b>	4,032	1,109	1,043	(66)	-5.94%	3,927	(105)	-2.60%	(26)
<b><u>Busnes y Cyngor Council Business</u></b>	2,125	524	463	(60)	-11.53%	2,195	70	3.29%	(46)
<b><u>Costau Corfforaethol a Democrataidd Corporate &amp; Democratic costs</u></b>	2,193	861	928	67	7.80%	2,176	(17)	-0.78%	(76)
<b><u>Rheolaeth Corfforaethol Corporate Management</u></b>	809	208	195	(13)	-6.11%	833	24	2.97%	(3)
Costau heb gyllideb, ac na ellir eu rheoli: yswiriant, costau pensiwn a dileu drwg ddyledion / lwfansau amhariad ar incwm gwasanaethau <i>Unbudgeted, uncontrollable costs: insurances, pension costs and bad debt write offs / impairment allowances on services' income</i>						500	500	0.00%	595
<b>Cyfanswm Cyllidebau Gwasanaethau Total Service Budgets</b>	165,854	34,907	34,654	(254)	(0.73%)	167,187	1,333	0.80%	(1,073)
Ardollau Levies	4,931	4,931	4,931	0	-0.00%	4,931	0	0.00%	0





Gwasanaeth/Swyddogaeth Service/Function	2024/25 Cyllideb Blynyddol Annual Budget	2024/25 Ch1 Cyllideb hyd yma Q1 Budget Year to Date	2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed spend	2024/25 Ch1 Amrywiad Q1 Variance	2024/25 Ch1 Gwir Wariant ac Ymrwymadau Q1 Actual & Committed Spend	Ch1 : Q1 Amcangyfrif Gwariant i 31 Mawrth 2025 Estimated Expenditure to 31 March 2025	Ch1 : Q1 Amcangyfrif o Alldro 31 Mawrth 2025 gor/(tan) wariant Estimated Outturn 31 March 2025 over/(under)	2024/25 Gor/(tan) wariant fel % o'r Gyllideb Gyfan Projected Over /(Under) spend as a % of Total Budget	2023/24 Gor/(Tan) Wariant Drafft Draft Over/Underspend)
<b><u>Cyllido Funding</u></b>									
Trethi Annomestig NDR	(25,341)	(7,797)	(7,797)	0	0.00%	(25,341)	0	0.00%	0
Y Dreth Gyngor Council Tax	(48,387)	0	0	0	0.00%	(48,455)	(68)	0.14%	513
Premiwm y Dreth Gyngor Council Tax Premium	(3,766)	0	0	0	0.00%	(4,289)	(523)	13.89%	(176)
Grant Cynnal Refeniw Revenue Support Grant	(102,245)	(31,461)	(31,460)	0	0.00%	(102,245)	0	0.00%	0
<b>Cyfanswm Cyllid 2024/25 Total Funding 2024/25</b>	<b>(179,739)</b>	<b>(39,257)</b>	<b>(39,257)</b>	<b>0</b>	<b>0</b>	<b>(180,330)</b>	<b>(591)</b>	<b>0.33%</b>	<b>337</b>
<b>Cyfanswm yr alldro, yn cynnwys effaith y cyllido Total outturn, including impact of funding</b>	<b>0</b>	<b>3,898</b>	<b>4,000</b>	<b>103</b>	<b>2.63%</b>	<b>90</b>	<b>90</b>	<b>0.05%</b>	<b>(1,732)</b>

APPENDIX C

ANALYSIS OF THE FORECASTED VARIANCE BY SERVICE AND REASON

Service	Sub Service	Variance £'000	Reason for Variance									
			Change in Service Demand £'000	Staff / Agency Variances £'000	Contract or Price Changes £'000	Changes to Grant Funding £'000	Income Variances £'000	Building Costs £'000	Consultancy £'000	Transfer To / (From) Reserves £'000	Budget Over / Under Provision £'000	Misc £'000
Central Education	School Transport	(172)	(172)									
	School Meals	105			105							
	ALN Strategy											
	School Exceptions	(19)							(19)			
	Language Centre	101				101						
	Early Years Provision	(47)	(40)	(7)								
	Clwb Gofal Plant	62					62					
	Further Education											
	Central Education	(48)				(48)						
	Out of County Placements	(19)	(19)									
	Millbank	15							15			
	Others	13										13
	<b>TOTAL</b>	<b>(9)</b>	<b>(231)</b>	<b>(7)</b>	<b>105</b>	<b>53</b>	<b>62</b>	<b>(4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13</b>
Culture	Museums & Galleries	53		(52)			50	30				25
	Libraries	(73)		(78)		(10)	15					
	Archives	16		16								
	<b>TOTAL</b>	<b>(4)</b>	<b>-</b>	<b>(114)</b>	<b>-</b>	<b>(10)</b>	<b>65</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>

Service	Sub Service	Variance	Reason for Variance									
			Change in Service Demand	Staff / Agency Variances	Contract or Price Changes	Changes to Grant Funding	Income Variances	Building Costs	Consultancy	Transfer To / (From) Reserves	Budget Over / Under Provision	Misc
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Services	Elderly - Residential	(83)	211					(294)				
	Elderly – Nursing	(34)	(32)					(2)				
	Elderly – Homecare	58	58									
	Elderly – Other	(29)	(20)	(9)								
	Physical Disability - Residential	(2)	49					(51)				
	Physical Disability - Nursing											
	Physical Disability - Homecare	(17)	(17)									
	Physical Disability - Other	(66)	(14)	(52)								
	Learning Disability – Residential											
	Learning Disability - Homecare	(51)	(51)									
	Learning Disability – Day Care	18	(18)					18				
	Learning Disability – Supp Accommodation	4	4									
	Learning Disability - Other	7	1	6								



Service	Sub Service	Variance	Reason for Variance									
			Change in Service Demand	Staff / Agency Variances	Contract or Price Changes	Changes to Grant Funding	Income Variances	Building Costs	Consultancy	Transfer To / (From) Reserves	Budget Over / Under Provision	Misc
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Page 81	Small Group Homes	59	(13)	72								
	Other Looked After Children	162	162									
	Family Support	(9)	(9)									
	Children with Disabilities	76	130	(54)								
	Commissioning & Social Work	(140)		(140)								
	Youth Services											
	Other	(71)	(1)	(70)								
	<b>TOTAL</b>	<b>1,775</b>	<b>1,967</b>	<b>(192)</b>	-	-	-	-	-	-	-	-
<b>Housing</b>	Housing Services	(41)		(41)								
	Homelessness	(3)	210				(105)			(106)		(5)
	J.E. O'Toole Centre	(1)		(3)								2
	<b>TOTAL</b>	<b>(45)</b>	<b>210</b>	<b>(44)</b>	-	-	<b>(105)</b>	-	-	<b>(103)</b>	-	<b>(3)</b>
<b>Highways</b>	Highways Support & Management											
	Môn Community Transport											
	Car Parks & Parking Management	30					30					
	Development Control	(40)					(40)					



Service	Sub Service	Variance £'000	Reason for Variance									
			Change in Service Demand £'000	Staff / Agency Variances £'000	Contract or Price Changes £'000	Changes to Grant Funding £'000	Income Variances £'000	Building Costs £'000	Consultancy £'000	Transfer To / (From) Reserves £'000	Budget Over / Under Provision £'000	Misc £'000
	Administration & Management											
	Other	(15)										(15)
	<b>TOTAL</b>	<b>(95)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(80)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15)</b>
Economic Development	Economic Development	23	72	(60)		(7)						18
	Destination	(67)		(82)		(27)	10	42				(10)
	Leisure	(91)		28			(134)	(15)				30
	<b>TOTAL</b>	<b>(135)</b>	<b>72</b>	<b>(114)</b>	<b>-</b>	<b>(34)</b>	<b>(124)</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>
Planning	Planning Admin											
	Planning Control	44		10			14		20			
	Building Control	21					21					
	Planning Policy											
	Conservation	(25)		(24)								(1)
	Land Registry											
	<b>TOTAL</b>	<b>40</b>	<b>-</b>	<b>(14)</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
Public Protection	Environmental Health	(17)		(17)								
	Dog / Pest Control											
	Animal Health											
	Trading Standards											
	Licensing											
	Registrars	(11)		(11)								







Service	Sub Service	Variance	Reason for Variance									
			Change in Service Demand	Staff / Agency Variances	Contract or Price Changes	Changes to Grant Funding	Income Variances	Building Costs	Consultancy	Transfer To / (From) Reserves	Budget Over / Under Provision	Misc
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>SERVICE TOTAL</b>	1,333	2,062	(907)	127	(74)	(620)	123	71	(106)	11	646

## SUMMARY OF QUARTER 1 POSITION ON CONTINGENCY BUDGETS

	Budget	Virements to Service Lines	Amended Budget YTD	Committed YTD	Currently Uncommitted Budgets	Budget Forecast
	£	£	£	£	£	£
General Contingency	382,282	-	382,282	-	382,282	-
Salary and Grading	300,000	-	300,000	110,968	189,032	-
Other Earmarked	150,000	700,000	850,000	-	850,000	-
Pay Inflation	49,209	-	49,209	-	49,209	-
Regional Growth – Economic Ambition Board	86,250	(57,880)	28,370	-	-	(28,370)
Trainee Scheme	340,000	(71,014)	268,986	-	268,986	-
Climate Change	50,000	-	50,000	-	50,000	-
<b>Total General and other Contingencies</b>	<b>1,357,741</b>	<b>571,106</b>	<b>1,928,847</b>	<b>110,968</b>	<b>1,789,509</b>	<b>(28,370)</b>

## AGENCY COSTS APRIL TO JUNE 2024

Service	Amount £	Source of Funding (Specific Core Budget / Un-utilised staffing budget / Grant / External Contribution)	Permanent / Temporary	Reason for Cover
Schools	34,695	Core Budget	Temporary	Supply teachers in specialist field
	<b>34,695</b>			
Waste	70,710	Specific Core Budget	Temporary	Specific Tasks on Site
	21,815	Specific Core Budget / External Contribution	Temporary	Specific Tasks on Site
	<b>92,525</b>			
Children's Services	34,698	Core Budget	Temporary	To cover vacant posts
	<b>34,698</b>			
Adult Services	128,072	Core Budget	Temporary	To cover vacant posts
	<b>128,072</b>			
<b>Total</b>	<b>289,990</b>			

## SUMMARY OF CONSULTANCY EXPENDITURE TO END QUARTER 1 2024/25

Summary Consultancy Expenditure per Service		
Service	Quarter 1 £	Total 2024/25 £
Central Education	7,097	7,097
Culture	13,613	13,613
Economic & Regeneration	119,484	119,484
Property		
Highways	53,753	53,753
Schools		
Waste	19,093	19,093
HRA		
Housing		
Corporate & Democratic		
Adult Services		
Children's Services	3,209	3,209
Corporate		
Transformation	3,713	3,713
Council Business	18,168	18,168
Resources	9,970	9,970
<b>Total</b>	<b>248,097</b>	<b>248,097</b>
Funded by:		
Core Budget	72,552	72,552
Grant	129,111	129,111
External Contribution	29,411	29,411
Reserves / Provisions	17,023	17,023
<b>Total</b>	<b>248,097</b>	<b>248,097</b>

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ISLE OF ANGLESEY COUNTY COUNCIL											
Report to:	<b>EXECUTIVE</b>										
Date:	<b>24 SEPTEMBER 2024</b>										
Subject:	<b>BUDGET MONITORING REPORT FIRST QUARTER 2024/25 - CAPITAL</b>										
Portfolio Holder(s):	<b>COUNCILLOR R WILLIAMS – DEPUTY LEADER &amp; PORTFOLIO HOLDER - FINANCE</b>										
Head of Service / Director:	<b>MARC JONES - DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b>										
Report Author:	<b>Jemma Robinson</b>										
E-mail:	<b>Jemma.robinson@ynysmon.llyw.cymru</b>										
Local Members:	<b>Not applicable</b>										
<b>A –Recommendation/s and reason/s</b>											
<ul style="list-style-type: none"> <li>• It is recommended that the Executive notes the progress of expenditure and receipts against the capital budget 2024/25 at quarter 1.</li> <li>• Approve the additional schemes, amounting to £11.369m, and a reduction in the HRA budget of £1.345m to the capital programme, and amendments to funding as per Appendix C, which will result in a revised capital budget of £69.361m for 2024/25.</li> </ul>											
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>											
n/a											
<b>C – Why is this a decision for the Executive?</b>											
<ul style="list-style-type: none"> <li>• This report sets out the financial performance of the capital budget for the first quarter of the financial year.</li> <li>• Budget monitoring is a designated Executive function.</li> </ul>											
<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>											
Setting of the annual Capital Budget.											
<b>DD – Who did you consult? What did they say?</b>											
<b>1</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"><b>Chief Executive / Leadership Team (LT)</b> (mandatory)</td> <td>Report has been reviewed by the Leadership Team at its meeting on 3 September 2024 and comments incorporated into the final report.</td> </tr> <tr> <td><b>2 Finance / Section 151</b> (mandatory)</td> <td>n/a – this is the Section 151 Officer’s report.</td> </tr> <tr> <td><b>3 Legal / Monitoring Officer</b> (mandatory)</td> <td>The Monitoring Officer is part of the LT and comments made have been considered.</td> </tr> <tr> <td><b>4 Human Resources (HR)</b></td> <td>N/A</td> </tr> <tr> <td><b>5 Property</b></td> <td>Discussions on capital projects managed by the Property Team have taken place and expenditure to date and forecasted expenditure agreed.</td> </tr> </table>	<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	Report has been reviewed by the Leadership Team at its meeting on 3 September 2024 and comments incorporated into the final report.	<b>2 Finance / Section 151</b> (mandatory)	n/a – this is the Section 151 Officer’s report.	<b>3 Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is part of the LT and comments made have been considered.	<b>4 Human Resources (HR)</b>	N/A	<b>5 Property</b>	Discussions on capital projects managed by the Property Team have taken place and expenditure to date and forecasted expenditure agreed.
<b>Chief Executive / Leadership Team (LT)</b> (mandatory)	Report has been reviewed by the Leadership Team at its meeting on 3 September 2024 and comments incorporated into the final report.										
<b>2 Finance / Section 151</b> (mandatory)	n/a – this is the Section 151 Officer’s report.										
<b>3 Legal / Monitoring Officer</b> (mandatory)	The Monitoring Officer is part of the LT and comments made have been considered.										
<b>4 Human Resources (HR)</b>	N/A										
<b>5 Property</b>	Discussions on capital projects managed by the Property Team have taken place and expenditure to date and forecasted expenditure agreed.										

6	<b>Information Communication Technology (ICT)</b>	Discussions on capital projects managed by the ICT Team have taken place and expenditure to date and forecasted expenditure agreed.
7	<b>Procurement</b>	N/A
8	<b>Scrutiny</b>	The budget position was discussed at the Finance Scrutiny Panel meeting held on 11 September 2024.
9	<b>Local Members</b>	N/A
<b>E – Impact on our Future Generations(if relevant)</b>		
1	<b>How does this decision impact on our long term needs as an Island</b>	The capital budget funds investments in assets and infrastructure which are required to allow the Council to meet the long term objectives which are set out in its Corporate Plan and Capital Strategy.
2	<b>Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority. If so, how:-</b>	Some of the individual investments, e.g. flood prevention work, will prevent future costs, whilst others, e.g. ICF projects, will reduce the dependency on the Council to provide more expensive services.
3	<b>Have we been working collaboratively with other organisations to come to this decision, if so, please advise whom:</b>	Funding of the projects has been agreed and planned with other organisations, notably Welsh Government (WG).
4	<b>Have Anglesey citizens played a part in drafting this way forward? Please explain how:-</b>	The Council's Corporate Plan and Capital Programme 2024/25 have been subject to a consultation process with Anglesey citizens.
5	<b>Outline what impact does this decision have on the Equalities agenda and the Welsh language</b>	Some of the projects funded by the capital programme do impact on the equalities agenda, e.g. disabled access in schools, disabled facilities grants. No impact on the Welsh language agenda.
<b>F - Appendices:</b>		
Appendix A - Capital Budget Monitoring Report – Quarter 1 2024/25 Appendix B - Summary of the Capital Projects' Expenditure to date against the Capital Budget and the Projected Expenditure at Year-End Appendix C - Changes to budgets / additional schemes added since budget setting		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
<ul style="list-style-type: none"> <li>• 2024/25 Capital Budget, as approved by the full Council on 7 March 2024;</li> <li>• 2024/25 Treasury Management Strategy Statement, approved by the full Council on 7 March 2024; and</li> <li>• 2023/24 Capital Outturn Report, presented to this Committee on 23 July 2024.</li> </ul>		



## 1. INTRODUCTION

- 1.1 This is the capital budget monitoring report for the first quarter of the financial year and allows Members to note the progress of capital expenditure and capital receipts against the capital budget.
- 1.2 In March 2024, the Council approved a capital programme for non-housing services of £13.836m for 2024/25, and a capital programme of £30.002m for the Housing Revenue Account (HRA). In addition, in June 2024, the Executive approved capital slippage of £15.499m to be brought forward from 2023/24, bringing the capital programme for non-housing services to £28.419m, and £30.918m for the HRA. Since the budget setting process, there have been additional schemes added onto the programme, most of which are grant funded, and some amending of funding, which amounted to £11.369m. There has also been a reduction in the HRA budget of £1.345m. This brings the total capital budget for 2024/25 to £69.361m. This is illustrated in the table below:-

	Original 2024/25 budget as approved by full Council £'000	Slippage as approved in Q4 2023/24 outturn £'000	HRA decrease in budget £'000	Additional schemes / amendments since budget setting £'000	TOTAL £'000
<b>Funded By:</b>					
Grant	20,075	10,039	(1,173)	11,114	40,055
Supported Borrowing	2,634	3,233	(162)	162	5,867
Unsupported Borrowing	3,636	0	2,169	0	5,805
Revenue Contribution	17,315	754	(2,688)	0	15,381
Capital Receipts	178	345	509	0	1,032
Reserves		1,112		93	1,205
Loan		16		0	16
<b>TOTAL</b>	<b>43,838</b>	<b>15,499</b>	<b>(1,345)</b>	<b>11,369</b>	<b>69,361</b>

Please refer to Appendix C for details of changes to budgets / additional schemes added since the budget setting process.

