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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
LLANGFNI
Ynys Môn - Anglesey
LL77 7TW

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

RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR GWAITH	THE EXECUTIVE
DYDD MAWRTH 21 IONAWR 2025 10.00 o'r gloch	TUESDAY 21 JANUARY 2025 10.00 am
YSTAFELL BWYLLGOR, SWYDDFEYDD Y CYNGOR AC YN RHITHIOL DRWY ZOOM	COMMITTEE ROOM, COUNCIL OFFICES AND VIRTUALLY VIA ZOOM
Swyddog Pwyllgor	Ann Holmes 01248 752518 Committee Officer

AELODAU/MEMBERS

Plaid Cymru/The Party of Wales

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

Y Grŵp Annibynnol/The Independent Group

Dafydd Roberts, Dafydd Rhys Thomas

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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. **APOLOGIES**

2 **DECLARATION OF INTEREST**

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

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

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

4 **MINUTES** (Pages 1 - 18)

To submit for confirmation, the draft minutes of the meetings of the Executive held on the following dates: -

- 26 November 2024
- 10 December 2024

5 **THE EXECUTIVE'S FORWARD WORK PROGRAMME** (Pages 19 - 28)

To submit the report of the Head of Democracy.

6 **DRAFT REVENUE BUDGET 2025/26** (Pages 29 - 52)

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

7 **LOCAL AUTHORITY HOMES FOR OLDER PEOPLE - SETTING THE STANDARD CHARGE FOR 2025/26** (Pages 53 - 56)

To submit the report of the Head of Adults' Services.

8 **COMMUNITY BASED NON-RESIDENTIAL SOCIAL CARE SERVICES – FEES AND CHARGES 2025/26** (Pages 57 - 62)

To submit the report of the Head of Adults' Services.

THE EXECUTIVE

Minutes of the meeting held on 26 November, 2024 in the Committee Room and virtually via Zoom

- PRESENT:** Councillor Gary Pritchard (Leader) (Chair)
- Councillors Neville Evans, Dyfed Wyn Jones, Alun Roberts, Dafydd Roberts, Nicola Roberts, Dafydd Rhys Thomas, Robin Williams.
- IN ATTENDANCE:** Chief Executive
Deputy Chief Executive
Director of Function (Resources)/Section 151 Officer
Director of Social Services
Head of Regulation and Economic Development (for item 13)
Head of Housing Services (for item 14)
Head of Adult Services (for item 12)
Head of Democracy
Head of Profession (HR) and Transformation (for item 6)
Housing Services Manager (Strategy, Commissioning and Policy) (ELI) (for item 14)
Corporate Planning, Performance and Programme Manager (GP) (for item 6)
Leisure Manager (OJ) (for item 13)
Legal Services Manager (MY)
Committee Officer (ATH)
Webcasting Officer (FT)
- APOLOGIES:** Councillor Carwyn Jones, Lynn Ball, Director of Function (Council Business)/Monitoring Officer, Marc B. Hughes, Director of Education, Skills and Young People
- ALSO PRESENT:** Councillors Douglas Fowlie, Glyn Haynes, Trefor Lloyd Hughes, MBE, R, Llewelyn Jones, Derek Owen, Dylan Rees
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1. APOLOGIES

The apologies for absence were presented and noted.

2. DECLARATION OF INTEREST

Councillor Gary Pritchard declared a personal interest only when item 13 on the agenda (Môn Actif Strategic Plan) was discussed.

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

None to report.

4. MINUTES

The minutes of the previous meeting of the Executive held on 22 October, 2024 were presented for confirmation.

It was resolved that the minutes of the previous meeting of the Executive held on 22 October, 2024 be confirmed as correct.

5. THE EXECUTIVE'S FORWARD WORK PROGRAMME

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

The Head of Democracy updated the Executive on items that were new to the Forward Work Programme along with the one item that had been rescheduled which was the Towards Net Zero Plan which was due to be submitted for consideration in March 2025 but is being rescheduled to a date to be confirmed. The Executive was further advised that the Annual Governance Statement has been removed from the Work Programme as it is being submitted to the Governance and Audit Committee and subsequently to the Full Council.

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

6. SCORECARD MONITORING – QUARTER 2 2024/25

The report of the Head of Profession (HR) and Transformation incorporating the Corporate Scorecard for Quarter 2 2024/25 was presented for the Executive's consideration. The scorecard portrayed the Council's performance against the strategic objectives outlined in the Council Plan at the end of the second quarter of 2024/25.

The report was presented by the Chair, Councillor Gary Pritchard who highlighted that the majority (85%) of the performance indicators with targets monitored during the quarter had performed well against targets and had a Green or Yellow RAG status. He referred to the six indicators which are currently Red or Amber against targets, these were in relation to areas under Education, Housing, Economy, Climate Change and Whole Council Health. Details of the mitigating actions aimed at improving the performance of each of the six indicators were provided in the report. Also included in the report were examples of noteworthy performance in the quarter with regard to business support activity, social care and wellbeing for which all indicators were Green against targets, school attendance in both primary and secondary sectors, the number of empty properties brought back into use through empty homes interventions and the ongoing electrification of the Council's fleet vehicles.

Councillor Douglas Fowlie, Chair of the Corporate Scrutiny Committee provided Scrutiny's feedback on the Quarter 2 2024/25 scorecard report which was considered by the committee at its 19 November 2024 meeting. Among the issues raised in discussion were the reasons for the decline in performance from Quarter 1 and the prospects for sustained improvement by the end of the financial year with members having sought assurances in this regard. The extent to which the Council's financial position and projected overspend at the end of Quarter 2 poses a risk going forwards had been discussed as had the continued underperformance of Housing indicator (03) (the average number of calendar days to let lettable units of accommodation excluding DTLs) which had been the subject of a scrutiny review. Members enquired about recruitment challenges being a barrier to improvement and raised questions also about managing school exclusions and suspensions including the support provided to pupils who have been excluded. Having been advised by officers on these matters, the committee had resolved to recommend the scorecard report and mitigating measures as outlined to the Executive and had agreed on supplementary actions.

The Executive acknowledged that Housing Indicator (03) has been Red against target for some time but noted that the unavailability of contractors, specifically painters, is a factor in missing the target and noted also that scrutiny's detailed examination of the indicator and target had concluded that the Council has made every effort to improve the performance and that the performance against this indicator is better than that of many other authorities in this respect. This being so, it was suggested that it might be timely to review the target to establish whether it achieves the right balance between being ambitious and being realistic.

The Chief Executive advised that Housing Indicator (03) continue to be monitored saying that the Council needs to be ambitious in this matter given the homelessness and housing waiting list figures and the Council's commitment to providing as many people as possible with a place to call home, and that it will do its best to improve the performance and depending on progress, will revisit the matter in due course.

While the performance of the Social Care and Wellbeing indicators was recognised and commended, Councillor Alun Roberts, Portfolio Member for Adult Services and Community Safety cautioned that the upcoming winter months could prove challenging and that he hoped the high level of performance would be maintained notwithstanding.

The Executive also noted with regard to Education Indicator (07) - the number of children undertaking swimming lessons throughout the year - that with rising transport costs it is becoming a challenge for those primary schools located at a distance from the leisure centres to meet the target and that the performance of 1,807 against a target of 1,900 is creditable in the circumstances.

It was resolved to accept the scorecard monitoring report for Quarter 2 2024/25 and to note the areas which the Leadership Team is exploring and investigating to manage and secure further improvements into the future. These were areas in relation to Education, Housing, Economy, Climate Change and Whole Council Health.

7. REVENUE BUDGET MONITORING – QUARTER 2 2024/25

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 2, 2024/25 was presented for the Executive's consideration.

The report was presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and Housing and showed that based on information at the end of the second quarter, the projected final end of year position is for an overspend of £504k (0.28%) on the revenue budget. However the situation may change and the report documents the areas where the budgetary pressures are greatest in relation to children and adults social care due mainly to growing demand and the cost of provision. Councillor Robin Williams highlighted that the cost of a children's social care placement can be as high as £500k per annum in the most complex cases which indicates the kind of pressures which local authorities are having to manage and the need therefore for better funding to help local authorities meet these challenges. While the Council has been prudent in the way it has managed its budget and has drawn on reserves to ensure it sets a balanced budget each year, Welsh Government is asked to recognise the burden on local authorities by increasing the funding available so that critical needs can continue to be met.

The Director of Function (Resources) advised that any eventual overspend on the 2024/25 revenue budget will have to be met from the Council's reserves which will then have implications for setting the 2025/26 budget. He confirmed that the pay award for non-teaching staff for 2024/25 has been agreed and is broadly covered by the budget but an earmarked reserve for inflationary pressures is available to supplement budgets as required. Likewise the pay award for teaching staff has been settled and while Welsh Government will

partly meet the additional cost via grant, the allocation remains to be confirmed and it is likely that the Council will have to fund the additional cost to schools from the earmarked reserve.

The Section 151 Officer referred to the budgetary pressures on children and adult social care amounting to in the region of £3.4m which will have to be addressed in the 2025/26 budget. This has been partly offset by savings from staff vacancies and robust income figures in Leisure and Highways services which together with reduced costs under corporate and Council Tax headings have brought the projected overall overspend down to £504k. The position could change over the course of the remainder of the financial year and adverse weather conditions and rising demand for services over the winter months can lead to additional costs for the Council. The situation will continue to be monitored closely.

The report also sought the Executive's approval for amendments to the 2024/25 Fees and Charges Booklet to incorporate new fees consequent upon the introduction of a mandatory licensing scheme under the Public Health Wales Act 2017 for practitioners carrying out special procedures details of which were provided in section 8.

It was resolved –

- **To note the position set out in Appendices A, B and C of the report in respect of the Authority's financial performance to date and expected outturn for 2024/25.**
- **To note the summary of contingency budgets for 2024/25 as detailed in Appendix CH.**
- **To note the monitoring of agency and consultancy costs for 2024/25 in Appendices D and DD.**
- **To agree to the implementation of new, and amendments to fees and charges for 2024/25 as detailed in Appendix E.**

8. CAPITAL BUDGET MONITORING – QUARTER 2 2024/25

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Council's capital budget at the end of Quarter 2, 2024/25 was presented for the Executive's consideration.

The report was presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and showed actual expenditure of £22.781m to the end of 30 September 2024, against a capital budget of £72.477m with a further £2.84m committed expenditure bringing the total to £25.585m or 35% of the overall budget. The projected expenditure to the end of the financial year is £66.980m giving a forecast underspend of £5.497m as potential slippage into 2025/26, detailed in table 4.1 of the report. The funding for this slippage will also slip into 2025/26 and will be factored in when producing the Treasury Management Statement, Capital Strategy and Capital Programme for 2025/26.

The Director of Function (Resources)/ Section 151 Officer referred to the capital grant schemes in the capital programme and to the Council's increasing dependency on grant funding to support capital activity. He confirmed that the majority of projects are progressing and are on course to be completed within budget and that the level of underspend has reduced but advised that project timelines and budgets can be affected by adverse weather events in the Quarter 3 winter period.

The Executive acknowledged that grant funding is not the most effective way of funding because of the uncertainty involved but recognised the Officer time, expertise and effort that had gone into securing the grants for the range of projects documented.

It was resolved –

- **To note the progress of expenditure and receipts against the capital budget 2024/25 at Quarter 2.**
- **To approve the additional schemes within Quarter 2 amounting to £3.116m to the capital programme and amendments to funding as per Appendix C to the report, which will result in a revised capital budget of £72.477m for 2024/25.**
- **To approve the carry forward of potential underspend as noted in section 4.2 of the report.**

9. HOUSING REVENUE ACCOUNT BUDGET MONITORING – QUARTER 2 2024/25

The report of the Director of Function (Resources)/Section 151 Officer setting out the financial performance of the Housing Revenue account for Quarter 2 2024/25 was presented for the Executive's consideration.