## 2. PROGRESS ON EXPENDITURE 2024/25

- 2.1 Below is a summary table of the capital expenditure to 30 June 2024, the profiled budget to 30 June 2024 and the proposed funding of the capital programme for 2024/25:-

Service	Annual Budget £'000	Profiled Budget £'000	Actual Expenditure £'000	Committed Expenditure £'000	Total Expenditure £'000	Profiled Budget Spend %	Annual Budget Spent %
Housing - General Fund	1,049	100	92	0	92	92	9
Housing - HRA	29,573	6,572	6,479	0	6,479	99	22
Lifelong Learning	6,690	2,058	1,868	147	2,015	98	30
Economic and Regeneration	11,758	710	274	676	950	134	8
Highways	6,999	1,020	509	508	1,017	100	15
Waste Management	264	239	239	0	239	100	91
Property	11,303	31	29	0	29	94	0
Transformation	500	40	26	14	40	100	8
Adult Services	1,225	20	17	0	17	85	1
<b>Total</b>	<b>69,361</b>	<b>10,790</b>	<b>9,533</b>	<b>1,345</b>	<b>10,878</b>	<b>101</b>	<b>16</b>
<b>Funded By:</b>							
Capital Grant	40,055						
Capital Receipts	1,032						
Supported Borrowing	5,867						
Unsupported Borrowing	5,805						
Revenue Contribution	15,381						
Reserves	1,205						
Loan	16						
<b>Total Funding</b>	<b>69,361</b>						

**2.2** The profiled budget spent to the end of the first quarter for the general fund is 104%, however, only 11% of the annual budget has been spent to date. The reason for this is that a number of the capital schemes are weighted towards the latter part of the financial year. Some capital schemes are underway, with the majority of the profiled budget for quarter 1 being spent, and some capital schemes have yet to commence, but their budget is profiled in the next quarter or towards the latter part of the financial year, such as Plas Arthur, Canolfan Glanhwfa, RAAC remedial works and the vehicles budget. These schemes and their profiles can be seen in Appendix B. There are a number of Capital Grants schemes in 2024/25 and an update on these is provided in Section 3.1 of this report.

**2.3** The HRA has spent 99% of its profiled budget and 22% of the annual budget. When setting the 2024/25 budget and associated funding, there were grants available for funding that were not known at the time of producing the budget. The funding of the budget has now been amended, as can be seen in Appendix C. Also, the Acquisition of existing properties and development of new properties budget has been reviewed and, in light of further information, it is requested that that particular budget is decreased by £1.345m, bringing the total budget to £15.657m. It is currently estimated that the overall HRA budget will be spent in its entirety come the end of the financial year. For further information on the HRA capital expenditure and projected spend, please refer to the HRA quarter 1 budget monitoring report, presented to this Committee on 24 September 2024.

### **3. FUNDING**

#### **3.1 Capital Grants**

**3.1.1** There are a number of Capital Grant schemes in the Capital Programme for 2024/25, most of which are underway and progressing, with a brief update on the schemes provided below:-

- **Sustainable Communities for Learning** - Children and staff moved into the new building at Ysgol Y Graig for the last three weeks of the summer term. Works are progressing well on site to complete the highway, car park and landscaping works. Trees cannot be planted until October. Some outstanding mechanical and electrical works need to be completed by September. Refurbishment and remodelling works are ongoing within the old school and should be completed by mid-September.
- **Levelling Up (including Townscape Heritage Initiative THI Phase II) –**
  - Work began on site at St Cybi's Church on 28th May 2024, which is approximately 6 months behind the start date proposed in the original programme. Correspondingly, it is expected that works will finish significantly after the originally projected date. However, due to a reduction in the scope of the works, this should not extend beyond April 2025. In terms of cost, the forecast is currently predicting an overspend with some funds already secured from within the Diocese. Archaeologists are still on site, with a significantly increased scope of their investigations as a result of the archaeological findings in the area behind Eglwys y Bedd and the lower-than-expected reusability rate of the lifted tiles in St Cybi's. Both these items may cause a further increase in expenditure.
  - Ucheldre Centre Expansion – Good progress has been made with the new extension, although the forecast completion date has now slipped to August 2025.
  - Play Centre & Beach Frontages - Work on the Shelters is progressing well, with completion now expected in early August. Some minor issues have arisen in relation to services, but these have now been resolved. Work will commence on the Empire complex in mid-July, with a staged process now agreed between the Town Council and the contractor. Work will begin externally on the extension and the Cinema. Once the Cinema is complete, the Play Centre will close and works will start internally. This will allow the Town Council to keep operating without completely closing.

- Vacant Property Programme - Revised tenders have now been released for both the HSBC and Central Building projects, with returns expected by 22 July. Work on 9 Stanley Street is progressing well, with completion of the shop and shopfront expected to be complete by the end of July. The flat will be completed later as a new sprinkler system will have to be installed and a new water connection is required in order to provide adequate pressure. 14 a/b Stanley Street is still delayed as work is carried out to assess the structural issues that have arisen with the associated properties.
- THI Phase II – Planning permission for all the shopfronts, apart from 14a/b Stanley Street, have now been submitted and a number have already been approved. Tenders for the works are due to be released on Sell2Wales in July for 28 days. Overall QS estimates are in line with the original programme. Planning permission for all the projects in the Property Grants Scheme have now been submitted and no major concerns have been raised, and some have been approved. Tenders for all the projects are in development, with some being posted on Sell2Wales in July and August.
- **Small Scale Grants Work** - 5 schemes have been approved for 2024/25 (three construction schemes and two design schemes). Construction work has been programmed to commence on the schemes in quarters 2 and 3.
- **Llanfair PG, Menai Bridge (FBC)** – Menai Bridge FBC is progressing well. However, work on Llanfair PG business case is delayed due to resourcing issues.
- **Active Travel** - £1.527m of Welsh Government (WG) grant has been secured to increase levels of active travel, improve health & well-being, improve air quality, reduce carbon emissions, connect communities and improve active travel access to employment, education and key services, destinations and public transport.
  - £0.500m is for core works covering a number of scheme proposals, broken down to pre-scheme development, minor works and monitoring and evaluation activities;
  - £0.589m in relation to Holyhead – Trearddur Bay Phase 2 (Junction 2 Works and Pre-Scheme Development Activities);
  - £0.438m in relation to Pont Marquis - Malltraeth - Phase 1.

The majority of construction works have been completed at Holyhead-Trearddur Bay North Wales Metro Phase 1. Designs and Section 278 documentation on Phase 2 of the above scheme over Junction 2 of the A55 nearing completion. Site visit undertaken on the capital scheme at Malltraeth - Pont Marquis with principal contractor, with minor amendments agreed on the design, and construction works programmed to start in January and completion prior to end of March (quarter 4). Pre-Scheme Development activities ongoing at Llanfairpwll, Amlwch, Benllech, Gaerwen, Malltraeth / Newborough and Valley, and site visit undertaken along all routes ahead of design stage for the Minor Works.

- **Ultra Low Emission Vehicle (ULEV) Transformation Fund (2023/24)** - Approval was granted from WG for a time-extension on the construction of the EV Hub at Plas Arthur until end of August 2024, and the entire budget is committed. Diversionary works to SPEN electrical cables have been completed at Plas Arthur EV Hub and construction works programmed for EV Hub at Plas Arthur to begin in July 2024 with the principal contractor.

- **Ultra Low Emission Vehicle (ULEV) Transformation Fund (2024/25)** - £0.503m has been awarded to promote electric vehicle charging infrastructure projects in alignment with the WG's EV Charging Strategy. This funding is to facilitate the continuation of delivery of fast charge sites at 8 different sites across the Island. Quotes submitted to SPEN on multiple sites across the Island to secure understanding of electrical connectivity costs, and discussions undertaken to confirm not to proceed with EV charging points at car parks across Trearddur Bay due to high flood risk issues.
- **Safe Routes in Communities** - £0.072m has been awarded to support capital schemes that contribute to the WG's objectives to improve accessibility and safety and encourage walking and cycling in communities. There is particular emphasis on improving routes to and from schools. The aim is to change how people travel, resulting in greater social inclusion and improved community safety. There has been engagement with the Education Department and Ysgol Llanfairpwll to agree scheme details. Arrangements made with the Council Tree Officer, Tree Contractor and SPEN to undertake vegetation removal and tree pruning in July 2024 on site boundary in order to open access points ahead of the construction works which are planned to start in late July 2024.
- **RAAC Remedial works** - In the latter part of 2023/24, the Authority was awarded £1.695m of additional grant funding for capital works relating to RAAC. The grant funding was used to fund capital expenditure on RAAC works to the end of financial year 2023/24, with £1.014m being carried forward to financial year 2024/25 for completion of RAAC activities.
  - At Ysgol David Hughes (YDH), remedial works to the Art Block, to include re-decoration and re-carpeting, as well as asbestos removal work to the Refractory Block in advance of remedial works, were completed in quarter 1. Remedial works to the Refectory Block and roof re-covering works will be undertaken during quarter 2 2024/25, and these works will conclude the RAAC Remedial Works at YDH.
  - At Ysgol Uwchradd Caergybi (YUC), remedial works to the House Blocks (B&D) were completed, and remedial work to the Admin Block (M) proceeded. Remedial works to the Stage Area, together with isolated snagging of areas and isolated roof re-covering works, will be undertaken during quarter 2 2024/25. These works will conclude the RAAC Remedial Works as identified at this time at YUC. The RAAC at YUC is subject to a management plan, and it is anticipated that further isolated remedial work may be necessary in future in response to any observed deterioration in condition.
- **St Mary's Roofing works** - £0.153m grant funding has been secured to contribute to a £0.219m re-roofing project at St Mary's Primary School. The Council is providing match funding for the remainder of the budget. Works commenced at the start of quarter 2, with an expected completion date of end of August 2024.
- **Ysgol David Hughes - Food Tech Block** - £0.115m grant funding has been secured to contribute to a £0.163m project at the school, with contributions from the school and Council for the remainder of the budget. Works include some asbestos removal, installation of new floor, wall and ceiling finishes, installation of new units, worktops and appliances and corresponding mechanical and electrical work. Works commenced at the start of quarter 2, with an expected completion date of end of August 2024.
- **Plas Arthur** - £0.995m grant funding has been secured to contribute to a £1.084m project at Plas Arthur, with contribution from the Council from existing capital budgets for the remainder of the budget. Works are to the exterior of the building and include roof-recovering, wall-tie replacement, installation of cavity wall insulation, window and door replacement and exterior cladding. It should be noted that the works are the first of what is intended to be a series of phases, subject to funding, and, as such, these works will not extend to all parts of the building. Works commenced in May 2024, with an expected completion date of end of September 2024.

- **Low Carbon Heat Grant (Council Offices)** – Planning permission granted in November 2023, ground surveys have subsequently taken place. On-site progress has been considerable, with most of the construction and engineering work complete, the heat pumps and other essential plant equipment are successfully installed and connected to the building through underground piping. Work is anticipated to continue throughout August 2024, with a projected completion date set for the end of September 2024. However, this timeline may be delayed by any necessary upgrades that SPEN may need to implement to upgrade the electricity supply capacity to the Council offices.
- **Low Carbon Heat Grant (4 grants)** – Funding has been awarded across four separate grants to the value of £15.7m. One of the grant awards has a completion date of financial year 2024/25, with the other three completing in financial year 2025/26. WG Energy Service is providing grant funding that covers 90% of the costs and the Council providing match funding for the remaining 10% from existing capital budgets. External works have been successfully completed at multiple sites concurrently, including the installation of foundations and gated compounds designed to accommodate heat pumps and other plant equipment. In parallel, internal pipework and radiator upgrades have been carried out at several locations. Additionally, fabric measures have been implemented at another site.
- **Additional Learning Needs (ALN) grant (2024/25)** - £0.477m of grant funding was awarded by WG in 2024/25 to support learners with ALN. The aim of the grant is to optimise learning environments for disabled children and young people, and those with additional learning needs, to increase accessibility, promote inclusive practice, support learning and pupil wellbeing. This will support the objectives of ALNET and ALN reform, to create a unified bilingual system for supporting children and young people from 0 to 25 with ALN, and the delivery of the Curriculum for Wales in school settings. With the projects that are currently in the programme for delivery under this grant, there is an underspend expected of approximately £0.088m.
- **Community Focused Schools (CFS) grant (2024/25)** - £0.790m was awarded in 2024/25 to support small and medium scale practical projects to open schools outside the traditional hours, specifically to safely adapt and effectively open schools outside traditional hours, to enable community use of the existing facilities. The awarded sum relates to three specific schools. There has been minimal expenditure on the scheme in quarter 1, with full expenditure of the budget expected.
- Social care funding has been awarded from the Regional Partnership Board from a number of different funding streams, as follows:-
  - **Integrated Care Fund (ICF)** - £0.162m was claimed through the ICF in prior years and through displaced funding, for the projects to slip into 2024/25 to be completed. There are 2 projects included in the programme managed monies, which are:-
    - Specialist small group homes;
    - Extra Care south of the Island.

It is currently envisaged that the remaining funds will be spent in full this financial year, which will be used as a contribution to the above expenditure schemes that sit within the HRA budget.

- **Integrated and rebalancing community fund (IRCF)** – £0.244m of capital funding has been granted through IRCF to fund:-

- Gors Felen (£0.063m) - This investment will be used to create a safe sensory environment for individuals with a learning disability in the Gors Felen Centre in Llangefni. This bespoke environment will enable individuals to take part in outdoor activities and boost their independence.
- Canolfan Glanhwfa (£0.774m, along with a further grant of £0.210m) – The funding will be used to transform an historic chapel / building close to the centre of Llangefni, build on the activity-based menu for dementia currently present and create the first Dementia Centre on Anglesey. The Centre will be run by Canolfan Glanhwfa in partnership with the North Wales Memory Assessment Service and other providers throughout the week and will benefit individuals and carers along their dementia journey. These individuals will be able to take part in activities, have information, advice and guidance, carer support sessions and join the meal club run by Bwyd Da Môn and Age Cymru twice a week. The construction for this project has begun and will run for 12 months, so the funding will be split over 2 financial years - majority of the funding will be spent in the 2024/25 financial year.

## 3.2 Capital Receipts

3.2.1 The capital receipts for this year to date and the budgeted capital receipts are:-

	Budget 2024/25 £'000	Received to 30 June 2024 £'000	Projection to 31 March 2025 £'000
<b>Council Fund:</b>			
Smallholdings	0	0	0
General	0	33	33
Industrial	0	0	0
Schools	372	81	81
<b>HRA</b>	247	0	247
<b>Total</b>	<b>619</b>	<b>114</b>	<b>361</b>

3.2.2 The projected capital receipts at 31 March 2025 is £0.361m, with £0.114m being received at 30 June 2024 (32%).

3.2.3 Although the projected capital receipts is £0.361m, there is £3.261m of capital receipts available to fund the capital programme, as £2.900m of capital receipts were brought forward from 2023/24 in the capital receipt reserve. Not all of this figure will be available to fund the general fund capital programme as there will be funding earmarked to fund the Sustainable Communities for Learning programme, as part of the Isle of Anglesey County Council's match funding, funding of leisure improvements, HRA capital receipts, as well as funding earmarked for slippage schemes from previous year.

## 4. PROJECTED ACTUAL EXPENDITURE 2024/25

4.1 Below is a table with projected Expenditure at 31 March 2025 and the revised funding:-

Service	Annual Budget £'000	Projected Expenditure £'000	Projected (Under) / Over Expenditure £'000	Variance %
Housing General Fund	1,049	1,049	0	0
Housing HRA	29,573	29,573	0	0
Lifelong Learning	6,690	6,602	(88)	(1)
Economic and Regeneration	11,758	11,757	(1)	(0)
Highways	6,999	6,954	(45)	(1)
Waste Management	264	264	0	0
Property	11,303	11,024	(279)	(2)
Transformation	500	500	0	0
Adult Services	1,225	938	(287)	(23)
<b>Total</b>	<b>69,361</b>	<b>68,661</b>	<b>(700)</b>	<b>(1)</b>
<b>Funded By:</b>	<b>Annual Budget £'000</b>	<b>Projected Funding £'000</b>	<b>Variance £'000</b>	<b>Variance %</b>
Capital Grant	40,055	39,680	(375)	(1)
Capital Receipts	1,032	810	(222)	(22)
Supported Borrowing	5,867	5,867	0	0
Unsupported Borrowing	5,805	5,805	0	0
Revenue Contribution	15,381	15,381	0	0
Reserves	1,205	1,102	(103)	(9)
Loan	16	16	0	0
<b>Total Funding</b>	<b>69,361</b>	<b>68,661</b>	<b>(700)</b>	<b>(1)</b>

4.2 As can be seen from Table 4.1 (above), the forecast underspend on the capital programme for 2024/25 is £0.700m, with this being potential slippage into the 2025/26 capital programme. The funding for this slippage will also slip into 2025/26 and will be factored in when producing the Treasury Management Strategy Statement, Capital Strategy and Capital Programme for 2025/26.

The significant underspend forecast in the general fund capital programme is summarised below:-

### Lifelong Learning

The Additional Learning Needs (ALN) scheme is expected to underspend against the total budget this financial year, as explained in paragraph 3.1, above.

### Highways

The vehicles and gritters budget is predicted to underspend by approximately £0.045m. This is considering commitments already made and further orders planned. It must be noted, however, that WG funding may become available this financial year towards electric vehicles. If that occurs, the predicted underspend may be utilised along with the grant funding for more vehicles.

### Property

The Upgrade of Public Conveniences scheme budget will not be spent in full; it is anticipated that the spend from this budget will be minimal for the 2024/25 financial year. In recent years, this budget has been used to provide match funding for WG's Brilliant Basics grant programme, which funds 80% of eligible costs.

There is no Brilliant Basics Programme in 2024/25, but the Council is hopeful that the programme will run for 2025/26, and that the underspent budget will be available to support grant applications. It is not considered prudent to commit this budget to wholly Council funded projects this year when there is the prospect of using it to deliver 80% grant funded projects in future. The intended public conveniences improvement plan to quantify capital requirements and prioritise assets for investment has been delayed due to the lead officer taking up another post within the Property Function. The plan will be revived now that a replacement has been appointed.

### **Adult Services**

The Canoflan Glanhwfa schemes are expected to underspend against the total budget this financial year, as explained in paragraph 3.1, above.

- 4.3** The Capital Finance Requirement (CFR) forecasted at 31 March 2025 is £156.753m, which is the underlying need for the Authority to borrow to be able to fund its Capital Programme. The external borrowing currently stands at £121.364m, meaning the Authority essentially needs to borrow £35.389m to fund the current Capital Programme. If this borrowing is undertaken externally, the Authority will still be within its authorised borrowing limits, as per the 2024/25 Treasury Management Strategy Statement (Appendix 11).

## **5. FUTURE YEARS**

- 5.1** The Capital Strategy recommended that the 2024/25 Capital Programme funding will be limited to the total of the general capital grant and supported borrowing (as determined by WG) and estimated value of any capital receipts that will be received. It is expected that the 2025/26 capital programme will follow the same principles, with the general capital grant and supported borrowing used to fund the annual replacement of vehicles, investment in ICT, refurbishing existing assets and an annual allocation to meet the cost of statutory Disabled Facilities Grants. There will also be funding available for the resurfacing of roads and capital projects that attract external grants, and these will be evaluated on a case-by-case basis.

Once the above projects have been funded, any surplus funding available will be used to fund new capital schemes, with priority given to projects which contribute to the Council's objectives, as set out in the Council Plan 2022–2027, and any schemes which can generate future revenue savings or generate additional income.

## **6. CONCLUSION**

- 6.1** The results at the end of quarter 1, and the associated projected expenditure, shows that the majority of projects are on target to be completed within budget. While some schemes are expected to underspend at this stage, it must be noted that the budgets are committed and required, and slippage to 2025/26 is requested for these schemes to complete next financial year. The Council is also expecting to receive £0.361m of Capital Receipts in 2024/25 to contribute towards the funding of the Capital Programme.



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

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
<b>Housing General Fund</b>											
Disabled Facilities Grants	878,910	100,000	92,500	0	92,500	(7,500)	92	11	878,910	0	0
Enable Grant	139,786	0	0	0	0	(0)	0	0	139,786	0	0
Affordable Housing	30,650	0	0	0	0	(0)	0	0	30,650	0	0
<b>TOTAL</b>	<b>1,049,346</b>	<b>100,000</b>	<b>92,500</b>	<b>0</b>	<b>92,500</b>	<b>(7,500)</b>	<b>92</b>	<b>9</b>	<b>1,049,346</b>	<b>0</b>	<b>0</b>
<b>Housing HRA</b>											
Central Heating Contract	1,600,000	100,000	84,327	0	84,327	(15,673)	84	5	1,600,000	0	0
Planned Maintenance Contract	6,216,006	1,200,000	1,185,792	0	1,185,792	(14,208)	99	19	6,216,006	0	0
Energy Performance Improvement	1,700,000	2,000	0	0	0	(2,000)	0	0	1,700,000	0	0
Environmental Works	500,000	60,000	62,892	0	62,892	2,892	105	13	500,000	0	0
Acquisition of Existing Properties and Development of new properties	15,657,000	4,700,000	4,731,154	0	4,731,154	31,154	101	30	15,657,000	0	0
Public Sector Adaptations	500,000	125,000	106,544	0	106,544	(18,456)	85	21	500,000	0	0
Fire Risk	400,000	80,000	4,071	0	4,071	(75,929)	5	1	400,000	0	0
Fleet	300,000	0	0	0	0	(0)	0	0	300,000	0	0
WHS	2,700,000	305,000	304,435	0	304,435	(565)	100	11	2,700,000	0	0
<b>TOTAL</b>	<b>29,573,006</b>	<b>6,572,000</b>	<b>6,479,215</b>	<b>0</b>	<b>6,479,215</b>	<b>(92,785)</b>	<b>99</b>	<b>22</b>	<b>29,573,006</b>	<b>0</b>	<b>0</b>
<b>Life Long Learning</b>											
Disabled Access in Education Building	134,763	0	0	0	0	(0)	0	0	134,763	0	0
Refurbish Education Building	553,747	50,000	49,411	0	49,411	(589)	99	9	553,747	0	0
School Safety	68,901	0	0	0	0	(0)	0	0	68,901	0	0
External Canopies	3,077	0	0	0	0	(0)	0	0	3,077	0	0
Additional Learning Needs 2023/24	108,385	108,385	108,385	0	108,385	0	100	100	108,385	0	0
Additional Learning Needs 2024/25	476,761	50,000	51,141	0	51,141	1,141	102	11	388,700	(88,061)	(18)
Community Focussed Schools	789,680	50,000	16,038	32,168	48,205	(1,795)	96	6	789,680	0	0
RAAC Remedial works	1,013,521	200,000	166,848	14,812	181,660	(18,340)	91	18	1,013,521	0	0
Valley Childcare Unit	281,166	100,000	72,402	14,743	87,145	(12,855)	87	31	281,166	0	0
Santes Fair - Roofing	218,607	0	0	0	0	(0)	0	0	218,607	0	0
Ysgol David Hughes - Food Tech Block	162,950	0	0	0	0	(0)	0	0	162,950	0	0
Commencement of Band B Programme	2,878,000	1,500,000	1,403,827	84,982	1,488,809	(11,191)	99	52	2,878,000	0	0
<b>TOTAL</b>	<b>6,689,558</b>	<b>2,058,386</b>	<b>1,868,052</b>	<b>146,705</b>	<b>2,014,757</b>	<b>(43,628)</b>	<b>98</b>	<b>30</b>	<b>6,601,497</b>	<b>(88,061)</b>	<b>(1)</b>

**APPENDIX B**

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
<b>Economic and Regeneration</b>											
Amlwch Leisure Centre - Flooring	50,527	50,000	47,524	2,381	49,905	(95)	100	99	50,000	(527)	(1)
Tourism Gateway	50,000	0	0	0	0	(0)	0	0	50,000	0	0
Holyhead Regeneration (THI Phase II)	1,282,000	500,000	117,866	629,928	747,794	247,794	150	58	1,282,000	0	0
Economic Development & Environmental Wellbeing	122,543	0	0	0	0	(0)	0	0	122,543	0	0
Porth y Wrach Slipway – Enforcement Cameras	30,000	0	0	0	0	(0)	0	0	30,000	0	0
Newry Community Centre	51,287	10,000	(973)	10,000	9,027	(973)	90	18	51,287	0	0
Maritime Infrastructure	177,514	0	0	0	0	(0)	0	0	177,514	0	0
Visitor Infrastructure	193,953	50,000	2,382	33,802	36,184	(13,817)	72	19	193,953	0	0
Levelling Up Fund	9,800,000	100,000	107,612	0	107,612	7,612	108	1	9,800,000	0	0
<b>TOTAL</b>	<b>11,757,824</b>	<b>710,000</b>	<b>274,411</b>	<b>676,111</b>	<b>950,522</b>	<b>240,522</b>	<b>134</b>	<b>8</b>	<b>11,757,297</b>	<b>(527)</b>	<b>(0)</b>
<b>Highways</b>											
Vehicles	520,789	100,000	80,894	45,220	126,114	26,114	126	24	504,789	(16,000)	(3)
Coasters	456,000	200,000	0	197,880	197,880	(2,120)	99	43	427,000	(29,000)	(6)
Highways Resurfacing	2,116,975	300,000	287,721	0	287,721	(12,279)	96	14	2,116,975	0	0
Llanfair Flood Scheme	349,334	5,000	5,010	0	5,010	10	100	1	349,334	0	0
FBC Menai Flood Scheme	69,518	30,000	5,551	25,000	30,551	551	102	44	69,518	0	0
Flood Relief Schemes (Match Funding)	346,800	0	0	0	0	(0)	0	0	346,800	0	0
Invest to Save - Vehicles	5,068	0	0	0	0	(0)	0	0	5,068	0	0
Small scale grants work	529,641	50,000	35,996	0	35,996	(14,004)	72	7	529,641	0	0
Active Travel	1,527,338	300,000	62,670	239,558	302,228	2,228	101	20	1,527,338	0	0
VTF - Electric Vehicle Charge Points 2023/24	163,521	10,000	9,897	0	9,897	(103)	99	6	163,521	0	0
Road Safety Capital	161,500	0	0	0	0	(0)	0	0	161,500	0	0
Safe Routes in Communities	71,750	0	0	0	0	(0)	0	0	71,750	0	0
ULEV 2024/25	502,500	5,000	2,508	0	2,508	(2,492)	50	0	502,500	0	0
Electric Vehicle Charging Infrastructure	178,705	20,000	18,580	0	18,580	(1,420)	93	10	178,705	0	0
<b>TOTAL</b>	<b>6,999,439</b>	<b>1,020,000</b>	<b>508,827</b>	<b>507,658</b>	<b>1,016,485</b>	<b>(3,515)</b>	<b>100</b>	<b>15</b>	<b>6,954,439</b>	<b>(45,000)</b>	<b>(1)</b>

APPENDIX B

Service	Annual Budget (£)	Profiled Budget (£)	Actual Expenditure (£)	Committed Expenditure (£)	Total Expenditure (£)	Variance to profile (£)	Profiled Budget Spent (%)	Annual Budget Spent (%)	Projected Expenditure (£)	Projected Under / Over (£)	Variance (%)
<b>Waste Management</b>											
IVC Works	7,791	0	0	0	0	(0)	0	0	7,791	0	0
Recycling Equipment	255,857	238,524	238,524	0	238,524	0	100	93	255,857	0	0
<b>TOTAL</b>	<b>263,648</b>	<b>238,524</b>	<b>238,524</b>	<b>0</b>	<b>238,524</b>	<b>(0)</b>	<b>100</b>	<b>90</b>	<b>263,648</b>	<b>0</b>	<b>0</b>
<b>Property</b>											
Refurbish Existing Assets	900,505	30,000	28,367	0	28,367	(1,633)	95	3	900,505	0	0
Plas Arthur	1,083,753	1,000	250	0	250	(750)	25	0	1,083,753	0	0
Invest To Save Property	15,596	0	0	0	0	(0)	0	0	15,596	0	0
Low Carbon Heat Grant - Council Offices	23,900	0	0	0	0	(0)	0	0	23,900	0	0
Low Carbon Heat Grant - 231	2,002,567	0	0	0	0	(0)	0	0	2,002,567	0	0
Low Carbon Heat Grant - 249	1,539,374	0	0	0	0	(0)	0	0	1,539,374	0	0
Low Carbon Heat Grant - 250	3,899,555	0	0	0	0	(0)	0	0	3,899,555	0	0
Low Carbon Heat Grant - 251	1,557,982	0	0	0	0	(0)	0	0	1,557,982	0	0
Upgrade Public Conveniences	279,574	0	0	0	0	(0)	0	0	0	(279,574)	(100)
<b>TOTAL</b>	<b>11,302,806</b>	<b>31,000</b>	<b>28,617</b>	<b>0</b>	<b>28,617</b>	<b>(2,383)</b>	<b>92</b>	<b>0</b>	<b>11,023,232</b>	<b>(279,574)</b>	<b>(2)</b>
<b>Transformation</b>											
ICT	411,513	10,000	0	9,630	9,630	(370)	96	2	411,513	0	0
Telephony System	88,500	30,000	25,971	4,684	30,655	655	102	35	88,500	0	0
<b>TOTAL</b>	<b>500,013</b>	<b>40,000</b>	<b>25,971</b>	<b>14,313</b>	<b>40,284</b>	<b>284</b>	<b>101</b>	<b>8</b>	<b>500,013</b>	<b>0</b>	<b>0</b>
<b>Adult Services</b>											
Gors Felen Sensory Garden	62,353	20,000	17,108	0	17,108	(2,892)	86	27	62,353	0	0
Canolfan Glanhwfa	987,041	0	0	0	0	(0)	0	0	700,000	(287,041)	(29)
ICF	162,362	0	0	0	0	(0)	0	0	162,362	0	0
Plas Mona Refurbishment	13,520	0	0	0	0	(0)	0	0	13,520	0	0
<b>TOTAL</b>	<b>1,225,276</b>	<b>20,000</b>	<b>17,108</b>	<b>0</b>	<b>17,108</b>	<b>(2,893)</b>	<b>86</b>	<b>1</b>	<b>938,235</b>	<b>(287,041)</b>	<b>(23)</b>
<b>TOTAL</b>	<b>69,360,916</b>	<b>10,789,911</b>	<b>9,533,225</b>	<b>1,344,788</b>	<b>10,878,013</b>	<b>88,102</b>	<b>101</b>	<b>16</b>	<b>68,660,713</b>	<b>(700,203)</b>	<b>(1)</b>

**Changes to budgets / additional schemes added since budget setting**

Scheme	Budget £	FUNDING						
		Grant £	Revenue Contribution £	Capital Receipts Reserve £	Capital Reserve £	Supported borrowing £	Unsupported borrowing £	Other Reserve £
Enable	139,786	139,786						
Active Travel	1,527,338	1,527,338						
ALN 2024/25	476,761	476,761						
Small Scale Flood schemes	529,641	464,369			65,272			
Gors Felen Sensory Garden	62,353	62,353						
Canolfan Glanhwfa	987,041	987,041						
Road Safety Capital	161,500	161,500						
Safe Routes in Communities	71,750	71,750						
ULEV	502,500	502,500						
Ysgol David Hughes - Food Tech Block	162,950	115,000			27,950	20,000		
Education Buildings capital	(490,752)					(490,752)		
Council Buildings capital	(202,790)					(202,790)		
St Mary's Roofing	218,607	153,000				65,607		
Low Carbon Heat Grant - 231	1,059,524	953,571				105,953		
Low Carbon Heat Grant - 249	941,700	847,530				94,170		
Low Carbon Heat Grant - 250	2,285,610	2,057,049				228,561		
Low Carbon Heat Grant - 251	907,935	817,142				90,793		
Plas Arthur	1,083,753	995,295				88,458		
Community Focused Schools 2024/25	789,680	789,680						
ICF	162,362					162,362		
ULEV	(8,023)	(8,023)						
HRA*	(1,345,000)	(1,172,661)	(2,688,074)	509,441		(162,362)	2,168,656	
<b>TOTAL</b>	<b>10,024,226</b>	<b>9,940,981</b>	<b>(2,688,074)</b>	<b>509,441</b>	<b>93,222</b>	<b>0</b>	<b>2,168,656</b>	<b>0</b>

\*Included in the 2024/25 budget for HRA, there was an overestimation of grant funding and, along with the required decrease in budget, the funding has now been amended.

<b>Isle of Anglesey County Council</b>	
Report to:	<b>EXECUTIVE COMMITTEE</b>
Date:	<b>24 SEPTEMBER 2024</b>
Subject:	<b>HOUSING REVENUE ACCOUNT - BUDGET MONITORING, QUARTER 1 2024/25</b>
Portfolio Holder(s):	<b>COUNCILLOR R WILLIAMS – DEPUTY LEADER &amp; PORTFOLIO HOLDER FINANCE</b>
Head of Service / Director:	<b>MARC JONES - DIRECTOR OF FUNCTION (RESOURCES) &amp; SECTION 151 OFFICER (EXT. 2601)</b>
Report Author:	<b>CARWYN EDWARDS</b>
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Local Members:	<b>N/A</b>

## A –Recommendation/s and reason/s

1. The Executive is requested to note the following:-
  - (i) The position set out in respect of the financial performance of the Housing Revenue Account (HRA) for quarter 1 2024/25.
  - (ii) The forecast outturn for 2024/25.
  
2. **Background**
  - (i) The report here shows the revenue budget with a budgeted surplus of £8,369k.
  - (ii) The gross capital budget for 2024/25 is £29,573k. Grant funding budget of £10,578k and £510k earmarked reserve balance reduces the net budget to £18,485k.
  - (iii) The combination of both the revenue budget and adjusted capital budget gave a planned budget deficit of £10,116k. £7,011k is to be funded from the HRA reserve, with the balance of £3,105k to be funded by external borrowing.
  - (iv) The HRA is ‘ringfenced’, and its reserves cannot be transferred to the General Fund, nor can General Fund reserves be used to fund the HRA.
  
3. This report sets out the financial performance of the HRA for the period from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.
  
4. **Overview**
  - 4.1 The HRA revenue surplus / deficit at the end of quarter 1 shows an underspend of £270k, compared to the profiled budget. The forecast at year end is an underspend of £23k. More detail is shown in Appendix A.
  - 4.2 The Capital expenditure is £93k below the profiled budget at the end of quarter 1. However, it is forecasted to be on budget at year end, as explained in Appendix B below. The £10,578k budget for grant income is expected to be achieved in full and £509k from the earmarked reserve will be utilised in full by year end.

**4.3** The forecast deficit (combining both revenue and capital) is now £10,093k, £23k less than the budget.

## **5. Income**

**5.1** At the end of quarter 1, income was £68k below profiled budget. The shortfall on rental income of £57k is partly due to fewer rentable properties compared to the budget and partly due to timing differences of new properties transferring to rentable stock. The remaining shortfall of £11k is mainly due to lower than expected income from the Feed in Tariff. We are forecasting underachieved income of £67k at year end.

## **6. Non-Repairs and Maintenance Expenditure**

**6.1** At the end of quarter 1, non-repairs and maintenance expenditure was £18k above the profiled budget. The main drivers of this result is an underspend in the estates management team of £16k on staffing costs (secondments outside HRA, pay awards 2024 still due), and an overspend of £36k, which is mainly due to timing differences between budget and actual expenditure in relation to HRA IT systems. We are forecasting an overspend of £37k at year end.

## **7. Repairs and Maintenance**

**7.1** At the end of quarter 1, there was an underspend of £355k on repairs and maintenance. Most of the underspend is within the Housing Maintenance Unit (HMU) at £306k below budget. This is a combination of several factors:-

- (i)** underspends on staffing costs due to vacant posts and pay awards 2024 still due (£25k below budget);
- (ii)** lower than budgeted spend on materials from stores, £127k below budget. This is expenditure mostly against demand-led work and may change within the year. Nevertheless, based on current levels of activity, we are forecasting a year end underspend of £150k;
- (iii)** lower than budgeted spend on subcontractors, £149k below budget. This is, again, spending mostly against demand-led work, and may change within the year. We are currently forecasting a year end underspend of £156k;
- (iv)** additional underspend on transport (vehicles budgeted for use by operative staff in posts which are vacant), as well as some other general variation in expenditure.

**7.2** Expenditure on non HMU building maintenance staff is £47k below the profiled budget at the end of quarter 1, which is partly due to vacant posts and partly due to pay awards 2024 still due.

## **8. Year End Adjustments**

**8.1** This heading covers items of expenditure (capital financing costs and recharges from the General Fund) that form part of the year end accounting process. At the end of quarter 1, we are forecasting a break-even position at year end.

## 9. Capital Expenditure

9.1 The gross capital budget for 2024/25 is £29,573k, the grant funding budget for 2024/25 is £10,578k and other contributions budget is £510k. We are forecasting a break even position on capital expenditure (see Appendix B for a detailed breakdown) and we are forecasting a breakeven position on grant income. We are also forecasting to use the £509k from earmarked reserve in full.

The Grant funding forecast of £10,578k is summarised in the table below:-

Source	Quarter 1 Forecast £
HCF	100,000
CADW	73,676
Welsh Housing Quality Standard (WHQS)	324,730
Transitional Accommodation Capital Programme	568,157
Social Housing Grant (SHG)	5,582,609
Major Repairs Allowance (MRA)	2,690,000
Optimised Retrofit Programme 2024/25	872,899
Optimised Retrofit Programme 2024/25 Additional Allocation	366,268
<b>Total Grant Funding</b>	<b>10,578,339</b>

9.2 WHQS expenditure – The £2,700k budget is split as follows:- £1,500k to tackle WHQS refusals and capital elements upgraded at change of tenancy, such as replacement kitchens, bathrooms and re-wiring systems as they reach the end of their life cycles. The remainder of £1,200k towards establishing a 5 year programme for the replacement of kitchens which now exceed 15 years in age. It is anticipated that the contract will be tendered and evaluated during quarter 2. It is forecasted that the budget will be utilised in full during 2024/25.