The report was presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and Housing and showed that the HRA revenue surplus at the end of Quarter 2 is an underspend of £604k compared to the profiled budget. The forecast at year end is an overspend of £424K as detailed in sections 5 to 8 of the report and at Appendix A. Capital expenditure is forecasted to be £1,023k above budget at year end as detailed in section 9 of the report and at Appendices B and C. Grant income is expected to overachieve by £1,612k and an additional £128k in capital receipts is also expected. The forecast deficit (combining both revenue and capital) is now £9,823k which is £293k less than the budget. The HRA is ringfenced and its reserves are only available to be used in conjunction with the Council's housing stock. They cannot be transferred to the General Fund, nor can General Fund reserves be used to fund the HRA.

The Director of Function (Resources)/Section 151 Officer advised that the HRA position has changed over time the principle being that the HRA revenue surplus from rental income is reinvested in the existing housing stock and the surplus, together with the Welsh Government Major Repair Allowance, have in the past been sufficient to cover the costs of the investment with the development of new housing being funded through borrowing. However, rent increases in line with Welsh Government rent policy have not kept pace with day to day repair and maintenance costs including the cost of materials, contractors and staff pay meaning the HRA surplus has reduced to a point whereby the surplus and grant funding are not now sufficient to meet the costs of keeping the stock up to date and in good condition as well as fulfilling the new increased expectations of the WHQS 2023. While HRA reserves have been used to make up the shortfall, the situation will have to be reviewed in the long-term and a dialogue initiated with Welsh Government about rent policy and the expectations for maintaining social housing to the required standard. The Council is committed to developing new social housing and is forecasted to spend £18m on new developments in 2024/25 as evidenced by Appendix C to the report. As with stock maintenance the strategic approach to future stock development will have to be considered and this will be reflected the HRA Business Plan to be submitted in the new year.

The Executive highlighted the development of 192 new social housing units in 2024/25 as per Appendix C which shows the emphasis which the Council places on investing in new council homes, and while the Executive agreed with the principle of the WHQS 2023 in seeking to ensure the quality of social housing, the challenges which meeting the requirements of the new Standard entails were noted as was the need for the resources to ensure councils with their own housing stock are able to do so.

It was resolved to note the following –

- **The position set out in respect of the financial performance of the Housing Revenue Account (HRA) for Quarter 2 2024/25.**
- **The forecast outturn for 2024/25.**

10. COUNCIL TAX BASE 2025/26

The report of the Director of Function (Resources)/Section 151 Officer for the purpose of setting the Council tax base for 2025/26 was presented for the Executive's consideration.

Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance presented the report which set out the calculations for setting the Council Tax base for 2025/26. The Council as the billing authority is required to calculate the Council Tax Base for its area, and different parts of its area, and these amounts must be notified to the precepting and levying bodies by 31 December 2024. This year the Welsh Government has requested the information for the purpose of setting the Revenue Support Grant (RSG) by 15 November 2024 and for tax setting purposes (ratified by Executive decision) by 5 January 2025. The figure calculated for the Council Tax base to be used by Welsh Government to set the Revenue Support Grant for the Council for 2025/26 is 31,445.15 which is an increase of 0.65% on the previous year. This figure excludes adjustments for premiums and discounts granted by some authorities in respect of Classes A, B, and C (this does not affect the Council in Anglesey as no such discounts are granted). The total tax base proposed for 2025/26 for tax setting purposes which does include adjustments for premiums is 33,472.17 and is an increase of 0.91% on the previous year.

The Director of Function (Resource)/Section 151 Officer explained the process by which the Council Tax Base is calculated both for the purpose of Welsh Government in determining the level of the Revenue Support Grant and also for local tax setting purposes and the factors involved. He referred to changes in the tax base from the previous year for the standard Council Tax, empty properties, and second homes and how these affect tax revenue and funding from Welsh Government. The increase in the number of empty properties will increase the empty property premium income as will the increase in the number of properties subject to the second homes premium although the movement in the taxbase with regard to the latter reflects a change in the number of properties in each band rather than a change in the total number of properties. While there are factors that can influence the number of empty properties and second homes, the figures raise questions about the premium in each case and whether at current levels the premium is still effective in achieving the intended outcome of bringing empty properties back into use and increasing the supply of housing in communities. The changes in the tax base will affect the Council's starting point for the revenue budget for 2024/25.

It was resolved –

- **To note the calculation of the Council Tax Base by the Director of Function (Resources)/Section 151 Officer – this will be used by the Welsh Government in the calculation of the Revenue Support Grant for the Isle of Anglesey County Council for the 2025/26 financial year, being 31,445.15 (Part E6 of Appendix A to the report).**
- **To approve the calculation by the Director of Function (Resources)/Section 151 Officer for the purpose of setting the Council Tax Base for the whole and parts of the area for the year 2025/26 (Part E5 of Appendix A to the report)**

- That, in accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 (SI1995/2561) as amended by SI1999/2935 and the Local Authorities (Calculation of Council Tax Base) and Council Tax (Prescribed Classes of Dwellings) (Wales) (Amendment) Regulations 2004, and the Local Authorities (Calculation of Council Tax Base) (Wales) (Amendment) Regulations 2016, the amounts calculated by the Isle of Anglesey County Council as its tax base for the year 2025/26 shall be 33,472.17 and for the parts of the area listed shall be as set out in recommendation 3 of the report.

11. ANNUAL LETTER FROM THE PUBLIC SERVICES OMBUDSMAN FOR WALES 2023/24

The report of the Director of Function (Council Business)/Monitoring Officer incorporating the Annual Letter from the Public Services Ombudsman for Wales (PSOW) 2023/24 for the Isle of Anglesey Council was presented for the Executive's consideration. The Letter summarised the performance of the Council in relation to the service complaints received and their outcomes during 2023/24, cases involving the Ombudsman's intervention and complaints made under the Code of Conduct for Members.

The headline messages in the Annual Letter were presented by the Legal Services Manager. Those showed that there had been an increase in the number of service complaints made to the PSOW although the number of investigations remained nil. The Council's complaints handling performance has deteriorated with increased reliance on intervention from the PSOW. Corporate staffing issues are considered to be a significant contributing factor to this deterioration in complaints handling with one of two keys posts still vacant and the second key post having also become vacant on 24 November 2024. The Legal Services Manager referred to the specific actions both planned and in progress to improve the complaints handling performance and process including the introduction of a new CRM system. The CRM platform is intended to provide more automation and real time data in relation to service and corporate performance and will be routinely monitored by Heads of Service and the Leadership Team although it is unlikely that services will have increased capacity to deal with complaints.

The Legal Services Manager confirmed that no Code of Conduct complaints about County Council members or Town and Community Council members were referred to the Standards Committee or the Adjudication Panel for Wales by the PSOW in 2023/24.

In noting the increase in the number of service complaints compared to the previous year, the Executive also noted that none were investigated by the PSOW and that 9 complaints (24%) were in relation to how complaints were dealt with, with the corporate vacancy having been a key factor in this regard. The Executive emphasised the importance of complaint outcomes and of continuing to learn from complaints to reflect on and improve practices and noted the proposed resolutions to drive improvement.

The Chief Executive advised that the Council is operating under pressure in several areas at a time when demand is on the increase as are public expectations of the Council to be able to deliver accordingly whereas Council funding is decreasing. He referred to the vacant corporate post as a critical issue in relation to complaints handling performance carrying with it a level of expertise that makes it difficult for another person to step in temporarily. It is anticipated that filling the vacancy permanently will see an improvement in complaints handling performance.

It was resolved –

- To note and accept the Annual Letter from the Public Services Ombudsman for Wales (PSOW) for 2023/24.
- To authorise the Director of Function (Council Business)/Monitoring Officer to write to the PSOW to confirm that the Executive has given formal consideration to her Annual Letter.
- To provide assurance that the Council will continue to monitor complaints thereby providing Members with the information required to scrutinise the Council's performance.
- To continue supporting the Council's development of its CRM system as a platform for processing complaints and providing "live" data on complaints handling performance, by service, for relevant officers, heads of service and the Leadership Team.

12. ADULT SERVICES STRATEGIC MODERNISATION PLAN

The report of the Head of Adult Services incorporating the Adult Services Strategic Modernisation Plan 2024-2029 was presented for the Executive's consideration. The Plan set out the Adult Service's priorities for the period 2024-2029 to realise the objectives of the Council Plan 2023-2028.

The Adult Services Strategic Modernisation Plan 2024-2029 was presented by Councillor Alun Roberts, Portfolio Member for Adult Services and Community Safety as setting out a firm and clear direction for adults services including services for older people, learning disabilities and mental health services. The plan outlines concrete steps to meet the challenges posed by rising demand and expectations, staff availability, limited financial resources and an ageing population and to modernise elements of the service so that they are appropriate, affordable and fit for the future. Councillor Alun Roberts emphasised the importance of working with partners in health and the third sector to provide the kind of support that makes a difference in people's lives. Given the challenges, the strategic plan is of necessity ambitious and transformative for adult services and seeks to ensure that services for vulnerable people are delivered effectively, efficiently and that they are of high quality and sustainable.

The Head of Adult Services confirmed that standing still is not an option and that adult services have to continue to evolve to meet ongoing challenges. While the cost of providing care is high there are risks in not providing the appropriate care and the strategy aims to maximise existing provision and also to move the service forward based on enabling people to live independently for as long as possible, local delivery of services, an emphasis on prevention and providing the right support at the right time. He referred to the context and to a projected 70% increase in the 85+ population, a significant increase in the number of dementia sufferers and the high percentage of the Council's care staff who are in the last ten years of service as some of the challenges facing social care. While the strategic plan identifies seven key priority areas, given the financial constraints it is recognised that they may not all be achieved as the Council would wish and there may have to be prioritisation of some elements of the plan over others.

Councillor Dylan Rees, speaking as Chair of the Partnership and Regeneration Scrutiny Committee reported from the committee's 20 November 2024 meeting at which the Adult Services Strategic Modernisation Plan was discussed. Scrutiny had acknowledged the need to modernise and transform adult services to better serve Anglesey's citizens now and in future in accordance with the objectives of the Council Plan and had also noted the demographic, financial and resource challenges which could affect the service's ability to implement the strategic plan. The committee had sought assurance that the service will be able to achieve its objectives and the intended outcomes set out in the plan. The importance

of implementing effective communication and engagement strategies across all of Anglesey's communities had been emphasised so as to ensure that local residents' voices are heard and are represented appropriately. Having scrutinised the Strategic Plan the Partnership and Regeneration Scrutiny Committee had resolved to recommend its approval by the Executive.

The Chief Executive referred to the Adult Services Strategic Modernisation Plan 2024-2029 as a high level plan the implementation of which will involve a number of Council service areas in addition to adults services and will entail an ambitious level of capital expenditure. This being so he highlighted the importance of grant funding from Welsh Government without which it will not be possible to deliver the plan's aims and objectives and he confirmed that a great deal of activity is ongoing in the background to ensure that the Council takes advantage of every available grant funding opportunity to enable the delivery of the kind of suitable, quality accommodation which the plan envisages and which vulnerable people dependent on the Council's support, need and deserve.

The Executive in commending the strategic plan and what it seeks to achieve recognised the challenges involved in putting the plan into practice especially from a funding and resource perspective. In noting that Welsh Government has received additional capital funding, the Executive suggested that there is a case to be made for the funding to be shared fairly and equitably across Wales ensuring that it is allocated to where there is a need for it particularly where demographic changes are leading to increased demand and pressures. The Executive also recognised the contribution which partnership working both within and without the Council will make towards realising many aspects of the plan and further acknowledged the importance of the range of preventative work being done on the Island to help people live independently for as long as possible.