9.3 Fire Risk expenditure – The £400k budget is planned to be spent on ensuring compliance with the Regulatory Reform Order 2005. Proposed measures will primarily involve replacement of (FD60) flat fire doors and upgrading fire alarm systems servicing blocks of flats. The fire door replacement contract will be tendered and awarded during quarter 2. It is forecasted that the budget will be utilised in full during 2024/25.

9.4 Public Sector Adaptations expenditure – Housing Services expects that demand for medium or large-scale adaptations will remain high and the allocated budget of £500k will fund works such as installing stair-lifts, level access showers, ramps and extensions. It is forecasted that the budget will be utilised in full during 2024/25.

9.5 Energy Performance expenditure – During quarter 1, contract documents were prepared with a view to establishing a 5 year programme for the longer term delivery of renewable energy and decarbonisation measures. The contract, primarily involving the installation of Solar PV systems across the housing stock, which has now been approved by SPEN subject to the inclusion of Export Limitation measures being included within the installations, will be tendered and awarded during quarter 2. Subject to successful award of contract, the budget of £1,700k will be utilised in full during 2024/25.

- 9.6** Planned Maintenance expenditure – The total budget allocated for traditional Planned Maintenance work is £6,216k, which includes carried forward commitment on schemes which were awarded and commenced on site during 2023/24. Carried forward commitment primarily involves the continuation of work at Maes Cynfor, Cemaes Bay Phase 2 and Morrison Crescent, Holyhead. Housing Services aim to tender a further Planned Maintenance Contract, namely Tan y Bryn, Valley Phase 2, during quarter 2 and expects that successful award of contract will fully commit the budget for 2024/25.
- 9.7** Environmental Works Expenditure – A total budget of £500k is allocated towards environmental improvements in 2024/25. A proportion of this budget will be utilised to continue with the programmed demolition of certain garages at Llangefni, Moelfre and Amlwch, which are no longer viable to maintain. In addition, the budget will be utilised for targeted estate improvements and upgrading treatment plants owned and operated by Housing Services. It is forecasted that the budget will be utilised in full during 2024/25.
- 9.8** Central Heating Contract Expenditure - During 2024/25, Housing Services aim to replace approximately 600 boilers, with a budget of £1,600k allocated for the project. A contract was awarded for this year's primary boiler replacement programme during quarter 1. It is anticipated that expenditure will increase and remain constant throughout quarters 2, 3 and 4. It is forecasted that the budget will be utilised in full during 2024/25.
- 9.9** Fleet Renewal – The budget allocates the sum of £300k to commence a rolling programme of renewing the Building Maintenance Unit's vehicular fleet, primarily the van stock utilised by operatives.
- 9.10** Acquisition of Existing Properties and Development of new properties - The budget of £15,657k is expected to be utilised in full during 2024/25. See Appendix C for a detailed breakdown of schemes.

## 10. HRA Balance

- 10.1** The opening balance of the HRA reserve stood at £8,189k. The budget allowed for the use of £7,011k of this balance, leaving the minimum level of reserve balance of £1,177k set out by the Section 151 Officer, which equates to 5% of the income budget for 2024/25.

## 11. HRA Borrowing

- 11.1** The net revenue / capital deficit budgeted for the year is £10,116k. This is funded by £7,011k from the HRA reserve and £3,105k in external borrowing. We are forecasting an underspend of £23k at year end, therefore, the forecasted external funding requirement has reduced by the same amount.

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

Not applicable

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

This matter is delegated to the Executive.

### **Ch – Is this decision consistent with policy approved by the full Council?**

Yes



<b>D – Is this decision within the budget approved by the Council?</b>		
Yes		
<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?	The report is for monitoring purposes only and is used, along with other reports, to set the HRA business plan and annual budget. In setting the annual budget, the impact on the long term needs of the Island will be assessed.
<b>2</b>	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Not applicable
<b>3</b>	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Not applicable
<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 Housing Services regularly consult with their tenants and the results of those consultations are fed into the business planning process and then on to the annual budget process.
<b>5</b>	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable
<b>6</b>	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	Not applicable
<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.	Not applicable
<b>E – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	Chief Executive / Leadership Team (LT) (mandatory)	The report was considered by the LT at its meeting on 3 September 2024. Any comments will have been incorporated into the report.
<b>2</b>	Finance / Section 151 (mandatory)	N/A – this is the Section 151 Officer’s report.
<b>3</b>	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the LT and comments will have been considered at the meeting on 3 September 2024.
<b>4</b>	Human Resources (HR)	N/A
<b>5</b>	Property	N/A
<b>6</b>	Information Communication Technology (ICT)	N/A
<b>7</b>	Procurement	N/A
<b>8</b>	Scrutiny	The results of the HRA quarterly monitoring reports are reported to the Finance Scrutiny Panel.
<b>9</b>	Local Members	N/A

**F - Appendices:**

- Appendix A – Revenue expenditure and forecasts to end of quarter 1 2024/25.
- Appendix B – Capital expenditure and forecast to end of quarter 1 2024/25.
- Appendix C – New Build capital schemes and forecast to end of quarter 1 2024/25.

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

- HRA 30 Year Business Plan 2024-2054 (as approved by this Committee in May 2024).

<b>HRA ACCOUNT 2024/25</b>						
	<b>Annual Budget 2024/25</b>	<b>Profiled Budget to Month 3</b>	<b>Actual to Month 3</b>	<b>Variance to Month 3</b>	<b>Year end Forecast</b>	<b>Year End Variance</b>
<b>REVENUE ACCOUNT</b>						
<b>Income</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dwellings	(22,764,700)	(5,691,176)	(5,634,205)	56,971	(22,707,729)	56,971
Garages	(267,820)	(66,956)	(66,192)	764	(267,056)	764
Service Charges	(185,730)	(46,433)	(45,016)	1,417	(184,313)	1,417
Other	(233,340)	(29,337)	(20,585)	8,752	(225,839)	7,501
Bad Debt Provision	341,470	0	0	0	341,470	0
<b>TOTAL INCOME</b>	<b>(23,110,120)</b>	<b>(5,833,902)</b>	<b>(5,765,998)</b>	<b>67,904</b>	<b>(23,043,467)</b>	<b>66,653</b>
<b>Non Repairs &amp; Maintenance Expenditure</b>						
Tenant Participation	252,940	62,795	58,925	(3,870)	258,373	5,433
Rent Administration	450,530	111,851	112,971	1,120	453,532	3,002
Estate Management	684,480	170,827	154,724	(16,103)	674,706	(9,774)
Other Revenue Expenditure	2,354,450	556,131	592,682	36,551	2,392,606	38,156
<b>Total Non R &amp; M Expenditure</b>	<b>3,742,400</b>	<b>901,604</b>	<b>919,302</b>	<b>17,698</b>	<b>3,779,217</b>	<b>36,817</b>
<b>Repairs and Maintenance</b>						
Housing Maintenance Unit (HMU)	6,576,240	1,633,814	1,327,867	(305,947)	6,469,775	(106,465)
Building Maintenance Staff (non HMU)	1,192,960	297,750	250,544	(47,206)	1,171,507	(21,453)
Other Repairs and Maintenance	1,098,220	322,293	320,193	(2,100)	1,099,990	1,770
<b>Total Repairs &amp; Maintenance</b>	<b>8,867,420</b>	<b>2,253,857</b>	<b>1,898,604</b>	<b>(355,253)</b>	<b>8,741,272</b>	<b>(126,148)</b>
<b>Year End Adjustments</b>						
Capital Financing Charges	1,646,000	0	0	0	1,646,000	0
Interest Receivable	(400,000)	0	0	0	(400,000)	0
Recharge from Housing Services	53,870	0	0	0	53,870	0
Recharge from Central Services	831,260	0	0	0	831,260	0
<b>Total Year End Adjustments</b>	<b>2,131,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,131,130</b>	<b>0</b>

<b>TOTAL REVENUE</b>	<b>14,740,950</b>	<b>3,155,461</b>	<b>2,817,906</b>	<b>(337,555)</b>	<b>14,651,619</b>	<b>(89,331)</b>
<b>EXPENDITURE</b>						
<b>TOTAL REVENUE (SURPLUS) / DEFICIT</b>	<b>(8,369,170)</b>	<b>(2,678,441)</b>	<b>(2,948,092)</b>	<b>(269,651)</b>	<b>(8,391,848)</b>	<b>(22,678)</b>

<b>CAPITAL EXPENDITURE ACCOUNT</b>						
2024/25 Expenditure	29,573,006	6,572,000	6,479,215	(92,785)	29,573,006	0
Grant Funding	(10,578,339)	0	0	0	(10,578,339)	0
Other Contributions	(509,441)	0	0	0	(509,441)	0
<b>TOTAL CAPITAL (SURPLUS) / DEFICIT</b>	<b>18,485,226</b>	<b>6,572,000</b>	<b>6,479,215</b>	<b>(92,785)</b>	<b>18,485,226</b>	<b>0</b>
<i>Funded By</i>						
Revenue surplus	(8,369,170)	0	0	0	(8,391,848)	(22,678)
HRA reserve	(7,011,400)	0	0	0	(7,011,400)	0
Unsupported borrowing	(3,104,656)	0	0	0	(3,081,978)	22,678
<b>Total Funding of Capital Expenditure</b>	<b>(18,485,226)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(18,485,226)</b>	<b>0</b>
<b>Opening HRA Balance</b>	<b>(8,188,500)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8,188,500)</b>	<b>0</b>
<b>Net (Increase) / Decrease in HRA Reserve</b>	<b>7,011,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,011,400</b>	<b>0</b>
<b>Closing HRA Balance</b>	<b>(1,177,100)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,177,100)</b>	<b>0</b>

## HOUSING REVENUE ACCOUNT CAPITAL BUDGET 2024/25

Service	Annual Budget 2024/25 £	Profiled Budget to Month 3 £	Actuals to Month 3 £	Variance to Month 3 £	Year End Forecast £	Year End Variance £
Housing HRA						
Central Heating Contract	1,600,000	100,000	84,327	(15,673)	1,600,000	0
Planned Maintenance Contract	6,216,006	1,200,000	1,185,792	(14,208)	6,216,006	0
Energy Performance Improvement	1,700,000	2,000	0	(2,000)	1,700,000	0
Environmental Works	500,000	60,000	62,892	2,892	500,000	0
Acquisition of Existing Properties and Development of New Properties	15,657,000	4,700,000	4,731,154	31,154	15,657,000	0
Public Sector Adaptations	500,000	125,000	106,544	(18,456)	500,000	0
Fire Risk	400,000	80,000	4,071	(75,929)	400,000	0
WHQS	2,700,000	305,000	304,435	(565)	2,700,000	0
Fleet Renewal	300,000	0	0	0	300,000	0
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>29,573,006</b>	<b>6,572,000</b>	<b>6,479,215</b>	<b>(92,785)</b>	<b>29,573,006</b>	<b>0</b>

## NEW DEVELOPMENT BUDGET 2024/25

Scheme	Number of Additional Units	2024/25 Budget	Expenditure to Month 3	Forecasted Expenditure Month 4 - 12	Total Forecasted Expenditure 2024/25	Variance Forecasted at Q1
		£	£	£	£	£
Lôn Lwyd, Pentraeth	10	2,723,500	2,723,500	0	2,723,500	0
Extra Care Menai Bridge	55	100,000	35,911	64,089	100,000	0
Plas Alltran, Caergybi	4	238,000	88,014.30	149,986	238,000	0
Cae Braenar, Caergybi	23	4,000,000	514,398	3,485,602	4,000,000	0
Renovation 15 Units	0	1,000,000	447,353	552,647	1,000,000	0
Buyback 15 Units	15	1,500,000	0	1,500,000	1,500,000	0
Niwbwrch Old School Site	14	2,500,000	1,925	2,498,075	2,500,000	0
Ysgol Thomas Ellis Old School Site	43	21,500	6,315	15,186	21,500	0
Parc y Coed, Llangejni Phase 2	10	294,000	143,514	150,486	294,000	0
Stad y Bryn, Llanfaethlu	9	2,175,000	477,239	1,697,761	2,175,000	0
Plas Penlan, Llangejni	12	50,000	5,418	44,582	50,000	0
Maes Mona, Amlwch	40	60,000	3,816	56,184	60,000	0
Garreg Lwyd Road, Caergybi	8	865,000	326,842	538,158	865,000	0
Retentions Carried Forward	0	0	-45,563	45,563	0	0
Schemes in Pre Planning Stage		130,000	2,473	127,527	130,000	0
<b>Total</b>	<b>243</b>	<b>15,657,000</b>	<b>4,731,154</b>	<b>10,925,846</b>	<b>15,657,000</b>	<b>0</b>

<b>Isle of Anglesey County Council</b>	
Report to:	<b>EXECUTIVE</b>
Date:	<b>24 SEPTEMBER 2024</b>
Subject:	<b>MEDIUM TERM FINANCIAL PLAN 2025/26 – 2027/28</b>
Portfolio Holder(s):	<b>COUNCILLOR R WILLIAMS – DEPUTY LEADER &amp; PORTFOLIO HOLDER - FINANCE</b>
Head of Service / Director:	<b>MARC JONES - DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER</b>
Report Author:	<b>MARC JONES</b>
Tel:	<b>01248 752601</b>
E-mail:	<b>rmjfi@ynysmon.llyw.cymru</b>
Local Members:	<b>Not applicable</b>
<b>A –Recommendation/s and reason/s</b>	
<p><b>Recommendations</b></p> <p>The Council is required to put in place a robust system to monitor and control its revenue budget, and a key element of that system is a Medium Term Financial Plan (MTFP). The plan sets out the Council’s budget strategy over the next three year period and sets out the assumptions which will be taken forward to the annual budget setting process.</p> <p>The Executive is requested to note the contents of the plan, to approve the assumptions made and to consider how to bridge the funding gap identified in the report as part of the process to set the 2025/26 revenue budget.</p> <p>The detailed report is attached as Appendix 1.</p>	
<b>B – What other options did you consider and why did you reject them and/or opt for this option?</b>	
<p>The Medium Term Financial Plan is based on a number of assumptions, which are based on the best available information. Therefore, no other options are considered.</p>	
<b>C – Why is this a decision for the Executive?</b>	
<p>Paragraph 4.3.2.2.1 of the Council’s Constitution requires the Executive to publish a pre-budget statement before 30 September each year.</p>	
<b>Ch – Is this decision consistent with policy approved by the full Council?</b>	
<p>Yes, as per paragraph 4.3.2.2.1 of the Council’s Constitution.</p>	
<b>D – Is this decision within the budget approved by the Council?</b>	
<p>The decision, although impacting on the budget for 2025/26, will not result in the incurring of any additional costs or generate any additional income in the 2024/25 financial year. As a result, the decision will not impact on the budget approved by the Council for 2024/25.</p>	

<b>Dd – Assessing the potential impact (if relevant):</b>		
1	How does this decision impact on our long term needs as an Island?	The MTFP sets out the financial position for the Council over the next 3 financial years. This impacts on the level of services which the Council can provide to meet the needs of the Island and its residents.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Setting out and agreeing the medium term financial position allows the Council to plan for the cost of future services. Good financial planning will allow for the avoidance of unnecessary future costs.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	The Council, along with the other 21 Welsh Local Authorities and the Welsh Local Government Association (WLGA), has set out the financial position across Wales to Welsh Government (WG).  The Council also works closely with the other 5 North Wales authorities on the detailed assumptions used in the plan.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The annual revenue and capital budgets are subject to a public consultation process. The outcome of the Consultation is considered by the Executive before it makes its final budget proposal to the full Council in March each year.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The MTFP makes no spending decisions. Any spending decisions would form part of the annual budget, and individual proposals would be assessed on their impact on groups protected by the Equality Act 2010 at that point.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The MTFP makes no spending decisions. Any spending decisions would form part of the annual budget, and individual proposals would be assessed on their impact on those experiencing socio-economic disadvantage at that point.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact
<b>E – Who did you consult?</b>		<b>What did they say?</b>
1	Chief Executive / Leadership Team (LT) (mandatory)	The report was considered by the Leadership Team at its meeting on 3 September 2024. Comments from the Chief Executive and the other members of the LT were incorporated into the final draft.
2	Finance / Section 151(mandatory)	The Section 151 Officer is the report author.
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the LT.
4	Human Resources (HR)	Not applicable
5	Property	Not applicable
6	Information Communication Technology (ICT)	Not applicable
7	Procurement	Not applicable
8	Scrutiny	
9	Local Members	



**F - Appendices**

Appendix 1 - Detailed Report on the Medium Term Financial Plan

Appendix 2 - MTFP Assumptions

Appendix 3 - Estimated Net Revenue Budget 2025/26 – 2027/28

Appendix 4 - Analysis of 2024/25 Budget by Service and type of provision

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

## 1. INTRODUCTION AND BACKGROUND

- 1.1. The Medium Term Financial Plan (MTFP) sets out the Council's likely resource requirement for the next three financial years and details how the Council plans to balance the resource requirement with the funding available.
- 1.2. The MTFP has been drawn up during a continued period of economic uncertainty. Inflation is now significantly lower and around the Bank of England's target, but interest rates remain high. The change in UK Government will result in a change in economic strategy and monetary and fiscal policy. This could lead to a change in the level of funding that Welsh Councils may receive. World events, such as the continuing war in Ukraine and the upcoming American Presidential elections, will also influence the world economic situation and add to the level of uncertainty.
- 1.3. The new Labour Chancellor will announce her Autumn Statement on 30 October 2024, and the statement may contain more detail as to the level of funding the Welsh Government (WG) will receive from 2025/26 onwards. This MTFP is based on the current funding indications set by the previous UK Government and may be subject to change.
- 1.4. The situation in respect of the pay award for NJC staff for the financial year 2024/25 has yet to be settled, with a significant gap between the employer's pay offer and the Unions' request. Given that NJC staff pay accounts for around £65m of the Council's expenditure, the lack of an agreement increases the uncertainty for the budgets moving forward. In addition, the WG has yet to announce the Teachers' pay award, which is effective from September 2024. Teachers' pay accounts for £36m of the Council's expenditure.
- 1.5. The MTFP takes account of all known changes that are required to be built into the 2024/25 base budget and makes assumptions on the main factors that impact on the Council's revenue budget (pay costs, pensions, general inflation, WG funding, demographic and demand pressures).