Councillor Alun Roberts referred to funding issues having been a source of concern in Scrutiny's discussions about the Adult Services Strategic Modernisation Plan and there being therefore a clear message for Welsh and Westminster Governments about the need to address the challenges facing the care sector not least the need to fund the sector properly and for the sector to be given parity and equal recognition with Health Care.

It was resolved to adopt the Adult Services Strategic Modernisation Plan 2024-2029.

13. MÔN ACTIF STRATEGIC PLAN

The report of the Head of Regulation and Economic Development incorporating the Môn Actif Strategic Plan 2024-29 was presented for the Executive's consideration. The Môn Actif Strategic Plan provides a clear direction and identifies key priority areas and vision for creating healthy communities on Anglesey over the next five year period.

The Môn Actif Strategic Plan 2024-29 was presented by Councillor Neville Evans, Portfolio Member for Leisure, Tourism and Maritime the aim being to ensure the Council has an achievable, sustainable and fit for purpose plan to provide services to improve the health and wellbeing of residents and visitors to the Island. The plan recognises the need for continued investment in the Council's leisure facilities and that maximising opportunities for external funding will be key to that endeavour. The strategic plan identifies five priority areas which link into the wider principles in the Council Plan 2023-28 and these relate to Participation, Health and Wellbeing, Workforce Development, Facilities Management, Financial Sustainability and Collaboration. Councillor Neville Evans referred to the variety of the leisure offering by Môn Actif and to the increased delivery of activities within the community where the Môn Actif brand is recognised and appreciated. Activity programmes run in the school holidays are especially popular and well attended. While challenges remain and are

recognised, the strategic plan sets out the pathway for the Môn Actif service to remain sustainable and successful into the future.

The Head of Regulation and Economic Development advised that the strategic plan reaches beyond the leisure service alone and will yield wider social, economic and health benefits building on a collaborative way of working that has been successful in the past. Its impacts are expected to be felt over the course of the next few years and into the future.

Councillor Douglas Fowlie, Chair of the Corporate Scrutiny Committee was invited to present Scrutiny's perspective on the Môn Actif Strategic Plan from the committee's 19 November 2024 meeting. Councillor Fowlie reported that the committee had discussed how the strategic plan enables the Council to realise the Council Plan 2023-28. Members had sought assurance regarding the data sources especially the local data in relation to childhood obesity and had asked questions about the sustainability of the Council's leisure centres and the risks and challenges facing the Council and its partners in implementing the plan. The committee had wanted to know how the number of people using the Council's leisure facilities could be increased and had noted that the current national KPI only measures the use of leisure centres and does not include users accessing Môn Actif services within the community. In recommending the Môn Actif Strategic Plan for the Executive's approval, the Corporate Scrutiny Committee had agreed additional actions which included asking the Leader and Portfolio Member to consider requesting Welsh Government to review the scope of the national KPI to include people who access leisure services within the local community.

The Executive thanked Scrutiny for the feedback and for highlighting the limited scope of the national KPI and the importance of reflecting all the services provided by Môn Actif which extend beyond the use of leisure centres. The Executive noted the range of partners involved in the work and the links to health, wellbeing, prevention and independent living thus demonstrating the interrelationship of strategies across a number of areas.

Councillor Dafydd Roberts, Portfolio Member for Education and the Welsh Language queried whether it is possible to characterise Môn Actif community based services as a form of pop-up provision for the purpose of inclusion in the national KPI. The Leisure Service Manager advised that the service does collate data on the use of community based leisure services and while the data is fed into the service business plan it is not required to be reported to Welsh Government. Councillor Nicola Roberts thought it appropriate and the Executive agreed that representation to Welsh Government on the lines suggested by Scrutiny should be made with supporting data and examples to show the value of Môn Actif community based services and the benefits deriving from the provision as justification for the inclusion of those services for recording by the national KPI. The Chair confirmed that such representation would be made.

The Chief Executive advised that should the objectives of this and the previous strategic plan be achieved the Island could be designated both an "age friendly" and an "active" island. He referred in the context of the many references to partnerships and collaboration to the excellent working relationship between Môn Actif and the Island's schools which has become naturally established in the day to day operations of both services. He also referred to the role which the Môn Actif Strategic Plan has in providing opportunities for using the Welsh Language the reasoning being that young people are more likely to speak Welsh when they are engaged in activities they enjoy doing and in this respect the plan provides a sound basis on which to promote the use of the language as one of the Council's strategic objectives.

It was resolved to approve the Môn Actif Strategic Plan 2024-29.

14. LOCAL HOUSING MARKET ASSESSMENT

The report of the Head of Housing Services incorporating the Local Housing Market Assessment (LMHA) 2023-28 was presented for the Executive's consideration. The purpose

of the LMHA is to provide a broad analysis of the Isle of Anglesey housing market, considering the long-term requirements of housing on Anglesey.

The report and assessment were presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and Housing as a statutory requirement for local authorities to be undertaken every five years and refreshed midway during that period. The evidence base within the assessment will also be used to inform the Anglesey Housing strategy and the Local Development Plan. It also informs strategic housing priorities and local service planning such as education and transport. The LHMA can also be used as a tool for negotiating affordable housing provision when determining planning applications and allocating Social Housing Grant to support the delivery of affordable housing. Upon approval the document will go out to public and key stakeholder consultation for feedback and comments after which it will be submitted to Welsh Government.

The Head of Housing Services provided an overview of the LHMA confirming that it has been compiled using a Welsh Government toolkit that enables housing needs and demand to be calculated ensuring a consistent approach across all Welsh local authorities. It is based on a comprehensive range of statistical information and contains a number of projections including an assumption that planned housing supply will be delivered and the existing housing register waiting list will be cleared. The income to house price ratio for Anglesey is 7.2 which is significantly higher than the ratio for both North Wales and Wales as whole meaning that over 60% of the population is priced out of the housing market, although there are price variations across the nine Housing Market Areas into which the Island is divided. The assessment shows that the demand for affordable housing in particular one bedroom social rent units remains exceptionally high and could be influenced by a number of factors including the need to secure a suitable provision for individual social housing tenants wishing to downsize from family sized accommodation.

Councillor Douglas Fowlie, Chair of the Corporate Scrutiny Committee provided Scrutiny's feedback on the LMHA from the 19 November meeting of the Corporate Scrutiny Committee and referred to the issues raised by the committee. These included the risks and challenges facing the Council and its delivery partners, the ways in which the assessment will inform and influence housing policies in formulating the Local Development Plan and the basis for concluding that there is a need for one bedroom dwellings. The committee had noted that the assessment provides a snapshot of the housing market at a point in time but does not offer solutions to meeting the housing needs identified. Members had also raised concerns about the impact of second homes on the affordability and availability of housing for local people in popular tourist areas locally and nationally. In recommending approval of the LMHA by the Executive, the Corporate Scrutiny Committee had agreed on further actions which included requesting Welsh Government to ensure that the data that underlies the LMHA is kept up to date and current, using the data to influence national policy to address housing needs in communities and asking the Executive to consider reviewing the level of the Council Tax Premium applied to second homes and long term empty homes.

The Executive thanked Scrutiny for the feedback and noted the points raised.

It was resolved –

- **To approve the Local Housing Market Assessment 2023-28.**
- **To approve the consultation process.**
- **To approve delegated authority for the Head of Housing Services in consultation with the Housing Portfolio Holder to agree any minor editorial changes required to the draft Local Housing Market Assessment prior to submission to Welsh Government.**

**Councillor Gary Pritchard
Chair**

DRAFT

THE EXECUTIVE

Minutes of the meeting held on 10 December, 2024 in the Committee Room and virtually via Zoom

- PRESENT:** Councillor Gary Pritchard (Leader) (Chair)
- Councillors Neville Evans, Dyfed Wyn Jones, Alun Roberts, Dafydd Roberts, Nicola Roberts, Dafydd Rhys Thomas, Robin Williams.
- IN ATTENDANCE:** Chief Executive
Deputy Chief Executive
Director of Function (Resources)/Section 151 Officer
Director of Function (Council Business)/Monitoring Officer
Director of Social Services
Head of Housing Services
Head of Democracy
Corporate Programme Manager (AR)
Committee Officer (ATH)
Webcasting Officer (FT)
- APOLOGIES:** Councillor Carwyn Jones, Marc B. Hughes, Director of Education, Skills and Young People
- ALSO PRESENT:** Councillors Douglas Fowlie, Glyn Haynes, Trefor Lloyd Hughes, MBE, R, Llewelyn Jones, Derek Owen, Dylan Rees, Anwen Davies (Scrutiny Manager) (for item 5)
-

1. APOLOGIES

The apologies for absence were presented and noted.

2. DECLARATION OF INTEREST

No declaration of interest was received.

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

No urgent matters were reported but the Chair took the opportunity to thank everyone who had been working hard over the weekend in very difficult circumstances to respond to and deal with the impacts of Storm Darragh including the Council's staff, contractors, members of the community, local farmers who had assisted with clearing debris from the roads and Scottish Power engineers who have been working to reconnect households to a power supply.

The Chief Executive added his thanks to those of the Chair's and said that Team Môn had shown itself at its best in what had been a serious situation and he was confident that everyone concerned had done their best in the interests of Anglesey's residents.

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 January to August 2025 was presented for confirmation.

The Head of Democracy updated the Executive on items that were new to the Forward Work Programme and advised that since the publication of the agenda two items had been rescheduled, the one – Local Authority homes for older people, setting the standard charge – from February to January 2025 and the other – Independent sector care home fees for 2025/26 from January to February 2025.

It was resolved to confirm the Executive's updated Forward Work Programme for the period January to August 2025 with the changes outlined at the meeting.

5. PROCUREMENT STRATEGIC PLAN AND CONTRACT PROCEDURE RULES

The report of the Director of Function (Resources)/Section 151 Officer incorporating the draft Procurement Strategic Plan and Contract Procedure Rules was presented for the Executive's consideration and approval.

The report was presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and Housing who outlined the background with the UK Government having revised the legislation in respect of procurement in the public sector with the Procurement Act 2023 due to come into force on 24 February 2025 which is later than the initial planned date of 28 October 2024. Also, Welsh Government has passed the Social Partnership and Public Procurement (Wales) Act 2023 which places additional responsibilities and duties on public sector organisations in Wales in relation to procurement. The Council commissioned an external company to review the Council's preparedness for the change in legislation and to provide the Council with an action plan to ensure compliance which covers a number of areas including the overall strategy. The Strategic Plan sets out the Council's approach to procurement and ensures that the way in which the Council commissions and sources its services, supplies and works is compliant with legislation, internal policies and processes, is ethical, open, fair, transparent and includes economic, social, labour and environmental factors in the process. Councillor Robin Williams said that the intention is to pursue local procurement where feasible, and he highlighted that in the region of a quarter of the Council's contracts are with local firms and in some instances where the contract is with a company that is not local, local resources such as staff are part of the contract delivery.

He further reported that the change in procurement legislation required the Council to update its Contract Procedure Rules (CPRs) which set out the process on how to undertake a procurement exercise, the different procurement methods and when they should be used. The revised CPRs have been drafted to ensure they are flexible enough to allow officers to undertake procurement exercises in the most efficient and effective way while still ensuring that any procurement exercise is controlled and ensures that the Council achieves value for money.

The Director of Function (Resources)/Section 151 Officer advised that if the Strategic Plan and Contract Procedure Rules are approved then work on the action plan will continue under the oversight of a project team with staff training scheduled for January and February ahead of the implementation of the new legislation on 24 February 2025. He referred to the priority areas identified by the Plan as being leadership and culture, use of data and being commercially informed, social value and the environment, ensuring compliance and focusing on the local economy. The Plan sets out how these will be achieved and how success in these areas will be assessed and evaluated the intention being to report regularly on progress to the Leadership Team and annually to the Executive and to the Governance and Audit Committee.