## 2. THE COUNCIL'S CURRENT FINANCIAL POSITION

- 2.1. In March 2024, the Council set the following budget:-

**Table 1**  
**2024/25 Revenue Budget**

	£'m
<b>2023/24 Final Net Revenue Budget</b>	<b>174.569</b>
Pay Inflation and Other Staff Related Costs	4.813
Non Pay Inflation	2.446
Budget Pressures and Service Investments	3.825
Capital Financing Changes	1.424
Additional Income – above inflationary increase	(0.365)
Budget Savings	(2.548)
<b>2024/25 Final Net Revenue Budget</b>	<b>184.164</b>
<b>Funded By:</b>	
Aggregate External Finance	127.586
Council Tax (including Premium)	52.153
Reserves	4.425
<b>Total Funding 2024/25</b>	<b>184.164</b>

- 2.2.** The final net revenue budget for 2024/25 increased by £9.595m, which is equivalent to a rise of 5.5%. The Aggregate External Finance (AEF) increased by 2.8% (after adjusting for the change in the taxbase and grants transferred into the settlement). The Council Tax debit increased by 10.7%. The Band D charge increased by 9.5%, with the remainder of the increase in Council Tax debit as a result of the change in the taxbase and an increase in the second homes premium from 75% to 100%.
- 2.3.** At the end of the 2023/24 financial year, the Council reported a net underspend of £1.732m (0.99%), with all Services, apart from Children's Social Care and Highways, reporting an underspend against their budget. The position in respect of Highways related to one-off payments and the underlying position of the Service is that expenditure is within budget.
- 2.4.** The position in respect of Children's Services is of greater concern, with the number of children in care increasing and the cost of placements increasing significantly. The budget for Children's Services has increased by 90% since 2016/17, whilst the total Council net revenue budget has only risen 48.5%, and the budget now accounts for 7.8% of the Council's net revenue budget, compared to 6.1% in 2016/17. Despite the increase in funding, the Service continues to overspend its budget (10.7% in 2023/24) and the financial situation of the Service is a risk to the Council's financial stability.
- 2.5.** The Council's financial position was also improved by the Council's successful appeal against the rateable value of a number of properties and that resulted in a refund of £1.64m, which has been added to the Council's general balances.
- 2.6.** The financial position at the end of 2023/24 has increased the Council's general balances from £14.039m at the beginning of the financial year to £15.614m, although £4.425m has been utilised as funding for the 2024/25 revenue budget. This reduces the available resources to £11.189m. The general balances can be utilised to fund additional unfunded costs that arise during the year and would fund any overspending that may arise during 2024/25. The Council has set a target of holding 5% of the net revenue expenditure budget as a minimum balance for general reserves, for 2024/25, this is equivalent £9.2m, which is £2m below the current level.
- 2.7.** Earmarked reserves, which are maintained by the Council to fund one-off committed projects, to fund anticipated future costs (e.g. uninsured losses) and unutilised grant funding, stood at £16.778m at 31 March 2024, a decrease of £2.859m during the year. A review of reserves was undertaken during the year, with £2.00m of reserves being unearmarked and transferred back to the Council's general balances.
- 2.8.** School Balances also fell during 2023/24, falling from £6.716m to £5.577m. The budgetary position of the Council over the last 2 years has required the Council to cap the inflationary increase provided in the budget and, as a result, Schools have utilised their balances to set a balanced budget. For 2024/25, schools plan to utilise a further £2.17m of their balances to fund their costs. If the financial position remains as challenging as they are currently, it is likely that the school balances will reduce further.
- 2.9.** The Council received an increase in the level of Aggregate External Finance (AEF) from WG, up £3.439m (2.8%) from the previous year. However, the funding increase did not cover the inflationary pressures faced by the Council and was, therefore, not a real terms increase in funding. Council Tax rose by 9.5%, and this increase, along with the increase in the AEF, was insufficient to fund the required rise in the Council's net revenue budget. As a result, £4.425m of reserves were used to balance the budget, in addition to £3.78m used in 2023/24. The use of reserves is viable in the short term and allows the Council time to ensure that long term expenditure matches the funding available, but the use of reserves cannot continue in the long term and their use does weaken the financial resilience of the Council.

2.10. CIPFA recommend the use of 4 financial resilience indicators to assess the Council's financial position, which are as follows:-

- Funding Gap as a percentage of the Net Revenue Expenditure, prior to any increase in Council Tax;
- Over / Under spending relative to net revenue expenditure;
- Useable reserves as a percentage of the net revenue budget;
- Capital Financing Costs as a percentage of net revenue expenditure.

2.11. The current position in respect of each indicator is as follows:-

**2.11.1 Table 2 - Funding Gap as a Percentage of Net Revenue Expenditure**

Year	Standstill Budget £'m	AEF £'m	Previous Year Council Tax (note 1) £'m	Total Funding Prior to Council Tax Increase £'m	Estimated Funding Gap £'m	% Gap
2018/19	132.337	94.924	33.644	128.568	3.769	2.85%
2019/20	134.702	95.159	35.087	130.246	7.156	5.21%
2020/21	142.203	101.005	39.370	140.375	1.828	1.29%
2021/22	147.076	104.825	41.161	145.986	1.090	0.74%
2022/23	155.501	114.549	42.957	157.506	(2.005)	(1.29%)
2023/24	173.830	123.665	44.879	168.544	5.286	3.04%
2024/25	188.992	126.973	47.628	174.601	14.391	7.61%

Note 1 – The Previous Year Council Tax figures are adjusted to take account of changes to the taxbase

The table shows, in 2018/19 and 2019/20, the period of austerity continued, and the funding gap required savings to be implemented and higher than inflation rises in Council Tax. The position then improved in 2020/21 and 2021/22, and the funding gap was able to be filled with a council tax rise on or below inflation. In 2022/23, the situation was significantly better, and it allowed additional investment in services, but the position worsened again in 2023/24 and 2024/25, where the funding gap was mainly filled by the use of reserves to balance the budget.

How the position for 2025/26 onwards compares to this historical data will be discussed later in this report.

**2.11.2 Table 3 - Over / Under Spending Relative to Net Revenue Expenditure**

Year	Net Revenue Budget £'m	Actual Net Revenue Expenditure £'m	Over / (Under) Spend £'m	% Over / (Under) Spend
2018/19 Actual	130.900	131.533	0.633	0.48%
2019/20 Actual	135.210	134.902	(0.308)	(0.23%)
2020/21 Actual	142.146	137.942	(4.204)	(2.96%)
2021/22 Actual	147.120	142.323	(4.797)	(3.26%)
2022/23 Actual	158.367	157.154	(1.213)	(0.77%)
2023/24 (subject to audit)	174.569	172.837	(1.732)	(0.99%)
2024/25 (forecast at Q1)	184.164	184.254	0.090	0.05%

The table highlights that, in 2018/19 and 2019/20, the final position was close to the budget, with a small overspend in 2018/19 and a small underspend in 2019/20. Covid then had a significant impact on the demand for services and the level of funding received from WG, which resulted in 2 years of significant underspends. The position began to normalise in 2022/23 but, again, additional WG funding improved the position and allowed the Council to underspend once again.

The financial year 2023/24 has returned to a more normal pre-Covid level of service and funding. The final underspend position was, in part, due to a concerted effort by all services to reduce expenditure by extending periods of staff vacancies and eliminating non-essential expenditure. The position was also as a result of recruitment difficulties and additional grant funding, although at a lower level than in previous years.

### 2.11.3 Table 4 - Useable Reserves as a Percentage of the Net Revenue Budget

Year	Net Revenue Budget (NRE) £'m	General Balances £'m	Earmarked Reserves £'m	School Balances £'m	Total Useable Reserves £'m	% Useable Reserves to NRE
2018/19	130.900	5.912	9.914	0.631	16.457	12.57%
2019/20	135.210	7.060	10.090	0.197	17.437	12.83%
2020/21	142.146	11.437	14.846	3.974	30.257	21.29%
2021/22	147.120	12.278	25.562	7.827	45.667	31.04%
2022/23	158.367	13.967	21.952	6.716	42.635	26.92%
2023/24	174.569	15.604	19.633	5.577	40.814	23.38%
2024/25 (forecast)	184.164	11.079	12.103	3.410	26.592	14.44%

The table highlights that the Council's financial position has strengthened significantly since 2018/19 as a result of the underspending in 2020/21, 2021/22 and 2022/23. Although it also indicates that the position is starting to weaken with the use of £4.425m of general balances and £2.167m of school balances to balance the 2024/25 budget, reducing the forecasted percentage to the pre-Covid levels. This indicator shows that the Council's ability to continue to use reserves and balances as a source of funding is coming to an end, and the underlying structural underfunding will need to be addressed in future budgets.

## 2.11.4 Table 5 - Capital Financing Costs as a Percentage of Net Revenue Expenditure

Year	Net Revenue Budget £'m	MRP £'m	Interest Payable £'m	Interest Receivable £'m	Total Capital Financing Costs £'m	% of Capital Financing Costs to NRE
2018/19	130.900	2.463	4.041	(0.062)	6.442	4.92%
2019/20	135.210	2.655	4.261	(0.127)	6.789	5.02%
2020/21	142.146	2.696	4.159	(0.045)	6.810	4.79%
2021/22	147.120	2.752	3.988	(0.016)	6.724	4.57%
2022/23	158.367	1.325	4.233	(0.800)	4.758	3.00%
2023/24	174.569	1.446	5.773	(3.071)	4.148	2.38%
2024/25 (budget)	184.164	1.603	4.812	(0.670)	5.745	3.12%

The fall in the percentage is due to 2 factors. Firstly, no additional external borrowing has taken place since February 2020, and the Council's own cash balances have been used to fund capital expenditure originally planned to be funded from supported or unsupported borrowing. Secondly, the change in the Minimum Revenue Provision (MRP) policy in 2022/23 halved the annual MRP charge in the early years, although the charge will increase in future years.

This indicator is a good indicator of financial health as it shows how much of the Council's annual net revenue budget is used to fund borrowing. The lower the figure, the more funding is available to fund Council services.

### 3. THE UK ECONOMIC OUTLOOK AND BUDGET

- 3.1. Although the Council's central funding comes from the WG, the UK Government provides the WG with its entire funding, and what is happening with the UK economy and budget impacts directly on the WG and local government funding. An assessment of the UK situation is an important element of the MTFP.
- 3.2. The global pandemic, the war in Ukraine and the impact of Brexit have been significant shocks to the UK economy and has resulted in the UK Government providing unprecedented levels of support to individuals and businesses in the form of Covid grants, energy support grants and cost of living support grants. The UK Government gross debt (as reported by the ONS) currently stands at £2.73 trillion, which is 99.5% of the country's GDP. This compares to £2.57 trillion as at June 2023, which was 100.5% of GDP.
- 3.3. During 2023/24, the Government borrowed £121bn, compared to £132bn in the previous financial year, and have already borrowed a further £49.8bn in the first quarter of 2024/25. The Chancellor has announced that there are currently around £20bn of unfunded commitments but has yet to set the borrowing targets for future years, but it is probable that there will be a requirement to begin to reduce debt as a share of GDP over the lifetime of this Parliament. If the economy grows and borrowing falls, this should allow the UK Government to meet its target of reducing debt as a share of GDP.
- 3.4. A number of events have caused inflationary pressures in the UK economy. The rise was mainly caused by the sudden increase in energy prices, following the start of the Ukraine war, but shortages in the UK labour market following Brexit, post Covid global supply chain problems and increased import costs have also contributed to the inflationary pressures. Consumer Price Inflation (CPI) peaked at 11.1% in October 2022, has fallen back to 2.0% in June 2024, but increased slightly to 2.2% in July 2024. Inflation is forecast to increase slightly during the remainder of 2024, peaking on or around 3% before falling back to the Bank of England's target of 2% by the summer of 2025.

- 3.5. The Bank of England base rate was cut to 0.1% in March 2020, and remained at this very low level until the beginning of 2022. As inflation began to rise, the Bank of England's Monetary Policy Committee (MPC) made small incremental increases in the base rate of 0.25% or 0.5% at each review, to reach a peak of 5.25%, before being reduced to 5% in July 2024. The Bank of England is committed to get inflation under control, with interest rates being the main lever to achieve this goal. As interest rates rise, consumers have less disposable income to spend and this, in turn, reduces economic demand, which, in turn, reduces inflation. Whether interest rates continue to rise or begin to fall is dependant on infaltion remaining on or around the Bank of England's target. Current indications are that inflation is now under control and that interest rates will continue to fall gradually over the coming months, falling to 4.5% by the end of 2024, 3.25% by the end of 2025, reaching 3% by the summer of 2026. It is then likely that they will remain around this level for the foreseeable future and will not fall to the very low levels seen between 2009 and 2021.
- 3.6. Following a period of little or no growth, the UK economy fell into a technical recession (2 successive quarters of negative growth) in the second half of 2023. The first two quarters of 2024 has seen the economy grow by 1.3%, which is an improvement on the past two years. Growth is forecast to slow during the second half of 2024 but will still remain positive, with growth of between 1% and 2% forecast for 2025, 2026 & 2027.
- 3.7. The UK Government has increased the level of both direct and indirect taxes to its highest level since the Second World War, with tax revenues now equivalent to 40% of GDP. The freezing of income tax thresholds and the increase in corporation tax have contributed to the increase. The high tax burdern severely limits the Government's ability to increase public spending by increasing direct or indirect taxes. The new Labour Government pledged not to increase income tax, national insurance or VAT, and this will severly limit the Government's ability to fund additional public spending through increased tax revenues. The growth in the economy would then create more tax revenue as businesses would generate more profits and the population would have more disposable income.
- 3.8. The UK Government is under increasing pressure to increase spending on high priority areas, such as the NHS, but also to increase spending on defence, given the rising risks following the Ukrainian war. With borrowing at an all time high, and the tax burden also high, the Government's options in respect of public sepnding are limited and protecting certain services will require cuts in non-protected budgets.
- 3.9. The economic situation continues to improve, with inflation back under control and the prospect of lower interest rates and the return of economic growth. However, the record level of national debt and the high tax burden needs to be addressed, and this limits the possibility of increases in public spending in the short to medium term.
- 3.10. The Government is committed to protecting the Health Service budget, along with increasing spending on defence. This will require real term reductions in unprotected budgets, including the funding that will come to Wales.

#### **4. FUNDING FROM WELSH GOVERNMENT**

- 4.1. Funding of Local Government in Wales has changed significantly over the past decade. After taking account of grants transferring into and out of the settlement, and additional funding for new responsibilities, the local government settlement fell each year in cash terms between 2013/14 and 2019/20. It began to rise in 2020/21, but only exceeded the 2013/14 level in 2022/23, when the settlement increased by 9.4%. The increase of 7.9% in 2023/24 continued to reduce the gap between the actual level of the settlement and where it would have been if the inflationary increase had been applied each year, but a lower than inflation settlement of 3.3% again increased the gap between the actual settlement figure and where it should be if inflation had been applied annually. Therefore, in real terms, the funding is still over 10% less than the 2013/14 level.

- 4.2. Around 50% of the WG's budget funds the NHS in Wales and the WG is under pressure to address the increased waiting lists and increased demand for services. Local Government accounts for around 25% of the WG budget. Given that both areas are experiencing both demand and cost pressures, it will be very difficult to set budgets which funds in full both inflationary and demand pressures in both the NHS and Local Government.
- 4.3. The change of UK Government has resulted in no estimate of the WG's budget being available for 2025/26 onwards. Based on informal discussions with WG officials, the consensus across Welsh Council Treasurers is that the settlement could be between cash flat, i.e. no increase from the 2024/25 figure, and a 1% increase.
- 4.4. The WG is still in discussions with H.M. Treasury on the additional funding that will be made available to cover the increased employer pension contributions in respect of teachers and firefighters. This will increase the base position for 2024/25, but only funds additional costs which the Council have had to fund in 2024/25.
- 4.5. The UK Government recently announced an increase of 5.5% for teachers from September 2024. The WG has yet to announce the pay award for Welsh teachers. If additional funding is released to the Department of Education in England, then this will result in additional funding for Wales through the Barnett formula. It will be a decision for the WG whether all or part of this funding is awarded to Councils but, again, it will only fund additional costs that the Councils will have to pay.
- 4.6. Analysis by Wales Fiscal Analysis in June 2024, based on the impact of the UK budget in March and the Labour Party's manifesto pledges, estimates that the WG budget would increase by 1.1% per year on average in real terms but, if additional funding arising from the budget is allocated across Health and Education as in England, it would result in a real terms reduction of 0.8% in the Welsh local government settlement in 2025/26, with a real terms reduction of 1.7% in other WG spending areas.
- 4.7. It is unlikely that the financial position for 2025/26 will become any clearer until the UK budget is announced by the Chancellor on 30 October 2024 and when the WG publishes its 2025/26 budget on 10 December 2024.

## 5. NATIONAL AND LOCAL BUDGET PRESSURES

- 5.1. Local Government generally is facing a number of budget pressures, particularly in Social Care and Homelessness. In December 2023, the WLGA estimated that Councils in Wales were facing a budget shortfall of £800m in 2024/25, with further shortfalls of £600m in 2025/26 and 2026/27, based on providing the services to the level of anticipated demand and to fund the inflationary pressures.
- 5.2. The following areas are considered the main budget pressures facing the Council over the term of this plan:-
  - i. **Pay Increases – Non Teaching Pay**  
The pay award for 2024/25 has not been settled as yet, and unlikely to be resolved before the end of 2024. The Unions have demanded a pay award of £3,000 or 10%, whichever is the higher, which equates to an increase of 13.41% for the lowest pay point and 10% for all points above scale 5, whilst the Employer's offer is £1,290 for all points up to grade 7 and 2.5% thereafter.



The impact of the Union demand and the pay offer compared to the sum allowed for in the 2024/25 budget is shown in Table 6 below:-

**Table 6**  
**Impact of the Non Teaching Pay Award on the 2024/25 Budget**

	Base Budget 2023/24 £'000	Inflation 2024/25 £'000	Budget 2024/25 £'000
<b>Council Budget (assumed 3.5% increase in 2024/25)</b>	52,153	1,824	53,977
<b>Employer's Pay Offer</b> Estimated Cost of Employee Offer – average increase of 4.1%		2,139	54,292
<b>Funding Shortfall</b>			315
<b>Union Pay Demand</b> Estimated Cost of Union Demand – average increase of 11.1%		5,779	57,932
<b>Funding Shortfall</b>			3,955

As can be seen from the table above, the employer's offer is affordable in terms of the Council's budget provision but, as the pay award increases towards the Union's pay demand, it becomes less affordable and would place a considerable budget pressure on the 2024/25 budget and this would then need to be corrected in the 2025/26 budget.

For 2025/26 onwards, it is anticipated that the pay award should be more in line with inflation and 2% has been allowed for in the MTFP. However, one factor that may result in a higher than inflation increase during the period of this plan is the impact of the national living wage on the pay scales. The difference between the hourly rate of the lowest pay point and the national living wage is shown in Table 7 below:-

**Table 7**  
**Comparison of the National Living Wage to the Lowest Point on NJC Payscale**

	2023/24	2024/25	2025/26
Hourly Rate of Lowest Point on NJC Scale	£11.59	£12.26 <sup>1</sup>	£12.50 <sup>2</sup>
National Living Wage	£10.42	£11.44	£11.85 <sup>3</sup>
Difference between NJC scale and National Living Wage	£1.17	£0.82	£0.65
% Difference between NJC scale and National Living Wage	11.2%	7.2%	5.5%
1. Increase based on the Employer's pay offer of £1,290 per annum			
2. Based on an inflationary increase of 2%			
3. Based on the OBR forecast of the increase in average earnings of 3.6%			

In order to maintain or increase the differential, it would be necessary to increase the lowest points on the NJC scale by higher than inflation and this may require a restructure of the payscale to create a sufficient buffer between the NJC scales and the national living wage.

**ii. Pay Increases – Teachers Pay**

Teachers pay is set by the WG, with the pay award being effective from September each year. No pay award has been announced for the year commencing September 2024 and no indication has been provided by WG on the level of any future increases.

The Chancellor has announced a 5.5% increase for teachers in England from September 2024. This may result in additional funding being provided to Wales through the Barnett formula. WG has historically funded the increase in teacher's pay through the local government settlement and, if additional funding is received in Wales and the WG allocate this to local authorities in Wales, then the final pay award should be cost neutral for the Council.

In setting the 2024/25 budget, 2% was allowed for teacher's pay and, if the increase is 5.5%, then the 2025/26 budget will need to be corrected. The full year effect of this correction is £1.27m.

Although there may be some pressure to increase teachers' pay above inflation in future years to aid with recruitment and retention, for the purposes of the MTFP, 2% has been allowed for as future pay awards. Each 1% rise increases the Council's expenditure by around £400k.

**iii. Local Government and Teachers' Pension Contributions**

The LGPS pension scheme was re-valued in 2022, with the new employer contribution rates effective for the period April 2023 to March 2026. A number of factors impact the calculation of the employer contribution rate, which include the investment performance of the fund, the level of gilt rates which determines the discount rate of future liabilities and the composition of the current membership. Given that the scheme is currently fully funded, it is hoped that any change to the contribution rate will be minimal. Each 1% increase in the contribution rate would increase the Council's costs by approximately £500k.

The Teachers Pension Scheme was revalued in April 2024, with the teacher's contribution rates increasing from 23.58% to 28.58%. This is a 21% increase and added around £1.3m to the Council's budgets. Discussions are still ongoing as to whether the UK Government will fund the total cost of this increase, but current expectations are that around 85% to 90% of the costs will be funded. The increase in contributions has been allowed for in the 2024/25 budget and any additional UK funding would be a windfall and would reduce the funding gap. The next revaluation is not due until 2028 and, therefore, no further change is anticipated during the period of this plan.

**iv. Major Service Contracts**

A number of the Council's Services are outsourced, including refuse collection and disposal, highway maintenance, school meals, school transport and public service bus contracts. The majority of the contracts are long term agreements which will end after the end of the period covered by this plan. The price of each contract is uplifted annually using a set of pre-determined inflation indices which are defined in each contract. The budget for these contracts is in the region of £24m and the increase is normally dependant on inflation indices in the preceeding autumn. As inflation has fallen, the cost pressure on these contracts reduces, with an estimated increase of around £0.6m in 2025/26, with a similar uplift in 2026/27 and 2027/28.

**v. Energy Costs**

The current budget for energy (electricity and gas) in 2024/25 was £4.49m (£2.41m for electricity and £2.08m for gas), with the highest costs incurred in secondary schools, leisure centres and the main Council offices. Much work has been done to reduce the consumption of energy in Council buildings, including installing solar panels and a new boiler at the Council Offices, and further grant funding will result in the installation of heat source pumps and improved insulation at 27 schools and other Council buildings over the next 2 years.

The Council retendered both its gas and electricity contracts in early 2024, with the new rates becoming effective from October 2024, with prices fixed until October 2027. The tendering took advantage of a significant fall in both gas and electricity prices, with reductions of over 20% resulting from the tendering process. This will reduce the Council's energy costs by approximately £1m, but this reduction will be greater as the more energy efficient solutions are implemented.

The prices will be fixed for the majority of the period covered by the MTFP.

**vi. Elderly, Nursing, EMI and Residential Care Home Fees**

For a number of years, the annual fee increase for nursing, EMI and residential care home fees have been determined using a standard toolkit which all 6 North Wales authorities use as the basis for their fee increase. In 2022, authorities began to move away from the toolkit but are still committed to try and maintain a regional position. The Council has increased fees by between 30% and 40% in the 3 years since 2021/22.

Representatives of Care Forum Wales continue to make the case that the fees paid by the Councils do not fully fund the costs the home operators face and that, generally, the fees paid by North Wales Councils are lower than those paid by Councils in the South.

The number of clients placed in homes has stabilised and the costs are now within budget, but this could change quickly, particularly over the winter when the pressure to discharge patients from hospital increases.

The plan continues to allow for a higher than inflation increase in fees in 2025/26, with fee increases then falling back to inflation levels in 2026/27 and 2027/28. Each 1% increase in fees adds around £100k to the Council's expenditure.

**vii. Domiciliary Care Contract**

Part of the domiciliary care service is outsourced to the private sector, with the contracts regularly re-tendered. Annual increases in the hourly rate are negotiated with each provider, with the main cost driver being the National Living Wage. The National Living Wage is expected to increase by 3.6% in 2025/26 and this increase has been allowed for in the plan, with increases in line with general inflation in the following two years.

**viii. Children's Services**

An increased investment and the impact of Covid saw the costs of Children's Services being within budget in 2020/21 and 2021/22, however, the budget position has worsened with the Service overspending by £1m (8%) in 2022/23 and £1.4m (11%) in 2023/24. Initial forecasts estimated that, despite an increase of 10% in the 2024/25 budget, the Service will overspend again by £1.78m (12%) in 2024/25.

The number of children in care continues to rise and, despite an increase in the level of provision on the Island (Cartrefi Clyd, Foster Parents), a higher number of children are being placed in out of county service provision provided by the private sector. The demand for these placements is increasing nationally, which is driving up placements costs at a rate which is significantly higher than inflation.

The WG is legislating to eliminate profit from Children's care, with the aim of increasing provision provided through the public sector. In the long term, this increased capacity should stabilise the costs faced by councils but, in the short term, it does not answer the capacity problem and some private sector providers are leaving the market in Wales, which is making the problem worse.

Although the Service is attempting to reduce costs, the plan allows for both additional investment in the Service to address the overspending position, additional funding to meet a further increase in demand and an inflationary rise which is higher than general price inflation. This will increase the budget requirement by 20% in 2025/26, 5% in 2026/27 and 2.6% in 2027/28.

**ix. Adult Social Care Services**

As with Children's Services, there is a significant risk that the demand for Adult Social Care services (elderly, mental health, learning disability etc.) will increase. This is in addition to the inflationary pressures on pay and private sector provider costs. The situation in 2024/25 has improved with the additional budget increase being sufficient to meet current demand, although this can quickly change.

The plan allows for an increase of £1m in the budget to meet increased demand in 2025/26 and 2026/27, in addition to any inflationary increase.

**x. Homelessness**

The net budget for 2024/25 amounts to £750k, however, additional grant funding from WG and housing benefit payments increase the gross expenditure to around £2.5m. Demand has increased, but this has mainly been met through additional grant funding.

The risk is that grant funding will be reduced but the demand does not fall away. The budget pressure would then fall on the core Council budget. An earmarked reserve has been created which would mitigate the risk. As a result, the plan only allows for a modest increase in costs over the life of the plan, i.e. 2% in addition to inflation.

**xi. Council Tax Reduction Scheme**

Since the funding for the Council Tax Reduction scheme transferred into the local government settlement, the sum including in the Standard Spending Assessment (SSE) by WG has remained largely unchanged. As the levels of Council Tax increase, the cost falls on the taxpayers of Anglesey. The budget for 2024/25 was increased by 8% to take account of the increase in Council Tax and an anticipated increase in caseloads. To date, the anticipated increase in caseload has not materialised in 2024/25, with expenditure forecast to be at the level of the 2023/24 budget, i.e. £500k lower than the 2025/26 budget. This should allow for a correction of the budget in 2025/26 to reduce the estimated caseload.

**xii. Capital Financing Charges**

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

However, it should be noted that the cost of building works has increased since the easing of the lockdown, with a shortage of materials and labour forcing up prices. Although increases appear to have levelled off, there is no indication that prices will return to pre-Covid levels. This increases the costs of capital projects, which may result in additional borrowing, which will then result in an increase in the capital financing costs. Given the current uncertainty, no allowance has been made for this potential risk in the current plan.

High cash balances and the sharp rise in interest rates allowed the interest receivable budgets to increase by approximately £1m in 2023/24. However, cash balances in 2024/25 are significantly lower as cash backed reserves begin to run down and this, combined with a commencing of interest rate cuts, resulted in a lower budget for interest receivable. It will be necessary to externalise some of the current level of internal borrowing to replenish cash balances and, although this will increase investment returns, the additional borrowing will result in higher interest payment costs, which will outweigh any additional interest returns generated. Further details on the Council's borrowing and investment strategy are set out in the Treasury Management Strategy and Update reports which are presented to the Governance & Audit Committee, the Executive and the full Council.

**xiv. Fire Service Levy**

Unlike the North Wales Police & Crime Commissioner, the North Wales Fire & Rescue Service set a levy each year, which is apportioned between the 6 North Wales authorities on the basis of population, with Anglesey contributing around 10%. The levy is then funded from the Council's net revenue budget and an amount in respect of the Fire Service is included into the WG's SSE.

Similar to Councils, the Fire Service has faced a significant increase in costs due to pay awards, general price inflation and increased pension contributions. A proposed restructure of the Fire Service was not supported by the Fire Authority, and the Fire & Rescue Service is currently reviewing alternative options, which may generate savings.

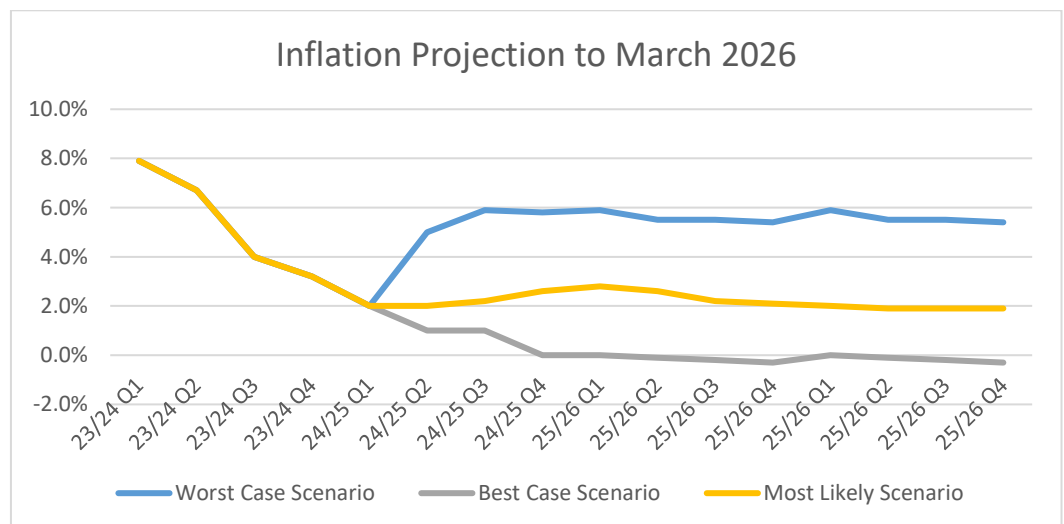
The pay award for fire fighters was in line with the budget assumptions for 2024/25, but there has been a change in the pay of retained fire fighters, increasing pay from 10% to 15% of a full time firefighter’s pay. This is a 50% increase in pay costs for retained firefighters. As North Wales has a high proportion of retained firefighters, this change has a greater impact on North Wales compared to other Fire Authorities.

The increase in the employer’s pension contribution rate is also applicable to the Fire Service. Again, it is anticipated that this will be funded by the UK Government and additional funding will be passed on to the Service from WG (via the 6 authorities). Around £400k of the anticipated cost of £700k has been included in the levy in 2024/25, and the majority of the remainder should be funded.

The Fire Service is still formulating its budget proposals for 2025/26, but every 1% increase in the levy adds approximately £50k to the Council's expenditure budget.

**xiv. General Price Inflation**

Annual non pay budgets are inflated each year to take account of general or specific inflation. Where contracts do not specify a specific price index that should be applied, or where a specific expenditure heading is not seeing a significantly higher or lower inflation rate, then the Consumer Prices Index (CPI) is used as the inflation factor. For a number of years, CPI has remained low and has not been a significant factor when determining the budget. However, the inflation rate rose significantly in 2022, peaking at 11% in October 2022, but has then fallen back to the Bank of England’s target of 2% by mid 2024. The graph below shows the Bank of England’s current forecast:-



Approximately £44m of the Council’s budget will be impacted by a general increase in the level of inflation. Based on the most likely scenario, 1.9% has been allowed for as the inflation level in 2025/26, rising to 2% for the subsequent 2 years.

**xv. Port Health Authority**

Commencing in October 2024, the Council will be required to undertake documentary checks on 1% of eligible traffic, with a full inspection service commencing in October 2025. The service will be able to charge a fee for the documentary checks and inspections but, until the volume of traffic becomes known, there is a risk that the fees charged will be insufficient to cover the costs. The Council is in discussions with WG to secure grant funding for the initial period in order that there is no cost to the Authority of operating the service.

The MTFP assumes that there are no costs to the Authority, but it is estimated that the full year cost of undertaking 1% documentary checks is £450k in the first year and £350k thereafter, and the cost of providing the full service is £3.3m in the first year, falling to £2.9m thereafter.

**xvi. Council Plan**

The Council Plan set outs 66 individual tasks, objectives and targets, covering 6 strategic themes. The majority of the cost of achieving these objectives will be funded from the capital budget, the Housing Revenue Account, current core funding, secured grant funding and additional grant funding yet to be secured. However, an analysis of the potential funding has identified 6 individual objectives relating to Education, the Welsh Language and Social Care and Wellbeing themes that require £550k of additional revenue funding in order to allow the objectives to be delivered.

**xvii. Use of Council Tax Premium**

Housing Services utilise an element of the Council Tax premium raised on empty and second homes to provide loans and grants to eligible applicants to help them purchase and / or renovate a home on Anglesey. The budget in 2023/24 was £1.2m. Any underspending on this budget is held in an earmarked reserve. In 2024/25, the earmarked reserve was sufficient to fund the scheme in 2024/25 and, as part of the process to balance the budget, this allocation was removed from the 2024/25 budget for one year. The plan allows for the restating of this budget along with an inflationary increase. This would take the available budget to £1.39m.

A sum of £300k was also allocated in 2023/24 to meet the additional costs of implementing Article 4, which controls the number of second homes in an area through the planning system. The Council has yet to determine whether to implement Article 4 or not, and the £300k allocated in 2023/24 has been kept as an earmarked reserve. In 2024/25, no budget was allocated and the reserve is still available to fund the additional cost in 2025/26.

**6. INCOME**

- 6.1.** The Council's current income budget (excluding AEF, Council Tax and specific grant funding) amounts to £49m. This is made up of grants and reimbursements from public bodies (£24m), fees and charges set by statute or regulated by the Government (£6.9m), fees and charges set by the Council (£5.6m), long-term rental agreements in respect of land and property (£1.5m) and recharges within the Council to other Council services (£10.7m).
- 6.2.** It has been the Council's policy to increase the discretionary fees and charges by 3% per annum, although, in some services, increasing the fees and charges by more than inflation has resulted in the Council's fees getting significantly closer to the fees charged by the private sector, e.g. leisure services. For the purposes of this plan, it has been assumed that the discretionary fees and charges will continue to rise by 3% per annum over the life of the plan.

**6.3.** In addition to income from fees and charges, a significant amount of grant income is received. The grants received can be to fund specific projects or services, but others are more general in nature and support core services. Given the uncertain position regarding public sector funding, there is a risk that grants are targeted and reduced in order to reduce public spending, rather than a reduction in the general financial settlement the Council receives from WG. Where grants fund specific projects, then it is possible to bring the project to an end if the grant ends, but this is more difficult where services are provided through a mix of core budget and grants.

**7. PROJECTED BUDGET FOR 2025/26 – 2027/28**

**7.1.** By taking into account all of the issues detailed in paragraphs 5 and 6, and using the assumptions set out in Appendix 2, it is possible to estimate the revenue budget for the following 3 years, and this is set out in Table 8 below:-



**Table 8**  
**Projected Net Revenue Expenditure Budget 2025/26 to 2027/28**

	2025/26 £'m		2026/27 £'m		2027/28 £'m	
<b>Previous Year Final Budget</b>		<b>184.164</b>		<b>196.005</b>		<b>202.340</b>
<b>Inflationary Pressures</b>						
Non Teaching Pay Award	3.321		1.079		2.068	
Teaching Pay Award	1.472		0.758		1.160	
Major Service Contracts	0.638		0.656		0.508	
Energy Inflation	(0.987)		0.000		0.070	
Other Non Pay Inflation	0.836		0.842		0.909	
Income	(0.874)		(0.996)		(0.954)	
Social Care Providers Inflation	1.880		1.541		0.934	
Council Tax Reduction Scheme – Increase in Council Tax	0.366		0.359		0.196	
Fire Service Levy	0.197		0.103		0.105	
<b>Total Inflationary Pressures</b>		<b>6.849</b>		<b>4.342</b>		<b>4.996</b>
<b>Demand Led Pressures</b>						
Children's Services Demand	2.158		0.166		0.000	
Adult Services Demand	0.961		0.835		0.000	
Out of County Education Placements	0.000		0.019		0.000	
School Transport	0.036		0.037		0.000	
Homelessness	0.015		0.015		0.000	
Council Tax Reduction Scheme – Change in Estimated Caseload	(0.510)		0.135		0.000	
Implementing Council Plan	0.550		0.000		0.000	
		<b>3.210</b>		<b>1.207</b>		<b>0.000</b>
<b>Other Costs</b>						
Capital Financing	0.335		0.201		0.300	
Use of Council Tax Premium for Housing Projects and Article 4	1.447		0.585		0.051	
<b>Total Other Costs</b>		<b>1.782</b>		<b>0.786</b>		<b>0.351</b>
<b>Estimated Net Revenue Budget</b>		<b>196.005</b>		<b>202.340</b>		<b>207.687</b>
<b>Annual Increase</b>		<b>11.841</b>		<b>6.335</b>		<b>5.347</b>
<b>Annual Increase Percentage</b>		<b>+ 6.43%</b>		<b>+ 3.23%</b>		<b>+ 2.64%</b>

- 7.2. The estimated Net Revenue Budget represents an increase of 12.80% over the 3 year period.
- 7.3. More detail on the estimated Net Revenue Budget and the assumptions that support the plan are attached as Appendix 2 and 3.
- 7.4. The figures shown above are based on the most likely scenario for all the assumptions. A best case and worse case scenarios have also been modelled. These models are based on the most optimistic and pessimistic assumptions for each of the expenditure headings. The results of the modelling exercise are shown in Table 9 below:-

**Table 9**  
**Best and Worst Case Scenario Models 2025/26 to 2027/28**

	Best Case	Increase		Worst Case	Increase	
	£'m	£'m	%	£'m	£'m	%
<b>2024/25 Base Budget</b>	<b>184.164</b>			<b>184.164</b>		
2025/26 Estimated Budget	184.883	+ 0.719	+0.40%	206.247	+ 22.083	+12.0%
2026/27 Estimated Budget	184.943	+ 0.061	0.03%	220.290	+ 14.033	+ 6.8%
2027/28 Estimated Budget	185.086	+ 0.143	0.08%	232.894	+ 12.604	+ 5.7%

- 7.5. The 3 scenarios, best, worst and most likely, give a wide range of estimates for the required net revenue budget for the forthcoming three years, and it demonstrates the significant level of uncertainty that exists around inflation, in particular pay, and the future demand for services. This makes financial planning extremely difficult.