Councillor Douglas Fowlie, Chair of the Corporate Scrutiny Committee was invited to report on Scrutiny's views from the 19 November 2024 meeting when the draft Procurement Strategic Plan and Contract Procedure Rules were considered by the committee. He referred to the issues raised in discussion by the committee including how the proposed changes would contribute towards realising the objectives of the Council Plan and help the Council achieve value for money, ensuring compliance with the strategy, the new legislation and contract procedure rules, whether the Council is able to consider alternative models of delivery and the use of technology to secure administrative efficiencies, and the benefits to the local economy as regards support for local businesses to tender for contracts and the contract spend on local firms. Having received assurances with regard to these matters the Corporate Scrutiny Committee had resolved to recommend the draft Procurement Strategic Plan and Contract Procedure Rules for approval by the Executive.

The Executive expressed appreciation for the Strategic Plan which it was agreed had distilled a complex matter into an accessible document. The Executive highlighted contracting with local suppliers and engaging with local businesses as important elements of the plan as well as recognising that procuring locally can generate wider social benefits such as employment and can provide experiences for local people who might not otherwise have such opportunities.

Councillor Dafydd Roberts, Portfolio Member for Education and the Welsh Language referred to the expectations as set out in Appendix B2 that suppliers will provide to recognised standards which for agriculture are cited as Global G.A.P. standards. He sought clarification of what the Global G.A.P. standards entail and sought assurance also that local suppliers including farmers will not be required to deliver to standards that are in addition to or different from local and nationally recognised and agreed standards which could make compliance difficult.

The Chief Executive advised that with the Executive's approval, Officers would look into the Global G.A.P. standards and report back on those as well as on the requirements that suppliers can reasonably be expected to meet which are in line with local and national standards and practices.

It was resolved –

- **To approve the Council's Procurement Strategic Plan which will come into effect on the date the new legislation comes into force (Appendix A to the report).**
- **To approve the revised Contract Procedure Rules which will come into effect on the date the new legislation comes into force (Appendix B to the report).**
- **To delegate any further decisions in respect of the implementation of the Procurement Action Plan that requires the approval of the Executive to the Portfolio Member for Finance. All decisions will be published in the normal manner.**
- **To ask Officers to provide clarification of the Global G.A.P. farm assurance standards and to report back thereon with a view to ensuring that the Council's expectations with regard to its suppliers are in line with current national and local standards and practices.**

6. HOUSING RENT HRA AND HOUSING SERVICE CHARGES 2025/26

The report of the Head of Housing Service seeking the Executive's approval for increases to rent and housing service charges for 2025/26 was presented.

The report was presented by Councillor Robin Williams, Deputy Leader and Portfolio Member for Finance and Housing who reported that Welsh Government has announced an increase of up to 2.7% in social rent levels for 2025/26. The charges for services that the Authority provides during 2025/26 are based on actual costs incurred during 2023/24 and are shared equally among tenants and leaseholders utilising the services. As the Welsh Government Rent Policy does not provide any guidance on how to increase garage rent, the Council is therefore proposing to increase the garage rent by 10% or £1.00 per week to £11.02 per week. This will generate an income of £290k after deducting empty garages and will be used to create a strategic plan for the garages. Councillor Robin Williams referred to the Council's garage rent charges as being significantly lower than the charges for container hire. He further highlighted that it is also proposed that representations be made by letter to Welsh Government to the effect that the annual rent uplift is not sufficient to enable the HRA to finance increased costs as a result of additional employer NI contributions announced in the October Budget, new WHQS 2023 standards and building cost inflation.

The Head of Housing Services supported the Portfolio Member in saying that the maximum 2.7% rent increases for 2025/26 allowed by Welsh Government Rent Policy is not enough to cover additional costs and expectations. Applying the 2.7% increase will lead to an increase of between £2.20 and £3.98 per week for all tenants. However, 2,931 of the Council's tenants (74.5%) will face no additional hardship because of the rent increase and service charges as they are in receipt of full or part Housing Benefit or Universal Credit. The same 2.7% increase will be applied also to the Council's 37 intermediate rent properties.

The Director of Function (Resources)/Section 15 Officer advised that Welsh Government's five year rent policy ends at the end of 2025/26 and that the eleven treasurers of the stock retaining councils in Wales have entered into discussions with the Welsh Government officials who are leading on the new policy to raise concerns about rent levels being insufficient to cover the increased costs facing the HRA in 2025/26 and beyond. Welsh Government will be consulting on a new rent policy in the New Year and the Council as a stock retaining council will be working with Welsh Government on that process. One suggestion being made is that the Consumer Price Index should be replaced in the formula for determining rent increases by a measure of inflation that more accurately reflects the cost increases which the housing sector is facing. While it is accepted that social housing needs to be affordable for tenants, councils needs to ensure that the HRA remains financially viable.

The Chair in saying that he had taken the opportunity to raise this matter in a meeting with Welsh Government's Cabinet Secretary for Housing and Local Government on her recent visit to Anglesey, acknowledged that there is a fine line between keeping rents affordable and ensuring that the HRA is sufficiently well-funded to enable the Council to continue to maintain and develop social housing of quality for Anglesey's residents.

Councillor Nicola Roberts, Portfolio Member for Planning, Public Protection and Climate Change said that 75% of the Council's tenants will not be affected by the rent increase as they are in receipt of benefits but that the some of the remaining 25% may be affected and in that case it is essential that anyone experiencing hardship receive advice. She highlighted Citizens Advice as particularly helpful in providing advice on the support that is available as well as Advice Link Cymru's Claim What's Yours helpline which can help people who are eligible to realise their entitlements. She referred to the rent increase for garages as

reasonable for storage facilities which are not just rented by the Council's tenants and said that she supported the proposals.

The Executive agreed that it is important that people do claim the benefits they are entitled to and that members have a part to play in their communities in raising awareness of the sources of support and financial help that are available.

It was resolved to approve the following –

- **The rent increase of 2.7% on all general rent units in line with the Welsh Government rent policy on collection over 51 weeks.**
- **An increase of £1.00 per week for the rent of all garages.**
- **That the service charges costs as noted in section 6.3 of the report be applied to all tenants who receive the relevant services.**
- **The administration of the Rent Support Scheme – a local scheme to support tenants who are in financial difficulty.**
- **That a letter be written to Welsh Government stating that the increase in rents is insufficient to enable the HRA to finance the increased costs as a result of additional employer NI contributions following the Budget announcement, WHQS2023 standards and building cost inflation.**

**Councillor Gary Pritchard
Chair**

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Isle of Anglesey County Council	
Report to:	The Executive
Date:	21 January 2025
Subject:	The Executive's Forward Work Programme
Portfolio Holder(s):	Cllr Gary Pritchard
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

<p>A – Recommendation/s and reason/s</p> <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 February – September 2025;</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>
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<p>B – What other options did you consider and why did you reject them and/or opt for this option?</p> <p style="text-align: center;">-</p>
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<p>C – Why is this a decision for the Executive?</p> <p>The approval of the Executive is sought before each update is published to strengthen accountability and forward planning arrangements.</p>
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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: February – September 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: February – September 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 10 January 2025

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	
	Revenue Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel - 18 February 2025
	Capital Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel - 18 February 2025
	Housing Revenue Account Budget Monitoring – Quarter 3, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel - 18 February 2025
	Treasury Management mid-year review 2024/25	Cllr Robin Williams	
	Treasury Management Strategy 2025/26	Cllr Robin Williams	
	Fees and charges 2025/26	Cllr Robin Williams	
	Independent sector care home fees for 2025/26	Cllr Alun Roberts	
	Welsh Language Policy	Cllr Dafydd Roberts	Partnership and Regeneration Scrutiny Committee – 12 February 2025 Full Council – 6 March 2025
27 February 2025 meeting	Capital Strategy	Cllr Robin Williams	Full Council - 6 March 2025
	Capital Budget 2025/26	Cllr Robin Williams	Finance Scrutiny Panel - 18 February 2025 Corporate Scrutiny Committee - 19 February 2025 Full Council - 6 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)
	Revenue Budget 2025/26 – final proposals	Cllr Robin Williams	Finance Scrutiny Panel - 18 February 2025 Corporate Scrutiny Committee - 19 February 2025 Full Council - 6 March 2025
Delegated decision – February 2025	Annual Report on the Biodiversity Plan	Cllr Nicola Roberts	

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	
	Corporate Scorecard – Quarter 3, 2024/25	Cllr Carwyn Jones	Corporate Scrutiny Committee – 11 March 2025
	Local Area Energy Plan	Cllr Nicola Roberts	Partnership and Regeneration Scrutiny Committee – 12 March 2025
	Local Flood Risk Management Strategic Plan	Cllr Dafydd Rhys Thomas	Corporate Scrutiny Committee - 11 March 2025
	Further Education Trust Annual Report and Accounts 2023/24	Cllr Dafydd Roberts Cllr Robin Williams	
Delegated decision – March 2025	Annual Equality Report 2023/24	Cllr Alun Roberts	Partnership and Regeneration Scrutiny Committee – 12 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	

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	

June 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)
June 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard	
	Corporate Scorecard – Quarter 4, 2024/25	Cllr Carwyn Jones	Corporate Scrutiny Committee -
	Revenue Budget Monitoring – Quarter 4, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel -
	Capital Budget Monitoring – Quarter 4, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel -

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)
	Housing Revenue Account Budget Monitoring – Quarter 4, 2024/25	Cllr Robin Williams	Finance Scrutiny Panel -
Delegated decision – June 2025	Welsh Language Standards Annual Report 2024/25	Cllr Dafydd Roberts	Partnership and Regeneration Scrutiny Committee –

July 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)
July 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard	

September 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)
September 2025 meeting	The Executive's forward work programme	Cllr Gary Pritchard	
	Corporate Scorecard – Quarter 1, 2025/26	Cllr Carwyn Jones	Corporate Scrutiny Committee -
	Revenue Budget Monitoring – Quarter 1, 2025/26	Cllr Robin Williams	Finance Scrutiny Panel -
	Capital Budget Monitoring – Quarter 1, 2025/26	Cllr Robin Williams	Finance Scrutiny Panel -

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)
	Housing Revenue Account Budget Monitoring – Quarter 1, 2025/26	Cllr Robin Williams	Finance Scrutiny Panel -

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ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	EXECUTIVE COMMITTEE
DATE:	21 JANUARY 2025
SUBJECT:	DRAFT REVENUE BUDGET 2025/26
PORTFOLIO HOLDER(S):	COUNCILLOR ROBIN W WILLIAMS – DEPUTY LEADER & PORTFOLIO HOLDER – FINANCE
HEAD OF SERVICE:	MARC JONES – DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER
REPORT AUTHOR:	MARC JONES
TEL:	01248 752601
E-MAIL:	rmjfi@ynysmon.gov.wales
LOCAL MEMBERS:	n/a
A - Recommendation/s and reason/s	
<p>The final budget will not be approved by the full Council until 6 March 2025, however, at this point, the Executive is recommended to approve the following:-</p> <ul style="list-style-type: none"> (i) The initial proposed budget for 2025/26 of £195.234m; (ii) A proposed increase in Council Tax of 8.85%, plus 0.65% to cover Fire Levy = Total of 9.50%, taking the Band D charge to £1,721.70; (iii) To formally propose to maintain the premium on empty and second homes at 100%; (iv) That £2.000m is released from the Council's general balances and earmarked reserves in order to balance the 2025/26 revenue budget. <p>The detailed report on the preparation of the 2025/26 standstill budget, the provisional settlement and funding the budget gap is attached as Appendices 1, 2 and 3.</p>	
B - What other options did you consider and why did you reject them and/or opt for this option?	
<p>A number of options have been considered in reaching the proposed budget detailed in this report. The options took into account the level of net expenditure based on the draft settlement from Welsh Government and options relating to the level of Council Tax. The proposed budget aims to strike a balance between reducing Services and raising Council Tax.</p>	
C - Why is this a decision for the Executive?	
<p>The setting of the initial budget proposal is a matter delegated to the Executive.</p>	
Ch - Is this decision consistent with policy approved by the full Council?	
<p>Yes. The final decision on the 2025/26 revenue budget will be taken by the full Council at its meeting on 6 March 2025.</p>	
D - Is this decision within the budget approved by the Council?	
<p>Yes. The final decision on the 2025/26 revenue budget will be taken by the full Council at its meeting on 6 March 2025.</p>	

Dd – Assessing the potential impact (if relevant):		
1	How does this decision impact on our long term needs as an Island?	The current financial situation is challenging, with the funding from government being insufficient to meet the rising costs faced by the Council. This shortfall in funding will impact on the Council's ability to respond to the long term challenges and opportunities faced by the Island. This is an initial budget proposal which will be reviewed prior to setting and approving the final budget for 2025/26. In drawing up the budget proposal, the Executive has considered its statutory duties and the objectives set out in its Corporate Plan.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The details of any savings proposals are set out in the report.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	The Council has been working with other Councils, regional and local partners and the WLGA to press the Welsh Government for the best financial settlement possible.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	The proposed budget will be subject to a period of consultation which will allow Anglesey citizens to comment on the proposals.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Any proposals included in the draft budget for 2025/26 will take into account the impact on any protected groups.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The budget will result in an increase in the Council Tax payable by the taxpayers of Anglesey. Those experiencing socio-economic disadvantage are more likely to qualify for help through the Council Tax Reduction Scheme, which should result in no financial impact / limited financial impact to those who are experiencing socio-economic disadvantage.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact identified.
E - Who did you consult?		What did they say?
1	Chief Executive / Leadership Team (LT) (mandatory)	Comments from the LT have been incorporated into the report and the draft report is endorsed by the LT.
2	Finance / Section 151 (mandatory)	n/a – this is the Section 151 Officer's report.
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a Member of the LT and any comments made have been taken into account in discussions on this report in the LT.
4	Human Resources (HR)	Any proposals which impact on staff will have been identified and discussed with the HR Team.
5	Property	Any proposal which impacts on the Council's property and related budgets will have been discussed with the Property Team.

6	Information Communication Technology (ICT)	Any proposal which impacts on the Council's information technology systems and related budgets will have been discussed with the ICT Team.
7	Scrutiny	The initial budget proposals were considered by the Corporate Scrutiny Committee at its meeting on 15 January 2025. The Committee resolved to support the Executive's Initial Budget Proposal.
8	Local Members	Proposals are applicable to all Members.
9	Any external bodies / other/s	
F - Appendices:		
<ul style="list-style-type: none"> • Appendix 1 – Report on Draft Revenue Budget 2025/26 • Appendix 2 – 2025/26 Proposed Budget by Service • Appendix 3 – Proposed Budget Reductions for 2025/26 		
Ff - Background papers (please contact the author of the Report for any further information):		
<ul style="list-style-type: none"> • Medium Term Financial Plan 2025/26 – 2027/28 – See Executive meeting Agenda, 24 September 2024 – Item 10. 		

DRAFT REVENUE BUDGET 2025/26**1. INTRODUCTION**

- 1.1. The following report sets out the Executive's provisional revenue budget for 2025/26. The budget is prepared on the basis of the assumptions set out in the Medium Term Financial Plan (MTFP) approved by the Executive in September 2024, and the provisional local government settlement, which was issued by the Welsh Government on 10 December 2024. The report also outlines the proposed revenue savings which have been identified by the individual services and have been discussed by the Leadership Team, individual Portfolio Holders and the Executive.
- 1.2. The final settlement figures are not anticipated to be received until late February 2025. The final budget proposal will be subject to a review by the Scrutiny Committee on 19 February 2025, and will be recommended for approval by the Executive on 27 February 2025, with the final 2025/26 budget being approved by the Council at its meeting on 6 March 2025. No significant change is anticipated between the provisional and final settlement but, if a significant change arises, the budget proposal approved by the Executive would be changed prior to submission to the full Council.
- 1.3. The 2025/26 budget is being set in a significantly challenging time for the UK economy, for the financing of public sector services and the challenges being faced by all local authorities in the United Kingdom, with increased demand for services, the impact on the high level of inflation since early 2022 and the reduction in real terms in central government funding. The change of the UK government has begun to result in a change in approach to funding public services and this has resulted in additional funding for public services in 2024/25 and 2025/26. It remains to be seen whether the increase in funding is sustainable i.e. will the growth in the economy generate sufficient tax revenues to allow continued increases in funding?
- 1.4. The situation faced by Welsh Councils may be better than that faced by English Councils but the financial position of all Councils has worsened over the past 12 months, with some Councils openly suggesting that they may have to issue a Section 114 notice within the next 2 years, without significant increases in funding.
- 1.5. The WLGA undertook a survey of all 22 Councils and this concluded that Welsh Councils were facing budget pressures of £563m in 2025/26, £457m in 2026/27 and £462m in 2027/28. To meet those financial pressures in 2025/26, net revenue budgets would have to increase by around 7%. These figures were prepared prior to the increases in the national living wage and the changes to National Insurance, which were announced by the UK Government on 30 October 2024.
- 1.6. Prior to the announcement of the draft local government settlement for Wales, there was a significant level of uncertainty around what it would contain and whether additional permanent funding would be included to meet the cost of increases in teachers' pay and employer pension contributions and the additional costs arising from the changes in national insurance faced, not only by the Council in respect of its own staff, but also by the Council's contractors and, in particular social care providers. Clarity on the position in respect of additional national insurance costs is still awaited (see paragraph 4.4 for more information).
- 1.7. Prior to the announcements made in the October 2024 budget and the subsequent provisional local government settlement, the estimated funding deficit faced by the Council was significant and larger than seen during the period of austerity. The announcements of additional funding go some way to close the financial gap, but do not fund all the financial pressures faced by the Council in the medium to long term, and difficult decisions will still have to be made that will impact on the Council, staff, service users and the Island's residents and communities.

2. MAIN ASSUMPTIONS ARISING FROM THE MEDIUM TERM FINANCIAL PLAN

- 2.1. The Medium Term Financial Plan (reported to the Executive on 24 September 2024 – Item 10) sets out a number of assumptions (noted in Appendix 2 of that report). Since the preparation of the MTFP, the position in respect of a number of assumptions have been clarified, which has allowed assumptions to become more certain. These assumptions have been taken into account and updated in calculating the standstill budget for 2025/26. The standstill budget is a budget which provides resources to operate services at 2024/25 levels but updated to reflect any known changes outside the control of the services (committed changes) and to reflect the estimated costs in 2025/26.
- 2.2. It should be noted that the announcements made in the UK Government budget have required an update on pay and national insurance assumptions and also on the inflation assumptions in respect of the Council's main service contracts and social care provision.
- 2.3. These assumptions have been factored into the standstill budget, along with more detailed changes (committed changes) which allow for known increases in costs e.g. contractual commitments. The draft budget also allows for additional funding, known changes to grant funding and minor budget corrections deemed necessary to ensure that the Council's budget accurately reflects the costs it faces in 2025/26.
- 2.4. As the financial year is moved forward, the service pressures faced by the demand led statutory services (Adult and Children's Social Care, Homelessness, Out of County Education and School Transport) have become clearer and have been factored into the budget setting process (see paragraph 4.12).

3. PROVISIONAL SETTLEMENT

- 3.1. The provisional settlement for Local Government in Wales, announced on 10 December 2024, shows an increase of £410.3m in the overall level of funding for Wales, which is equivalent to an 7.2% increase in cash terms. The details are shown in Table 1 below:-

Table 1		
2025/26 Provisional Settlement		
	Anglesey	Wales
	£'m	£'m
2024/25 Aggregate External Finance (AEF)	127.586	5,720.524
Adjustment for the Change in the Taxbase	(0.097)	0.000
Previous Years Grants Transferred In / (Out)	3.418	156.860
2024/25 Adjusted AEF	130.907	5,877.384
Provisional AEF 2025/26	135.605	6,130.839
Increase in comparison to 2024/25 adjusted AEF	4.698	253.455
Increase in comparison to 2024/25 AEF	8.019	410.315
% Increase in comparison to 2024/25 AEF	6.29%	7.17%
% Increase in comparison to 2024/25 adjusted AEF	3.59%	4.31%

- 3.2. A number of various datasets are adjusted in the allocation formula, including population, the number of people in receipt of benefits, children in receipt of free school meals, school pupils etc., and these impact on the allocation to each authority differently. Some authorities fair better from these adjustments, whilst others are impacted negatively and, as a result, not every authority receives the same level of increase. In the 2025/26 provisional settlement, there is a range of increases from 5.6% (Newport) down to 2.8% (Monmouthshire). Anglesey's increase is 0.7% below the Welsh average, and the 16th highest increase from the 22 authorities.

- 3.3.** The Council, through the Welsh Local Government Association (WLGA) is still pressing for a funding floor to be included in the final settlement, which would reduce the impact on Councils which are receiving a settlement which is significantly lower than the Welsh average. It remains to be seen whether the Welsh Government (WG) provides additional funding to allow for a floor in the final settlement.
- 3.4.** In addition to the unhypothecated funding that the Council receives in the form of the AEF, all Councils in Wales receive additional revenue funding in the form of specific grants, which fund specific services in accordance with the grant conditions set by WG. The details of the individual allocations to each Council will be issued in due course, but the overall level of grant funding for Wales is set out in the provisional settlement. Table 2 sets out the major grants which the Council will receive:-

**Table 2
Main Revenue Grants – All Wales Allocations 2024/25 & 2025/26**

Grant	2024/25 Allocation £'000	2025/26 Allocation £'000	% Change
Local Authority Education Grant	378,973	399,800	+5.50%
Universal Primary Free School Meals	92,756	93,500	+0.80%
Youth Support Grant	11,483	11,483	0.00%
Housing Support Grant	182,488	204,300	+11.95%
Bus Network Grant	39,000	40,365	+3.50%
Bus Services Support	24,800	25,772	+3.92%
Sustainable Waste Management Grant	16,400	TBC	TBC
Children & Communities Grant	179,583	179,583	0.00%
Social Care Workforce Grant	45,000	45,000	0.00%
Substance Misuse Action Fund	41,063	41,063	0.00%
Deprivation of Liberty Safeguards	3,000	3,000	0.00%
Violence Against Women, Domestic Abuse and Sexual Violence	2,794	2,794	0.00%

- 3.5.** As part of the UK Chancellor's budget in October 2024, additional funding was allocated to the WG in the 2024/25 financial year. In addition, funding has also been provided to WG to meet the majority of the costs of the increase in the teacher's pension employer's contribution rate. WG has announced a number of additional grants for local authorities in Wales which the Council will receive in 2024/25.
- 3.6.** The additional funding received by the Council, and how it proposes to use the funding, is shown in Table 3 below:-

Table 3

Additional Welsh Government Funding Received During 2024/25

Grant Title	Purpose	Grant Received £	How the Council will utilise the funding
2024/25 Pay pressure support	To help Councils meet the additional cost of the NJC pay award	1,196,219	The 2024/25 budget covered the majority of the pay award cost, the remainder will be funded from a specific earmarked reserve. This grant will be added to the Council's general balances.
Teachers' Employer Pension Contribution increase	To fund the additional cost of the increase in the pension contribution rate, effective from 1 April 2024	1,345,535	This additional cost was allowed for in full in the 2024/25 budget. This grant will be added to the Council's general balances.
Fire Fighters Employer Pension Contribution increase	To fund the additional cost of the increase in the pension contribution rate, effective from 1 April 2024	62,909	The North Wales Fire Service partly included the additional cost in the 2024/25 budget and, as such, was funded by the increase in the levy. The Fire Service estimate that an additional £250k from across the 6 authorities will be required. This will require the Council to pay over £22,768 from this grant, with the remaining £40,141 being added to general balances.
Teacher's Pay Additional Funding	To help the Council meet the cost of the Teacher's pay award	402,601	In setting the local government settlement, WG factored in the cost of the pay award of 3.7%, however, the actual pay award was 5.5%. The Council, in setting its budget allowed 2% for the pay award. As a result, all of this grant will be transferred to schools along with additional funding from earmarked reserves.
Local Authority Education Grant	To provide additional funding for schools and to meet the needs of children and young people with ALN	807,043	This grant will be passed on to schools and the Education Service
Improving hospital discharge rates	To allow Councils to increase community based care over the winter	£250,000 (estimated)	The service budget will be increased to allow for the purchase of additional provision.
Support for domiciliary care	Additional funding following the decision to retain the £100 a week maximum charge for home based care	TBC	This will be used to reduce the net cost of the homecare service.
	TOTAL ADDITIONAL FUNDING	4,064,307	

- 3.7.** This additional funding is welcomed and reduces the risk of the Council overspending its 2024/25 budget, however, the position is subject to no significant adverse incidents or substantial increases in the demand for services during the second part of the financial year. This should result in the Council's general balances increasing by £2.58m.