## 8. AGGREGATE EXTERNAL FINANCE AND COUNCIL TAX

- 8.1. The estimated standstill budget is funded from the level of Aggregate External Finance (AEF) received from the Welsh Government (Revenue Support Grant and NDR Pool Funding) and from the Council Tax raised locally.
- 8.2. As stated in paragraph 4 above, the WG has given no indication as to the potential change in the AEF in 2025/26 and whether the AEF received in 2024/25 will be increased to fund the additional teacher and firefighter pension contributions and any increase in teachers' pay, above the sum that was allowed for in the 2024/25 local government settlement.
- 8.3. In 2024/25, Anglesey received £127.586m in AEF from WG, with the remaining funding coming from Council Tax £52.153m, and the Council's own financial reserves £4.425m.
- 8.4. Table 10, below, shows the additional income that various changes in AEF and increases in Council Tax would have on the Council's funding (assuming no change in the Council Tax base) and that any additional funding generated by increase in the Council Tax premium would be used to increase budgets on projects to help with the supply of affordable housing on the Island, i.e. have a nil effect on the budget:-

**Table 10**  
**Impact on Council Funding for Changes in AEF and Council Tax (net of CTRS)**  
**2025/26**

		Change in AEF Cash Sum							
		+0%	+1%	+2%	+3%	+4%	+5%	+6%	+7%
		£'m							
<b>Council Tax Rise (net of rise in Council Tax Reduction scheme)</b>	<b>3%</b>	1.346	2.621	3.898	5.174	6.450	7.725	9.001	10.277
	<b>4%</b>	1.795	3.071	4.347	5.622	6.898	8.174	9.450	10.726
	<b>5%</b>	2.244	3.519	4.795	6.071	7.347	8.623	9.899	11.175
	<b>6%</b>	2.692	3.968	5.244	6.520	7.796	9.072	10.347	11.623
	<b>7%</b>	3.140	4.417	5.693	6.968	8.244	9.520	10.796	12.072
	<b>8%</b>	3.589	4.865	6.141	7.417	8.693	9.969	11.245	12.521
	<b>9%</b>	4.038	5.314	6.590	7.866	9.142	10.418	11.693	12.969
	<b>10%</b>	4.487	5.763	7.039	8.315	9.590	10.866	12.142	13.418
	<b>11%</b>	4.936	6.212	7.487	8.763	10.039	11.315	12.591	13.867
	<b>12%</b>	5.384	6.660	7.936	9.212	10.488	11.764	13.040	14.315
	<b>13%</b>	5.833	7.108	8.385	9.661	10.937	12.212	13.488	14.764
	<b>14%</b>	6.282	7.558	8.834	10.109	11.385	12.661	13.937	15.213
	<b>15%</b>	6.730	8.006	9.282	10.558	11.834	13.110	14.386	15.662
	<b>16%</b>	7.179	8.455	9.731	11.007	12.283	13.559	14.834	16.110
	<b>17%</b>	7.627	8.904	10.180	11.446	12.731	14.007	15.283	16.559
	<b>18%</b>	8.076	9.353	10.628	11.904	13.180	14.456	15.732	17.008
	<b>19%</b>	8.525	9.801	11.077	12.353	13.629	14.905	16.181	17.456
<b>20%</b>	8.974	10.250	11.526	12.802	14.077	15.353	16.629	17.905	

- 8.5.** In order to fund the estimated additional budget requirement of £11.841m, plus to replace the £4.425m of reserves used to balance the budget in 2024/25 with permanent funding, it would require the AEF to rise by 7% and Council Tax to increase by over 17% to generate sufficient funding. If there is no increase in AEF, it would require Council Tax to rise by around 36% in order to generate sufficient permanent funding to meet a net budget requirement of £196.005m.
- 8.6.** The position for 2026/27 and 2027/28 does improve as the increase in the net budget requirement reduces to 3.2% in 2026/27 and 2.6% in 2027/28. A 5% increase in Council Tax in both years would generate around £2.2m in additional funding and, with an increase of 2% in AEF (as per the general level of inflation), it would be possible to almost set a balanced budget.
- 8.7.** Anglesey's Band D charge for 2024/25 is the 16<sup>th</sup> highest out of the 22 authorities in Wales. However, simply comparing the Band D charge does not give a true comparison as it does not take into account how many properties are in each band. Authorities with a high number of properties in Bands A and B tend to have a higher Band D charge in order to generate sufficient income.

- 8.8.** By comparing the value of the taxbase as a percentage of chargeable dwellings, Anglesey's figure is similar to Flintshire, Gwynedd and Ceredigion, at around 96% to 100%, but Anglesey's Band D charge is £86 lower than Flintshire, £184 lower than Gwynedd and £154 lower than Ceredigion. This suggests that Anglesey's Band D charge is too low and there is some headroom to increase the charge. Each 1% increase in the Band D charge increases the charge by £16. Increasing the Band D charge to the same level as Flintshire would generate an additional £2.85m in Council Tax revenue, £6.10m if the charge was at Gwynedd's level and £5.11m if the charge was in line with Ceredigion.

## **9. COUNCIL TAX PREMIUM**

- 9.1.** In 2022, the Executive consulted on increasing the premium on second homes, and the final decision was to increase the premium on second homes to 75% in 2023/24 and 100% in 2024/25. No change was proposed on the premium on empty homes, which remained at 100%.
- 9.2.** The WG has now granted local authorities in Wales the power to charge premiums of up to 300% but, to date, no Council in Wales has raised the premium to this level.
- 9.3.** The purpose of the premium is to provide a local authority with a tool to help:-
- Bring long term empty properties back into use to provide safe, secure and affordable homes;
  - Support local authorities in increasing the supply of affordable housing and enhancing the sustainability of local communities.
- 9.4.** The current level of premium generates approximately £3.6m, of which £1.2m has been allocated to support the provision of loans and grants to first time buyers, £300k has been allocated for the implementation of Article 4, £150k is used to fund the cost of additional Council Tax staff to collect the premium and Housing Services staff to administer the grants and loans schemes. £55k has been invested in the Economic Development Team to assist with improving the local economy. The remaining £1.9m provides additional funding to support communities and to provide tourism services. The types of services funded include:-
- providing a subsidy to fund small schools where pupil numbers are reducing due to high numbers of second homes;
  - providing services around coastal areas, including beach wardens, additional cleaning and waste collection;
  - enabling the Council to deal with community tension arising from high tourist numbers in areas.
- 9.5.** As the Council consulted on the introduction of the premium back in 2015, prior to the introduction of the premium in 2017, there is no requirement to consult if the level of the premium is changed. However, if the level of the premium is raised above 100%, the WG guidance strongly advises local authorities to consult with all interested parties at least 6 months before the beginning of the financial year to which the premium relates. It would, therefore, require the consultation to begin before 1 October 2024, if the intention is to increase either premium from 1 April 2025.
- 9.6.** Each 10% increase in the premium would generate an estimated £325k (second homes premium) and an estimated £50k (empty homes premium).
- 9.7.** The number of properties subject to the second homes premium has fallen since the premium was raised from 35% to 50% and then on to 100%, although the picture is somewhat distorted by the fact that the WG changed the regulations in respect of self catering accommodation and a number of properties, which were previously subject to Non Domestic Rates, have been returned to the Council Tax register. The number of properties subject to the empty property premium has remained fairly consistent over the past 3 years.

## **10. GENERAL BALANCES AND RESERVES**

- 10.1.** The Council holds general balances to have sufficient funding to meet any unexpected expenditure which may arise during the year, which cannot be funded from existing revenue or capital budgets. In addition, the Council holds earmarked reserves which are held to cover the cost of potential risks, the cost of future planned projects and to hold unused grant funding or any other restricted funds which the Council holds.
- 10.2.** As at 31 March 2023, the Council held £15.607m as general balances and £16.778m as earmarked reserves. The Council's agreed strategy for general balances is to hold a minimum of 5% of the net revenue budget for the year. Therefore, in 2024/25, the minimum amount of general balances should be £9.2m. In setting the 2024/25 budget, £4.425m of the general balances were used to balance the budget, which reduces the level of general balances to £11.182m, which is £1.98m above the minimum required balance. However, it should be noted that any overspend on the 2024/25 revenue budget would be funded from general balances. The forecast at the end of quarter 1 of 2024/25, estimates that the revenue budget will overspend by £0.09m and £0.1m of the general balances has already been allocated to fund unanticipated expenditure. This gives a forecasted balance of £10.99m, which is £1.79m above the minimum threshold. It should also be noted that any additional funding received in 2024/25 from WG in respect of the increase in teacher pension contributions would generate a windfall and would increase the level of general balances. There is, therefore, potential to use general balances once again as a funding source, but to a lesser extent than in the previous two years.
- 10.3.** A review of the earmarked reserves was undertaken in 2023/24, and £2.0m of earmarked reserves were transferred back into the Council's general balances. Included in the earmarked reserves are £5.5m of reserves which cover specific identified risks, such as inflation, uninsured losses and the increase in demand for specific services. These reserves could be released back into the general balances, but this would weaken the Council's financial position because, if the risks materialised, financial cost would have to be funded from the general balances.

## **11. SENSITIVITY ANALYSIS**

- 11.1.** The estimated financial position shown in Table 8, above, are based on assumptions relating to a number of factors. Table 11, below, shows the change in the net expenditure budget that would result if each assumption was varied by 1%:-

**Table 11**  
**Financial Impact of a 1% Change in the Financial Budget Assumptions**

Assumption	Impact of a 1% Change £'000
NJC Pay Award	618
Teachers Pay Award	369
General Inflation	228
Main Service Contract Inflation	250
Social Care Provider Inflation	392
Income	124
Interest Rate Receivable	150
Aggregate External Finance (AEF)	1,275
Council Tax (net of CTRS)	402
Demand in Children's Placements	62
Demand for Adult Service Placements	260
Homelessness	7
Council Tax Reduction Scheme Caseload	73

**12. BRIDGING THE FUNDING GAP**

- 12.1.** If the financial modelling is correct, then an additional £11.84m will be required to meet the inflationary pressures of providing the current service and to meet the demand pressures in 2025/26, although it should be noted that this figure is based on assumptions, which will need revising as the budget process progresses.
- 12.2.** If AEF was to rise by 1% and Council Tax rises by 5%, the additional funding will only generate an additional £3.88m (not adjusting for the increase in CTRS), leaving a gap of £7.958m. However, the use of reserves in 2024/25 must also be taken into account and, if no reserves are used in 2025/26, then the funding shortfall increases by £4.425m to £12.383m.
- 12.3.** As shown in paragraph 9, the Council does have some capacity to use general balances and reserves to help reduce the funding gap, but using reserves does come with risks in so far as they are not a recurring source of income and using reserves does not eliminate the need to bridge the funding gap long term. In addition, using reserves reduces the financial reserves of the Council and weakens its financial position. Care must be taken to ensure that the level of reserves used does not leave the Council in a position where it has insufficient funding to meet any unexpected expenditure or to address potential risks if they crystallise into something that requires action and funding.
- 12.4.** Schools currently hold £5.577m of reserves, although £2.167m have been used in 2024/25 to balance the revenue budget, this leaves a balance of £3.410m, which equates to 6.4% of the 2024/25 delegated schools' budget. There is, therefore, some capacity for schools to contribute towards the savings target. The financial model increases the delegated schools' budget to £54.46m and reducing this budget by 2% would generate savings of £1.089m. This will make it more difficult for individual schools to balance their budget in 2025/26, in particular smaller schools where the flexibility around class sizes is less.

- 12.5.** A recent review of the Adult Services budget identified that not all the additional investment made in 2024/25 will be required because demand for services has stabilised, and a zero based budgeting exercise identified that £500k could be taken out of the budget. The financial model also allows for an increase in the budget of £961k to fund demographic pressures. Although there is a significant risk that the demand for services may increase, not providing for demographic pressures within Adult Services would reduce the budget requirement by £961k.
- 12.6.** The financial model allows for inflation of 1.9% on general supplies and services budgets. The majority of these budgets are not strictly demand led and services could reduce expenditure to match the budget. If schools are excluded, and no inflation is allowed for on general supplies and services, this would reduce the budget by £158k.
- 12.7.** The financial model allows for a budget of £1.447m to fund the cost of loans and grants to first time buyers. The demand for this support varies and the Council can control the number of applications approved in any one year, this does give the Council scope to reduce this budget. Reducing it back to £1m would reduce the budget requirement by £447k.
- 12.8.** Based on the adjustments set out in paragraphs 12.3 to 12.7, the funding gap for 2025/26 would reduce from £12.383m to £7.227m. The Council is legally obliged to set a balanced budget each year, where the budget is a fair and reasonable estimation of the costs faced to provide the services in the year to which the budget relates and that the estimated cost can be funded from WG funding, Council Tax and reserves and balances. If the level of funding is insufficient, that only leaves the option of reducing the net expenditure budget to the level of funding available.
- 12.9.** Again, assuming that the funding gap is £7.227m, that equates to revenue savings of 3.9% of the 2024/25 net expenditure budget. However, the net revenue budget includes a number of budgets which are outside the control of the Council and must be funded, these include:-
- Fire Authority Levy – £4.93m in 2024/25;
  - Capital Financing Costs – £6.42m in 2024/25;
  - Council Tax Reduction Scheme – £7.28m in 2024/25;
  - Historic Pension Costs – £1.01m in 2024/25;
  - Members Allowances – £1.13m in 2024/25;
  - Audit & Inspection Fees - £0.42m in 2024/25;
  - Coroners Costs - £0.31m in 2024/25;
  - Joint Services with Other Local Authorities - £2.67m in 2024/25.
- 12.10.** In addition, if schools budgets are capped by 2%, it is not possible to include the schools budget in any further savings targets. Therefore, any savings have to come from the remaining budgets (£106.9m in 2024/25) and this equates to savings of 6.7% from the budgets where it is possible to implement savings.
- 12.11.** An analysis, attached as Appendix 4, shows the budget that is spent in each service on statutory services, non statutory services etc. It shows that 85.9% of the Council net expenditure budget is spent on statutory services. This confirms that it will be very difficult to achieve the budget savings if statutory services are to be maintained.
- 12.12.** Work has commenced to identify any efficiency savings that can be applied but, given the previous austerity cuts and the rising demand for services, Services have not identified any significant efficiency savings that can be generated. Any savings that can be generated can only be done so through reduction in services or ceasing to undertake services.
- 12.13.** Looking ahead to 2026/27 and 2027/28, the position does show some improvement as shown in Table 12, below:-

**Table 12**  
**Estimated Funding Shortfall 2026/27 & 2027/28**

	2026/27 £'m		2027/28 £'m	
<b>Budget Shortfall Brought Forward</b>		<b>12.283</b>		<b>12.980</b>
Estimated Inflationary Increase	5.129		5.347	
Demand Pressures	0.883		0.000	
<b>Estimated Budget Increase</b>		<b>6.012</b>		<b>5.347</b>
Increase in AEF @ 2%	(2.577)		(2.629)	
Increase in Council Tax @ 5%	(2.738)		(2.875)	
<b>Estimated Increase in Funding</b>		<b>(5.315)</b>		<b>(5.504)</b>
<b>Budget Shortfall Carried Forward</b>		<b>12.980</b>		<b>12.823</b>
<b>Additional Budget Shortfall in Year</b>		<b>0.697</b>		<b>(0.157)</b>

12.14. Based on this forecast, the financial resilience indicator which determines the funding gap as a percentage of the net revenue expenditure, is shown in Table 13, below:-

**Table 13**  
**Estimated Funding Gap as a Percentage of Net Revenue Expenditure**

Year	Standstill Budget £'m	AEF £'m	Previous Year Council Tax (note 1) £'m	Total Funding Prior to Council Tax Increase £'m	Estimated Funding Gap £'m	% Gap
2018/19	132.337	94.924	33.644	128.568	3.769	2.85%
2019/20	134.702	95.159	35.087	130.246	7.156	5.21%
2020/21	142.203	101.005	39.370	140.375	1.828	1.29%
2021/22	147.076	104.825	41.161	145.986	1.090	0.74%
2022/23	155.501	114.549	42.957	157.506	(2.005)	(1.29%)
2023/24	173.830	123.665	44.879	168.544	5.286	3.04%
2024/25	188.992	127.586	47.628	175.214	13.778	7.29%
2025/26 forecast - note 1	196.005	128.862	52.153	181.015	14.990	7.65%
2026/27 forecast - note 2	189.633	131.439	54.759	186.198	3.435	1.81%
2027/28 forecast	194.281	134.016	57.497	191.513	2.768	1.42%
Note 1 – The Previous Year Council Tax figures are adjusted to take account of changes to the taxbase						
Note 2 – The standstill budget for 2026/27 & 2027/28 assumes that the final budget for 2025/26 is revised down to match the funding available						



**12.15.** It can be seen that the position for 2025/26 is the worst position the Council has been at this stage of the budget setting process for a number of years, and follows on from 2024/25 which was also an extremely financially challenging year in terms of setting the budget. The position does begin to improve in 2026/27, but this is very much dependant on inflation and pay awards remaining low, demand for services levelling off, budget savings being identified and delivered and the local government settlement at least keeping pace with inflation.

### **13. CONCLUSIONS**

**13.1.** The MTFP sets out the estimated net revenue budget for the next 3 years using a number of assumptions, some of which are more certain than others. The plan allows the Council to determine its future funding strategy, but there are a number of issues which increase the uncertainty surrounding the plan. These include, estimating the future costs at a time when pay awards for the current year have yet to be finalised, estimating the demand for services, the impact of the cost of living crisis on the demand for Council services and the future funding of Local Government in Wales, post the UK general election. The level of support from WG is a key element of the MTFP, and the lack of accurate future forecasts on the level of funding does reduce the level of assurance that the plan can give.

**13.2.** The demand for services and the pressure to increase the pay of certain parts of the Council's workforce (both for the Council's own employees and employees working in contracted services) will drive up costs significantly, particularly in 2025/26. If these additional cost pressures are not reflected in the funding settlement from WG, then the Council will have to implement further cuts to services and / or higher than inflation increases in Council Tax in order to set a balanced budget, which allows the Council to meet its statutory obligations and accurately reflects the costs of providing those services.