4. MAIN BUDGET CHANGES FOR 2025/26

4.1. The major changes between the 2024/25 final budget and the 2025/26 initial budget are detailed below.

4.2. Non Teaching Pay Inflation

4.2.1. Pay costs will change annually to reflect the changes in staff over the year (new staff being appointed to a different point on the pay scale), staff receiving annual increments and the pay award. The 2024/25 pay award, effective from April 2024, was not agreed until November 2024. The final agreed pay award was set as an increase of £1,290 per employee up to point 42 on the pay scale, and 2.5% on all scales from point 43 onwards. This gave a range of increases from 5.77% for the lowest point on the payscale, to 2.5% for the highest point on the payscale. On average, the pay award resulted in a 4.0% increase in the Council's non-teaching pay costs. The total initially included in the 2024/25 pay non teaching pay budgets was 3.5% and, therefore, an additional £325k is required to be added to the 2025/26 budget to correct the underestimation in the 2024/25 budget.

4.2.2. In determining the level of the 2025/26 pay award, consideration has to be made that inflation continues to fall and is expected to start the 2025/26 financial year at 2.8% and is expected to fall to 2.1% by March 2026. However, the National Living Wage also impacts as to the level of the pay award. The National Living Wage, from April 2024, was £11.44 per hour, which is £0.82 below the hourly rate of the lowest point on the national pay scale. The National Living Wage will rise to £12.21 (+ 6.7%) from April 2025, which is only £0.05 below the hourly rate of the lowest pay scale in 2024/25. To maintain the differential of £0.82 between the National Living Wage and the lowest point on the pay scale would require the lowest pay to rise by £1,500. If this increase was to be applied to all pay scales, it would increase pay costs by 4.5% on average across all pay scales.

4.2.3. The Unions have yet to submit their pay claim but is likely that they will request a higher than inflation pay rise given that the pay rise awarded in 2024/25 was lower than the awards granted to other public sector workers in Wales. However, in the absence of any further information at this point, an assumed pay award of 4.5% has been included in the standstill budget, which is 2% to 2.5% above the assumption of general inflation. This may have to be revised prior to the completion of the budget process. An additional 1% in the non teaching pay inflation assumption would increase the budget by £662k.

4.2.4. Based on the assumptions made, the pay changes adds £3.1m to the Council's budget.

4.3. Teaching Pay Inflation

4.3.1. Teachers' pay changes every September. In setting the 2024/25 budget, an assumption of 2% was made for the pay award effective from September 2024. However, the actual pay award was 5.5%. WG have confirmed that they will fund the cost above the assumption they factored into the 2024/25 settlement, which was 3.7%. A grant of £403k has been received to meet the additional cost (difference between 5.5% and 3.7%) in 2024/25.

4.3.2. No information has been provided as to the teachers' pay award applicable from September 2025. This pay award will cover the period September 2025 to August 2026, during which time inflation is expected to fall from 2.6% to 1.9%. An estimate of 2% has been included for the pay award from September 2025.

4.3.3. The correction of the underprovision in the 2024/25 budget will increase the budget by £1.8m, and the inflationary increase to March 2026 will add a further £0.4m to the Council's pay budget, with increments and staff changes adding a further £0.2m.

4.4. National Insurance Costs

4.4.1. The Chancellor announced two significant changes to employers national insurance contributions, which reduced the pay threshold from which contributions have to be made from £9,100 to £5,000 and also increased the contribution rate from 13.8% to 15%. This adds approximately £2.2m to the Council's own staffing costs, but will also impact on the costs faced by the Council's contractors and care providers.

4.4.2. It is difficult to model accurately the impact of these changes because the additional costs will vary depending on the income earned, with a higher percentage increase in respect of lower paid workers. The estimated cost is that the reduction in the threshold will increase contributions by £1.5m, and the increase in the rate will add another £0.66m to the costs.

4.4.3. The UK Government has indicated that public sector bodies will receive additional funding to meet the cost and, if this occurs in England it will create a consequential sum for the WG through the Barnett formula. WG would then determine how to distribute this sum to local authorities. There is a significant risk that this allocation process will not be completed prior to the Council having to set the final 2025/26 budget in March 2025. A contingency sum of £2m has been allowed as additional grant funding.

4.5. Non Pay Inflation

4.5.1. Inflation has continued to fall, and fell below the Bank of England's target in September 2024 but, due to rising energy costs, it moved back above the target in October 2025. It is expected to rise slightly during 2025, peaking at between 2.5% and 3%, but will return to the target level of 2% by the end of the 2025/26 financial year.

4.5.2. The budget assumption for the 2024/25 budget was correct and no adjustment is necessary to correct any over or underprovision for inflation in the 2025/26 budget.

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

- Long term contracts where the inflation calculation is incorporated into the contract using pre-determined inflation indices, and using the figure as at a particular point in time. These type of contracts tend to favour the Council when inflation rates are rising, but they do reflect what is happening with particular types of goods which impact on the contractor's costs, e.g. the inflation factor for the refuse collection contract will be heavily linked to the cost of fuel as this is a major cost for the contractor.
- Contracts where the annual increase is negotiated. These are, in the main, residential and nursing care home fees and other care contracts. Consumer Price Index (CPI) is not the main factor on these price increases as the main cost is staffing. The level of inflation is linked to pay and, in particular, the increase in the national living wage and the real living wage.
- Long term framework agreements where the annual price is set by the framework and not as part of an individual agreement between the Council and the supplier / contractor. These include our main energy contracts. Again, the price increase will be linked to specific factors relating to the goods supplied, rather than using CPI as the basis for the increase.

- Goods and services that are purchased as and when required, either through a one off tender process, obtaining quotations or simply by placing an order. These costs are subject to inflationary pressures as the price the Council pays is dependent on the price at the time the order is placed or tender received.
- 4.5.4.** In drawing up the standstill budget, the level of inflation as determined by a specific contract has been allowed for. The fact that the inflationary increases in the Council's main contracts are based on inflation levels in the Autumn of the preceding year (Autumn 2024 inflation is used to uprate contract rates from April 2025), will work slightly in the Council's favour as the rate is lower than the forecast rate for 2025.
- 4.5.5.** The one area that will impact on the inflationary increases in these contracts is the rise in national living wage and the national insurance changes. The Medium Term Financial Plan (MTFP) allowed for an increase of 3% for all major contracts. The national insurance changes will add around 3% to the contractor's costs, and the rise in the national living wage may add 2% above what was allowed for in the MTFP. Therefore, an additional 5% in inflation, arising from the changes announced in the budget will add a further £1.25m to the Council's costs above what was allowed for in the MTFP. The total inflationary increase on outsourced contracts is £1.84m.
- 4.5.6.** It is unclear whether any additional funding will be forthcoming from the UK Government and the WG to meet impact of additional pay and national insurance costs on Council contractors. It should be noted that Anglesey is more exposed to this risk than other Councils in Wales as we have a greater number of outsourced contracts (waste collection, school meals, highway maintenance).

4.5.7. Energy Costs

- The Council retendered its gas and electricity contracts during 2024, with the new contracts becoming effective from October 2024. The contracts run for a period of 3 years, with the rates fixed for the length of the contract. This gives the Council certainty for the medium term that it will be protected from any price increases.
- Energy costs will still vary with usage. The Council is investing in changing the heating method in a number of its buildings to heat source pumps. This work is being funded mainly through WG grants. This should reduce the Council's usage and lower costs, although the impact is difficult to determine at this point and is not factored into the budget.

4.5.8. Social Services Care Contracts Inflation

- The Council sets an annual fee for residential and nursing homes each year, with this figure being based on the toolkit which has been historically used by North Wales Councils for a number of years. Care home providers have made a number of representations at a local and national level that the current fees are insufficient and that, without a significant increase, their businesses will become unsustainable. A number of providers are unwilling to accept placements at the fee set by the Council and the actual charge is higher.
- The North Wales methodology has slowly broken down, with Councils across North Wales moving away from the figure generated by the toolkit to varying degrees. In trying to address the concerns of the providers, the Council has increased fees by an average of 22.8% since April 2022. This has increased the budget for residential and nursing fees, from £8.3m to £10.2m.

- The National Living Wage is a significant factor in the cost of both the residential and nursing sector and the domiciliary care sector, given that providers use this figure as the starting point to set the pay of their employees. As of April 2025, the National Living Wage will rise from £11.44 to £12.21, a rise of 6.7%. This is a cost that the providers cannot avoid and is likely to be passed onto the Council through higher fees. Care Forum Wales estimate the cost per resident per week as £45.
- The changes in national insurance thresholds and employer contribution rates will also increase the costs faced by providers. Care Forum Wales estimate the additional cost as £22 per resident per week.
- After taking into account the costs which will be impacted by the National Living Wage (£45 per resident per week), the changes to national insurance (£22 per resident per week) and those where the general level of inflation applies (estimated at £10 per resident per week), this equates to around a 9% increase on the average fee. To cover this cost plus an allowance to cover homes that charge above the standard fee, 10% has been allowed to cover the increased costs of care home fees. This will increase the Council's costs by £1m (not taking into account the increase in demand).
- Other care budgets, including domiciliary care, residential placements in Adult Services (Mental Health and Learning Disabilities) and care provided through the direct payment scheme will also be impacted by the increase in the National Living Wage and the changes to national insurance. Where the care is provided in a residential or nursing placement, the inflation assumption is as noted above but, for domiciliary care and direct payment costs, it is assumed that the costs will increase by staff related cost factors i.e. 8.7%. These increases will add an additional £1.97m to the Council's budget.

4.5.9. General Inflation

- The general inflation (CPI) has fallen from a peak of 11% in October 2022 to its current rate of 2.3% (November 2024). It is expected to remain at a similar level during the majority of 2025, before falling back to the Bank of England target of 2% by the end of 2025. The estimated average inflation rate for 2025/26 is 2.4%, and a small correction to the sum allowed for in the 2024/25 budget (-0.5%). This will result in 1.9% being applied as the general inflation figure to the majority of budgets not covered by a specific inflation rate.
- It is estimated that general inflation will increase the Council's budget by £0.93m.