**13.3.** The Council does have some reserves that can be used in 2025/26 to help reduce the potential funding gap, but the funding that can be released is limited and will not bridge all of the gap, and the use of reserves does weaken the Council's financial resilience and only postpones the need to implement budget savings or increase Council Tax.

**13.4.** This MTFP highlights the fact that the Council is currently facing its most challenging financial position, and difficult decisions will have to be taken in order to set a balanced budget in 2025/26 and beyond.

**13.5.** Increasing the level of Council Tax above the general level of inflation has to be considered as part of the overall financial solution to funding the financial shortfall.

## MEDIUM TERM FINANCIAL PLAN ASSUMPTIONS

MOST LIKELY SCENARIO			
	2025/26	2026/27	2027/28
<b>Pay and Price Inflation</b>			
Pay, NI and Pension Costs – Non Teaching	4.0%	2.0%	3.0%
Pay, NI and Pension Costs - Teachers	4.0%	2.0%	3.0%
LGPS Contribution Rate	0.0%	0.0%	0.0%
Teachers Pension Contribution Rate	0.0%	0.0%	0.0%
Electricity	- 21.3%	0.0%	2.0%
Gas	-22.8%	0.0%	2.0%
CPI (including any correction from previous year)	1.9%	1.9%	2.0%
Main Service Contracts	3.0%	3.0%	2.0%
Social Care Provider Contracts	5.0%	3.0%	2.0%
Fees & Charges	3.0%	3.0%	2.0%
Council Tax	5.0%	5.0%	2.5%
Aggregate External Finance	1.0%	2.0%	2.0%
Government Grants	1.0%	2.0%	2.0%
Levies	4.0%	2.0%	2.0%
Capital Financing Costs	4.1%	0.8%	2.0%
<b>Demand Pressures</b>			
Children's Placements	35.0%	2.0%	0.0%
Adult Social Care Placements	5.0%	2.0%	0.0%
School Transport	2.0%	2.0%	0.0%
Homelessness	2.0%	2.0%	0.0%
Council Tax Reduction Scheme Caseload	- 7.0%	2.0%	0.0%

## SUMMARY ESTIMATED NET REVENUE BUDGET 2024/25 – 2027/28

	2024/25 £'m	2025/26 £'m	2026/27 £'m	2027/28 £'m
Pay – Non Teaching, including Pension & NI	63.994	67.315	68.944	71.013
Pay – Teaching, including Pension & NI	36.451	37.923	38.681	39.842
Other Employee Costs	2.721	2.810	2.863	2.920
Premises Costs	7.528	7.672	7.822	7.978
Energy	4.488	3.501	3.501	3.571
Transport	1.227	1.251	1.276	1.301
Supplies & Services	24.431	24.821	25.294	25.801
School Transport	4.493	4.665	4.840	4.937
School Meals	3.267	3.332	3.398	3.466
Education Out of County Placements	0.938	0.966	1.014	1.034
Education Joint Arrangements	2.567	2.670	2.724	2.778
Adult Social Care	30.947	33.376	35.212	35.916
Children's Care Placements	8.237	10.806	11.513	11.743
Refuse Collection & Disposal	8.874	9.140	9.414	9.602
Highway Maintenance & Street Lighting	5.106	5.208	5.312	5.418
Public Service Bus Transport	2.310	2.379	2.451	2.500
Help for 1 <sup>st</sup> Time Buyers / Article 4	0.002	1.449	2.034	2.085
Homelessness	1.120	1.157	1.193	1.217
Members Allowances & Expenses	1.125	1.148	1.171	1.194
Coroners	0.306	0.312	0.318	0.325
Audit & Inspection Fees	0.417	0.425	0.434	0.443
Fire Service & Other Levies	4.931	5.129	5.231	5.336
Council Tax Reduction Scheme & Other Benefits	7.497	7.353	7.848	8.044
Capital Financing Charges & Interest Receivable	5.753	6.087	6.288	6.588
Contingencies	1.306	1.856	1.307	1.333
<b>TOTAL GROSS EXPENDITURE</b>	<b>230.036</b>	<b>242.751</b>	<b>250.083</b>	<b>256.385</b>
Grants	(23.981)	(24.221)	(24.705)	(25.200)
Fees & Charges	(12.554)	(12.868)	(13.189)	(13.452)
Recharges	(7.795)	(8.085)	(8.244)	(8.409)
Rents	(1.542)	(1.572)	(1.604)	(1.636)
<b>TOTAL GROSS INCOME</b>	<b>(45.872)</b>	<b>(46.746)</b>	<b>(47.742)</b>	<b>(48.697)</b>
<b>NET REVENUE EXPENDITURE</b>	<b>184.164</b>	<b>196.005</b>	<b>202.341</b>	<b>207.688</b>
<b>Increase in Net Revenue Budget</b>		<b>11.841</b>	<b>6.336</b>	<b>5.347</b>
<b>% Increase in Net Revenue Budget</b>		<b>6.43%</b>	<b>3.23%</b>	<b>2.64%</b>

## SUMMARY ESTIMATED NET REVENUE BUDGET BY SERVICE 2024/25 – 2027/28

	2024/25 £'m		2025/26 £'m		2026/27 £'m		2027/28 £'m	
Economic Development	1.098		1.145		1.167		1.204	
Destination	0.871		0.899		0.916		0.942	
Leisure	1.243		1.114		1.106		1.150	
Planning	1.128		1.184		1.207		1.251	
Public Protection	1.789		1.860		1.896		1.955	
<b>Regulation</b>		<b>6.129</b>		<b>6.202</b>		<b>6.292</b>		<b>6.502</b>
Highways	8.267		8.515		8.690		8.901	
Property	1.991		1.955		1.986		2.064	
Waste	10.111		10.375		10.658		10.886	
<b>Highways, Waste &amp; Property</b>		<b>20.369</b>		<b>20.845</b>		<b>21.334</b>		<b>21.851</b>
<b>Adult Services</b>		<b>39.197</b>		<b>42.005</b>		<b>44.001</b>		<b>45.039</b>
<b>Children's Services</b>		<b>14.436</b>		<b>17.306</b>		<b>18.141</b>		<b>18.590</b>
Schools	53.066		54.461		55.509		57.081	
Central Education	13.285		13.795		14.133		14.461	
Culture	1.576		1.580		1.605		1.650	
<b>Education &amp; Culture</b>		<b>67.927</b>		<b>69.836</b>		<b>71.247</b>		<b>73.192</b>
Human Resources	1.695		1.753		1.787		1.838	
ICT	4.683		4.817		4.946		5.072	
Transformation	1.243		1.288		1.312		1.351	
<b>Transformation</b>		<b>7.621</b>		<b>7.858</b>		<b>8.045</b>		<b>8.261</b>
<b>Housing</b>		<b>1.660</b>		<b>1.720</b>		<b>1.768</b>		<b>1.813</b>
<b>Resources</b>		<b>4.017</b>		<b>4.182</b>		<b>4.265</b>		<b>4.394</b>
<b>Council Business</b>		<b>2.125</b>		<b>2.203</b>		<b>2.247</b>		<b>2.312</b>
<b>Corporate Management</b>		<b>0.802</b>		<b>0.833</b>		<b>0.850</b>		<b>0.875</b>
Capital Financing	5.754		6.087		6.288		6.588	
CTRS / Benefits	7.497		7.354		7.848		8.045	
Levies	4.931		5.129		5.231		5.336	
Help for 1 <sup>st</sup> Time Buyers	0.002		1.449		2.034		2.085	
Corporate & Democratic	2.142		2.200		2.243		2.288	
HRA Recharge	(0.800)		(0.832)		(0.849)		(0.866)	
Savings to be Found	(1.000)		0.000		0.000		0.000	
Contingencies	1.355		1.628		1.356		1.383	
<b>Non Service</b>		<b>19.881</b>		<b>23.015</b>		<b>24.151</b>		<b>24.859</b>
<b>TOTAL NET EXPENDITURE</b>		<b>184.163</b>		<b>196.005</b>		<b>202.341</b>		<b>207.688</b>

## 2024/25 BUDGET BY DEPARTMENT AND SERVICE TYPE

Service	Statutory and Demand Driven		Statutory – Not Demand Driven		Part Statutory, Part Non Statutory / Welsh Government Requirement		Non Statutory		Support Services	
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Economic Development	0.000		0.000		0.260		0.422		0.416	
Destination	0.000		0.356		0.000		0.515		0.000	
Leisure	0.000		0.000		0.032		0.835		0.376	
Planning	0.299		0.556		0.033		0.000		0.240	
Public Protection	0.703		1.016		0.016		0.054		0.000	
<b>Regulation</b>		<b>1.002</b>		<b>1.928</b>		<b>0.341</b>		<b>1.826</b>		<b>1.032</b>
Highways	0.463		6.305		0.161		0.543		0.795	
Property	0.000		1.735		0.000		(0.325)		0.580	
Waste	0.750		9.361		0.000		0.000		0.000	
<b>Highways, Waste &amp; Property</b>		<b>1.213</b>		<b>17.401</b>		<b>0.161</b>		<b>0.218</b>		<b>1.375</b>
<b>Adult Services</b>		<b>34.712</b>		<b>1.672</b>		<b>0.397</b>		<b>0.290</b>		<b>2.126</b>
<b>Children's Services</b>		<b>12.539</b>		<b>0.608</b>		<b>0.000</b>		<b>0.883</b>		<b>0.406</b>
Schools	53.066		0.000		0.000		0.000		0.000	
Central Education	6.897		4.536		0.422		0.000		1.430	
Culture	0.000		0.000		1.506		0.036		0.034	
<b>Education &amp; Culture</b>		<b>59.963</b>		<b>4.536</b>		<b>1.928</b>		<b>0.036</b>		<b>1.464</b>
Human Resources	0.000		0.000		0.000		0.000		1.695	
ICT	0.000		0.000		0.000		0.000		4.683	
Transformation	0.000		0.000		0.099		0.000		1.144	
<b>Transformation</b>		<b>0.000</b>		<b>0.000</b>		<b>0.099</b>		<b>0.000</b>		<b>7.522</b>

Service	Statutory and Demand Driven		Statutory – Not Demand Driven		Part Statutory, Part Non Statutory / Welsh Government Requirement		Non Statutory		Support Services	
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
<b>Housing</b>		<b>1.068</b>		<b>0.000</b>		<b>0.215</b>		<b>0.303</b>		<b>0.074</b>
<b>Resources</b>		<b>0.753</b>		<b>0.606</b>		<b>0.000</b>		<b>0.000</b>		<b>2.658</b>
<b>Council Business</b>		<b>0.544</b>		<b>0.372</b>		<b>0.387</b>		<b>0.000</b>		<b>0.822</b>
<b>Corporate Management</b>		<b>0.000</b>		<b>0.000</b>		<b>0.000</b>		<b>0.000</b>		<b>0.802</b>
Capital Financing	0.000		6.423		0.000		(0.670)		0.000	
CTRS / Benefits	7.393		0.000		0.000		0.105		0.000	
Levies	0.000		4.931		0.000		0.000		0.000	
Help for 1 <sup>st</sup> Time Buyers	0.000		0.000		0.000		0.002		0.000	
Corporate & Democratic	(0.214)		0.682		1.542		0.133		0.000	
HRA Recharge	0.000		0.000		0.000		(0.800)		0.000	
Savings to be Found	0.000		0.000		0.000		0.000		(1.000)	
Contingencies	0.000		0.000		0.000		1.355		0.000	
<b>Non Service</b>		<b>7.179</b>		<b>12.036</b>		<b>1.542</b>		<b>0.125</b>		<b>(1.000)</b>
<b>TOTAL NET EXPENDITURE</b>		<b>118.973</b>		<b>39.159</b>		<b>5.070</b>		<b>3.681</b>		<b>17.281</b>
<b>% OF NET EXPENDITURE</b>		<b>64.6%</b>		<b>21.3%</b>		<b>2.7%</b>		<b>2.0%</b>		<b>9.4%</b>

Anglesey County Council	
Report to:	<b>Executive Council</b>
Date:	<b>Executive - 24/9/2024 Council - 26/9/2024</b>
Subject / Text:	<b>Changing the Constitution – Concerns and Complaints Policy and Contract Procedure Rules</b>
Portfolio Holder(s):	<b>Carwyn Jones Portfolio Holder - Corporate and Customer Experience</b>  <b>Robin Williams Portfolio Holder – Deputy Leader and Finance</b>
Head of Service / Director:	<b>Lynn Ball Director of Function (Council Business) / Monitoring Officer</b>  <b>Marc Jones Director of Function (Resources) / Section 151 Officer</b>
Author of the Report: Tel: Email:	<b>Mared Wyn Yaxley Solicitor Corporate Governance and Contracts 01248 752566 <a href="mailto:maredyaxley@ynysmon.llyw.cymru">maredyaxley@ynysmon.llyw.cymru</a></b>
Local Members:	<b>Relevant to all members</b>

A – Recommendation/s and reason/s
<p><b><u>Recommendations</u></b></p> <ol style="list-style-type: none"> <li>1. Remove the following from the Constitution: <ul style="list-style-type: none"> <li>• Concerns and Complaints Policy</li> <li>• Contract Procedure Rules and</li> <li>• delegate authority to the Monitoring Officer to make any consequential amendments arising from these decisions.</li> </ul> </li> <li>2. That the Concerns and Complaints Policy, and the Contract Procedure Rules (together with all supporting documents relevant to each) shall be readily available on the Council's website.</li> <li>3. Any future amendments to the Concerns and Complaints Policy and the Contract Procedure Rules shall no longer be matters reserved to full Council and shall, instead, be approved by:</li> </ol>

- the Executive; or by
- the Monitoring Officer\*, under existing delegation, where those changes do not provide for any local choice, or where the changes are minor

\*Any changes to the Contract Procedure Rules shall always be subject to consultation with the Director of Function (Resources) / Section 151 Officer.

### **Background / Current Arrangements in Relation to the Concerns and Complaints Policy**

The Council must publish a Concerns and Complaints Policy (CCP) which aligns with the current model provided by the Public Services Ombudsman for Wales (PSOW) and which follows the standards and good practice guidance of the Ombudsman's Complaints Standards Authority.

The Council's CCP complies with the said expectations.

The PSOW is due to review her model policy during 2024/2025. As matters stand, changes arising from that review shall require adoption by full Council after formal consideration by the Executive. Thereafter, any future material amendments must follow the same process.

### **Background / Current Arrangements in Relation to the Contract Procedure Rules**

Significant legislative changes have taken place in the procurement of goods and services by the public sector. The Procurement Act 2023 will shortly be in force in the legal jurisdiction of England and Wales. The Social Partnership and Public Procurement (Wales) Act 2023 and the Procurement (Wales) Regulations 2024 will shortly be in force in the Wales jurisdiction only. Among a range of other documents and processes required to comply with the above legislation a new set of draft Contract Procedure Rules (CPRs) have been drawn up and are currently the subject of internal consultation.

Under the present governance arrangements, the adoption of the new CPRs will require a decision of full Council, after formal consideration by the Executive. All future material amendments shall be required to follow the same approvals process. Given the complexity of this new legislation, it is likely that this will be a developing area of law and practice with a need for further changes as the "real world" meets the legislation.

### **The Proposed Change**

These appear in paragraphs 1 – 3 of the **Recommendations** above but, in summary, the proposal is that both the CCP, and the CPRs, be removed from the Constitution and all material future changes be approved by the Executive. The CCP and the CPRs, as well as supporting documents, shall appear in a prominent position on the Council's website.



### **Relevant Factors for Consideration**

1. There is no legal requirement to include the CCP/CPRs in the Constitution, and nor is there an expectation to do so from the Council's regulators.
2. Whether the Council or Executive undertake the role of amending the CCP/CPRs, the same transparency and accountability applies. So, agendas / reports / meetings in public / decision records / minutes / webcasting, shall apply in the same way to either the Council or Executive. If the role is to be undertaken by the Executive then decisions may be called in by the Corporate Scrutiny Committee, and referred up to Council if the Committee so decides. Additionally, the Corporate Scrutiny Committee may wish to review the proposed changes before a decision is made by the Executive.
3. The current governance arrangements are an impediment to timely review and amendment, as changes to the Constitution are subject to the dual approvals process described above. A more agile process would be beneficial.
4. Amendments to the CCP/CPRs would be more efficient as an Executive function as the Executive meets monthly. It will also be possible for officers to consult informally with the Portfolio Member/s, throughout the process. Council approval does not afford this opportunity.
5. To ensure transparency, and to ensure the CCP/CPRs are up-to-date and readily available it is proposed that they (together with all supporting documents / advices / guidances) be published prominently on the Council's website. This will promote clarity for the public when they wish to pursue the complaints process and for contractors / business wishing to bid for Council contracts. Having all relevant material available in one place will improve the experience for users.
6. There are no risks or disadvantages to the proposal. Once made, the designation of a local choice function may always be revisited by the Council, subject to the usual six month rule.

### **B – What other options did you consider and what were the reasons for rejecting and/or choosing this option?**

To continue with the current arrangements but, largely for the reasons of pragmatism described in paragraph A above, the status quo is not the preferred option.

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

Full Council is not permitted to approve changes to the Constitution until the Executive has considered the proposal. (Paragraph 2.15.2 of the Constitution).

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

Not relevant as this is a decision for Council.

<b>D – Is this resolution within the budget approved by Council?</b>
There are no budgetary implications.

<b>DD – Assess potential impacts (if applicable):</b>	
1	How does this decision affect our long-term needs as an Island?
2	Is this an anticipated decision that will prevent future costs / dependencies on the Authority? If so, how?
3	Have we been collaborating with other organisations to reach this decision? If so, please report with whom.
4	Have the citizens of Anglesey played a part in drafting this way forward, including those who would be directly affected by the decision? Please explain how.
5	Please note any potential impacts this decision would have on the protected groups under the Equality Act 2010.
6	If this is a strategic decision, identify any potential impacts the decision would have on those experiencing socio-economic disadvantage.
7	Please note any potential effects this decision would have on opportunities for people to use Welsh and not treat Welsh less favourably than the English.

<b>E – Who did you consult with? What were their comments?</b>		
1	Chief Executive / Leadership Team (LT) (mandatory)	Supportive of the proposals in the report
2	Finance / Section 151 (mandatory)	Supportive of the proposals in the report
3	Legal Officer / Monitoring (mandatory)	Report Author
4	Human Resources (HR)	Not relevant
5	Property	Not relevant
6	Information Technology (IT)	Supportive of the proposals in the report
7	Procurement	Supportive of the proposals in the report
8	Scrutiny	
9	Local Members	
10	Others	Relevant Portfolio Holders

F - Appendices:

T – Background Papers (please contact the author of the Report for further information):

- Council's Concerns and Complaints Policy at [this link](#)
- Council's current Contract Procedure Rules at [this link](#)

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