4.5.10. Fees and Charges

- The Council's budget includes a range of fees and charges, some are set by the WG, specific legislation or other outside bodies, and some are set by the Council. The total fees and charges budget for 2024/25 was £12.47m, with £5.7m within the Council's control. The Executive has set an increase of 3% to controllable fees and charges, but it is for each service to determine the individual fees and charges. It is estimated that the 3% increase will generate an additional £170k in income.
- Statutory fees and charges and other Government Grants account for approximately £30m of the 2024/25 net revenue budget. An increase of 2%, in line with CPI, would generate an additional £393k, although the provisional settlement shows that some grants will be frozen whilst others will be reduced.

4.6. Pupil Numbers

Each year, the effect of the change in pupil numbers in the primary and secondary sectors is taken into account as part of the budget setting process, with the pupil numbers as at September 2024 being used as the basis for the 2025/26 budget. For 2025/26, the number of primary school pupils has continued to fall, with a further drop of 156 pupils, whilst the number of secondary school pupils (years 7 to 11) has increased by 58 pupils. The net impact of these changes is a reduction of £528k in the primary schools budget and an increase of £233k in the secondary school budget.

Canolfan Addysg y Bont is currently operating at full capacity and cannot accommodate additional pupils. The formula is adjusted to reflect any change in the severity of the pupils additional needs, which impacts on the staffing ratios. For 2025/26, a small increase of £3k has been added to the funding to reflect this change.

4.7. School Closures

In September 2024, 2 primary schools were closed (Ysgol Carreglefn and Ysgol Talwrn), with the catchment area for these schools transferring to Ysgol Llanfechell and Ysgol Y Graig. The pupil led funding is maintained in the budget but budget savings have been made in respect of the building costs and some fixed costs relating to both schools. This has allowed the delegated schools budget to be reduced by £239k, although some of the saving will be offset by future increases in the capital financing charges as a result of borrowing undertaken to build the new Ysgol Y Graig Bach unit.

4.8. Fire Service Levy

The Council's budget includes levies raised on the Council by other bodies who have the statutory power to set a levy. The main levy raised is by the North Wales Fire Authority, which sets an overall levy for the 6 North Wales authorities and this is allocated across the 6 authorities on the basis of population. The North Wales Fire Authority is planning an increase its levy on the 6 constituent authorities of 7.17%, which increases the budget by £3.47m. However, due to the change in population, Anglesey's contribution to the levy falls from 10.03% to 10.02% of the total levy. This results in an increase to the levy on the Council of £342k, which is equivalent to a 0.65% rise in Council Tax. This takes the levy which is funded by the Council to £5.19m.

4.9. Corporate Joint Committee Levy

There is now a requirement for the 6 North Wales Authorities to set up a Corporate Joint Committee (CJC) to be responsible for strategic transport and planning policy and regional economic development. The Council's share of the levy set for 2024/25 was £77k. Although the CJC has yet to make a final decision, it is not anticipated that this levy will increase significantly in 2025/26, and an inflationary increase of £3k has been allowed for in the budget.

4.10. Capital Financing Charges

Capital Financing Charges are made up of the Minimum Revenue Provision (MRP), annual interest charges on outstanding loans and interest received on investments. The Council changed the MRP policy to the annuity method in 2022, which generated a significant reduction in the 2023/24 budget. However, the annuity method results in the MRP charge increasing each year, not taking account any new borrowing which may have been undertaken.

The Council's level of cash balances has been high since 2020, and the strategy has been to run down these cash balances, rather than borrow externally. However, as the Council's reserves and school balances are run down, the Council's cash balances are reaching their minimum and new borrowing will have to be undertaken in 2025/26 (estimated up to £15m). This will generate additional MRP and Interest costs of £707k.

Interest rates were exceptionally low from 2020 to 2022 and, as a result, a very low level of income was generated from investments. However, the position changed in 2022 and interest rates continued to rise into 2023. The increase in interest rates and the high cash balances allowed a budget of £1.036m to be set for 2023/24, but this fell to £670k in 2024/25.

Interest rates are anticipated to fall during 2025/26, from their current level of 4.75%, to around 3.25% - 3.5% by March 2026. During 2024/25, there has been a gradual fall in investment returns from around 5.2% at the beginning of 2024/25 to the current rates of around 4.6%. The fall in the base rate over the forthcoming year will also result in a fall in investment returns, which will again reduce the interest receivable budget to around £450k.

The overall effect of the MRP and interest charges is to increase the capital financing budget by £0.302m.

4.11. Council Tax Reduction Scheme

Since 2011, the cost of providing financial support to those in need of help in paying their Council Tax has formed part of the Council's budget, but the sum allowed for in the Council's Standard Spending Assessment has remained virtually unchanged. As the level of Council Tax has increased and the number of claimants has changed, the additional cost of the scheme has fallen on the Council Taxpayers to fund. The increase in this budget is directly linked to the final increase in the Council Tax charge.

In 2024/25, the overall budget to fund the Council Tax Reduction Scheme stood at £7.39m, but the current forecast is that the budget will underspend by around 7%. This gives capacity to reduce this budget due to a lower caseload. However, this will be offset by any increase in Council Tax. The level of Council Tax increase is yet to be finalised but, by using an assumed rate of increase for Council Tax and the assumed reduction in the caseload, the net impact on this budget is an increase of £133k.

4.12. Demand Led Budgets

The current forecast for 2024/25 does not indicate that the Council will experience a significant overspending position at the end of the financial year, which suggests that there are no unfunded budget pressures. However, the headline figure is not representative of the underlying position as it includes budget overprovision which will be corrected in the standstill budget, one off budget savings from vacant posts and other non pay costs and additional one off grants and the use of earmarked reserves, which provide one off funding, which reduce the level of overspending.

Taking these factors out highlights that 2 main budgets are experiencing demand and cost pressures which need to be corrected in the 2025/26 budget. The areas under pressure are social care budgets, which mainly deliver statutory services to the most vulnerable members of society. The Council is obliged to provide the services and there can be an urgent requirement to provide care to ensure that the health or safety of the client is maintained. Identifying placements at short notice, in a sector where demand outstrips supply, can significantly increase costs and this can be outside the control of the Council.

It is estimated that the increasing caseload and rising costs in the care sector require a budget correction (in addition to inflation) of £1.27m for Adult Social Care and £2.24m for Children's Services. These have been factored into the standstill budget.

4.13. Use of Council Tax Premium

The Council Tax premium on empty properties and second homes generates additional income for the Council, and part of this additional income funds schemes to help young local people purchase their own house on the Island. In 2023/24, £1.2m of the additional funding was allocated for this purpose, along with £300k to implement and administer an amended planning requirement in respect of second homes (article 4). However, underspending from previous years, which had accrued in an earmarked reserve, was sufficient to fund the estimated expenditure in 2024/25 and, as a result, the budget was removed for one year. Reinstating this budget and allowing for the increase in Council Tax would increase the budget requirement to £1.85m. This sum has been included in the standstill budget but can be amended as the budget is finalised.

4.14. Grants Transferring into the Settlement

Three grants relating to homelessness have transferred into the settlement with a combined value of £431k. The value of these grants have been added to the Homelessness budget.

4.15. Contingencies

As part of the budgeting process, a number of contingency budgets are built into the budget to cover fixed term costs, potential risks that may require funding during the year, or as a general contingency which is utilised during the year as additional budget pressures arise or as unexpected events occur. Holding contingency budgets is very important and ensures that the risk of unexpected expenditure having a negative impact on the Council's financial sustainability is mitigated. The current age and condition of the Council's asset stock does increase the risk that the Council will face more unexpected expenditure in order to allow services to continue to be provided from buildings where major problems arise.

The total budget in 2024/25 was £1.357m and the estimated budget requirement for 2025/26 remains unchanged.

4.16. Other Committed Changes

In drawing up the standstill budgets, a number of minor budget corrections are made to reflect changes that are required or previous decisions to increase individual budgets. The net effect of these adjustments is to increase the overall standstill budget by £450k. The main changes relate to the reduction in the grant contribution from Y Gymdeithas to the Oriel £57k, a reduction to reflect the fall in the number of school days in the financial year £81k, changes in business rates valuation £79k, additional rental income for new business units £119k, and increased software costs £102k. The net effect of all the committed changes is an increase of £24k in the budget.

5. THE FUNDING POSITION

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

Table 4			
Budget Funding Gap 2025/26			
	Reference	£'m	£'m
2024/25 Final Budget			184.164
Main Budget Adjustments (as set out in Paragraph 4)			
Pay Inflation and Other Staffing Costs	4.2 to 4.4	7.698	
National Insurance Additional Grant Funding	4.4.3	(2.000)	
Non Pay Inflation	4.5	3.035	
Pupil Numbers	4.6	(0.292)	
School Closures	4.7	(0.239)	
Levies	4.8 & 4.9	0.345	
Capital Financing Charges	4.10	0.302	
Council Tax Reduction Scheme	4.11	0.133	
Demand Led Services	4.12	3.577	
Use of Council Tax Premium	4.13	1.847	
Grants Transferring into the Settlement	4.14	0.431	
Contingencies and Other Committed Changes	4.15 to 4.16	0.024	
			14.861
Standstill Net Revenue Budget 2025/26			199.025
Funded By			
Revenue Support Grant (RSG)		(110.508)	
Share of Non Domestic Rates Pool		(25.097)	
Total Aggregate External Finance			(135.605)
2024/25 Council Tax Budget (adjusted for the change in the taxbase and increase in second home premium)			(52.629)
Total Funding Prior to Increase in Council Tax			(188.234)
Funding (Surplus) / Deficit (before any change in Council Tax)			10.791

5.2. In order to fund the funding deficit of £10.791m, it would be necessary to increase Council Tax by 20.6%. This would take the Band D charge to £1,896.21, which is an annual increase of £323.91 and a weekly increase of £6.23. In order to reduce the increase in Council Tax, it would be necessary to utilise the Council's own reserves or to implement revenue budget savings. Each £1m reserves used, or savings implemented, reduces the increase in Council Tax by 1.9%.

6. BUDGET RISKS

- 6.1. In setting the budget, there are a number of financial risks which need to be assessed which may result in a financial cost to the Council. Some of these risks have been allowed for in the budget proposal, but others have not been allowed for in the budget and would be covered by the Council's general balances and reserves, should the risk materialise into a financial cost in 2025/26. In the current financial climate, a number of these risks are clearly outside the Council's control, e.g. demand for statutory service provision, impact of the changes in national insurance, levies set by other bodies, new or changing service requirements set by Welsh and / or the UK Government.
- 6.2. The Council's current level of unallocated general balances is forecasted to stand at £11.1m by the end of the financial year. Additional WG grant funding of £1.385m in respect of teachers pensions and £1.176m in respect of in year pressures, can also be transferred to the general balances as the current budget provision should be sufficient. This would take the estimated balance to £13.64m, provided that the 2024/25 budget does not overspend. As a rule of thumb, the Executive has set the minimum general balance as 5% of the net revenue budget. Based on the standstill net revenue budget for 2025/26 of approximately £199m, the minimum required sum would be £9.95m. This leaves a potential £3.4m available to help fund the revenue budget over the next 2 to 3 years, but it should be noted that reducing the level of general balances and earmarked reserves does weaken the Council's financial position, and could lead to future financial difficulties should it be necessary to fund any significant unexpected expenditure e.g. funding future revenue overspending.
- 6.3. The current position of the 2024/25 revenue budget estimates that there will be a small overspend of 0.5% of the net budget. Although it is difficult to accurately estimate the final level of expenditure, it is not currently expected that the overspend will rise significantly, and would not impact significantly on the level of general balances at the end of this financial year.
- 6.4. In drawing up the draft revenue budget, it has been necessary to make a number of assumptions. The assumptions are based on the professional judgement of the Finance Team and other Council staff, external forecasts of both the UK and Welsh Governments or other professional bodies and other historical and statistical information. The potential impact on the revenue budget of errors in the main assumptions are detailed below:-
- **NJC Pay Award** – as noted in paragraph 4.2 above, the budget has been inflated to reflect the estimated pay awards for 2025/26, but there is still significant uncertainty over the pay awards. The Unions have yet to submit their claim for 2025/26 and the pay offer will be influenced by the level of the national living wage. In order to maintain the existing differential between the lowest point of the payscale and the national living wage as at April 2025 (£12.44), it would require all points to rise by £1,500 per annum, which equates to an average increase of 4.5%. Each 1% above this figure adds approximately £630k to the Council's pay bill.
 - **Teacher's Pay Award** – an element of the increase is funded by the Welsh Government through the settlement and, if this has been insufficient, historically, the WG has provided additional funding to meet the cost. This significantly reduces the financial risk faced by the Council. The matter is further complicated by the fact that the teachers' pay award is applied in September of each year and, as a result, there is no indication as to what the possible pay award from September 2025 will be.
 - **National Living Wage** – the UK Government announced that the National Living Wage (previously known as the minimum wage) would increase by 6.7% in April 2025, to £12.44 per hour. The National Living Wage puts pressure on the Council's budget in two ways, i.e. what it pays its own staff (see above) but also what its main contractors pays its staff.

A large number of staff employed by the Council's main contractors and service providers pay their staff on, or around, the Real Living Wage level. This is particularly true in the care sector (residential and nursing home care, homecare etc). Increases to the National Living Wage will result in an increase in the Real Living Wage (the Real Living Wage is currently £1.58 per hour higher than the National Living Wage). The Welsh Government require Councils to provide sufficient funding to allow providers to pay the Real Living Wage and the increase in this figure will be reflected in the increases in the fees the Council has to pay to their contractors and service providers. Although an increasing of funding has been allowed for, there is a risk that it will not be sufficient to meet the demands from providers, who may also be facing pressure as a result of general inflation, particularly food, energy and fuel costs.

- **General Inflation** – The budget risk relating to general inflation is significantly lower than when CPI was in excess of 10%. Although there is a risk that inflation could rise above the assumption used in the budget, the level of potential increase will be marginal (0.5% to 1%) and this will only have a minimal impact on actual costs paid by the Council.
- **Service Demand** – The standstill budget allows for the provision of services at the current level of demand in certain services where the demand can fluctuate (Children's Services, Adult Social Care, Homelessness, Council Tax Reduction Scheme). Any significant increase in service demand will create additional financial costs for the Council which would not be covered by the existing budgets.
- **Grant Income** – As noted in Table 2 above, in addition to the funding received through the Aggregate External Finance, the Council receives significant levels of additional funding in the form of specific grants from the Welsh Government and others. When the level of specific grant funding falls or is not increased to reflect the increase in costs, it is not always possible to react quickly to the change as the service funded by the grant is integrated into the service funded from the Council's core budget. There is, therefore, a delay between the reduction in funding and the Council's ability to reduce the associated cost through the reconfiguration of the service.
- **Income Targets from Fees and Charges** – As the cost of living crisis eases, residents will potentially have more disposable income, which generates income for the Council, mainly through Leisure services and car park income and to a lesser extent planning and building regulation fees. Income levels in 2024/25 have been good and in the main exceed the budget targets and even if income levels begin to fall in 2025/26, they are likely to remain on or around the budget targets.
- **Other Grant Funding** – In addition to the core Council budget funded from AEF, Council Tax and Reserves, the Council receives approximately £25m in additional grant funding as per table 2 above. This funding provides additional services or is used to compliment the core revenue funding. It does not always follow that these grants are increased in line with the increase in AEF or the general level of inflation. Some grants can be frozen at the previous year's level. This can increase the demand on the core budget as services funded by grants cannot always be reduced quickly. To mitigate this risk, the council holds an earmarked reserve of £250k which can be used to supplement the core budget if required.

7. BRIDGING THE FUNDING GAP

- 7.1. The standstill budget allows for an increase of £1.273m in the Adult Services budget to reflect an assumed increase of 5% in demographic / service demand. However, Adult Services has seen a significant increase in its budget over recent years (62% since 2019/20), it is unsustainable to continue to fund demographic pressures. It is therefore expected that the service has to fund any demographic pressures by delivering services in a more efficient way, which may require changes to the level of service provided and how it is delivered.

- 7.2. A number of other savings measures have been identified which are summarised in Table 5 below and detailed further in Appendix 3:-

Table 5	
Summary of Proposed Budget Reductions 2025/26	
	£'000
Efficiency / Modernisation / Rationalisation of services	400
Raising Income above inflation / Generating income from new sources	239
Service Reductions	60
Total of Proposed Budget Reductions	699

- 7.3. In 2024/25, the Council utilised earmarked reserves, generated from budget underspends from previous years, to fund housing grants and loans to help first time buyers. Based on the previous allocation formula and taking into account an assumed level of Council Tax, the allocation formula would be £1.84m, however, it is unlikely that there is sufficient demand to utilise all of this funding. The budget will be reinstated, but capped at £1m, which reduces the net expenditure budget by £0.849m.
- 7.4. The Council is required to set aside an annual sum to meet future loan repayments as they become due, this is known as Minimum Revenue Provision (MRP) and is designed to ensure that future generations are not required to fund the cost of funding decisions taken now. The Council revised its MRP policy in 2018 and once again in 2022. The revision of the policy allowed the Council to recalculate the MRP charge made in prior years to reflect the revised policy. This exercise demonstrated a difference of £11m between the cumulative charge made under the old and new policies, i.e. the Council has over provided for MRP in previous years. The Code of Practice requires the Council to make a prudent charge and it is possible to take into consideration this over provision when determining the charge for 2025/26. Based on the current policy, the MRP charge should rise to £1.81m, however, only £392k is required to meet annual loan repayments and this leaves the possibility to reduce the MRP charge by £1.418m, whilst still ensuring that the Council has made a prudent charge.
- 7.5. As part of the 2024/25 budget, a target was set to reduce staffing budgets by £1m. This was to be done by reviewing posts and to take the opportunity to review staffing structures when vacancies arose. In 2024/25, £463k of savings have been identified, with a further £136k identified for 2025/26. This leaves a balance of £401k to find. It is proposed to reduce the target to £599k, which has the effect of increasing the budget by £401k.
- 7.6. Based on the above changes to the standstill budget, the standstill budget would reduce by £3.791m, giving a net budget requirement of £195.234m and would reduce the funding gap, prior to increasing Council Tax to **£7.000m**.
- 7.7. The Council level of general balances at the beginning of the financial year was £11.180m, and the additional funding received in 2024/25 (see paragraph 3.5 and Table 3 above), along with sums allocated from general balances during 2024/25, will increase the balance to £12.658m. The Council's financial strategy is to maintain 5% of the net revenue budget as general balances and this figure for 2025/26 would be £9.95m, £2.708m below the estimated balance at 31 March 2025 and could be used to help fund the budget in 2025/26.
- 7.8. In a recent audit on the Council's financial sustainability, and in the national report summarising the results of the audit of the 22 Councils, Audit Wales noted that using reserves in this way did not make best use of the reserves, and a greater impact would be had by using reserves to fund transformation programmes that could deliver improved services at a lower cost. This must be borne in mind when deciding the use of reserves as in year funding. However, the use of reserves does allow the Council more time to plan for service delivery changes to reduce the overall net revenue budget in 2026/27.

- 7.9. Each 1% increase in Council Tax generates £487k in standard council tax and £39k in empty and second home premium, giving a total of £526k in gross income. Based on the 2024/25 Band D charge of £1,572.30, each 1% rise increases the Band D charge by £15.72 or £0.30 per week. The Council's current charge is the 7th lowest in Wales and is £93 below the Welsh average.
- 7.10. The fact that the funding from the WG is lower than the inflation and demand pressures faced by the Council, it does require an above inflation increase to Council Tax in order that the Council can set a fully funded budget. The Executive is proposing an 8.85% increase in Council Tax, plus an additional 0.65% to fund the increase in the Fire Service levy. This is a total rise of 9.5%, which takes the Band D charge (excluding Police and Town / Community Council precepts) to £1,721.70, an increase of £149.40, or £2.87 per week. This increase will generate an estimated £5.000m in additional funding.
- 7.11. Based on the above, the initial revenue budget proposal for 2025/26 is set out in Table 6 below:-

Table 6		
Initial Budget Proposal 2025/26		
	£'m	£'m
Standstill Net Revenue Budget 2025/26 (as per Table 4)		199.025
Additional Budget Adjustments		
Cap the sum generated by the Council Tax premium to provide loans and grants to 1 st time buyers to £1m	(0.849)	
No demographic increase for Adult Services	(1.273)	
Cap the MRP charge only to cover loan repayments that fall due in 2025/26	(1.418)	
Other Savings – see Table 5 and Appendix 3	(0.699)	
Reduce the staff savings target set in the 2024/25 budget	0.401	
Balance to General Contingency	0.048	
		(3.791)
Initial Proposed Net Revenue Budget 2025/26		195.234
Funded By		
Revenue Support Grant (RSG)	110.508	
Share of Non Domestic Rates Pool	25.097	
Total Aggregate External Finance		135.605
Council Tax (including premium and a 9.5% rise)		57,629
Council General Balances		2.000
Total Funding		195.234

8. THE BUDGET POSITION FOR 2026/27

- 8.1. The change in the UK Government has signalled the potential for greater investment in public services. We have already seen additional funding being provided by WG in 2024/25 and a better settlement for 2025/26 than was expected prior to the general election.

- 8.2.** It is expected that the UK Government will undertake a comprehensive spending review in Spring 2025, which will set out indicative budgets to the end of the current UK parliament (possibly 2029). This may allow the WG to provide Local Authorities with a longer term indicative settlement (potentially for 2026/27 and 2027/28), although it is noted that the Welsh Assembly elections will take place in May 2026, which may result in a change in the long term funding plans.
- 8.3.** With regard to expenditure, the risks of inflationary pressures are much reduced, but of course external factors can impact on the level of inflation. Pay awards are also expected to fall and should be more in line with inflation in 2026/27.
- 8.4.** The largest risk is an increase in demand for those services which are subject to significant changes in client demand (Adult Services, Children's Services and Homelessness). Determining the level of service is difficult, even in the short term, and trying to predict service levels for a period 18 months to 2 years into the future is difficult.
- 8.5.** In setting the budget, a significant level of one off funding (general balances) and temporary reduction in budgets (capital financing charges) have been used to set a balanced budget for 2025/26. These changes cannot continue into 2026/27 and this will require permanent changes to the budget to allow the Council to meet its statutory requirement to set a fully funded budget, whilst not reducing reserves further, which could weaken the Council's long term financial sustainability.
- 8.6.** The current financial modelling suggests that the net revenue budget for 2026/27 will rise by around £6m (3%), whilst AEF will rise by 2%, which equates to £2.7m. This would require the funding gap to be financed by rises in Council Tax of 6.2%, assuming that reserves are no longer available to finance the budget.
- 8.7.** Other funding sources may be available in 2026/27, and beyond, which may contribute to the resources available to the Council. These include any business rates retention from the designated freeport areas, funding that could be generated from the introduction of a Visitor Levy on Anglesey and any changes to the empty and second home premium. The first will depend on progress to develop the freeport areas and the second and third will require further decisions by the Council. No account has been taken of these potential funding sources, but this will be reviewed as further information becomes available.
- 8.8.** The balancing of the 2025/26 budget has been extremely challenging but, based on the current assumptions it is anticipated that the position in 2026/27 will begin to improve. However the Council will be required to find permanent budget solutions to replace the budget that has been funded by reserves in 2025/26. This will be extremely challenging, without having to significantly reduce the quality and range of services provided. Future budget savings will have to include the reducing or stopping of services and, possibly, not achieving the statutory standards expected. Work has already commenced to identify potential budget savings for 2026/27, and these savings proposals will be considered further during 2025/26.

9. CONCLUSION

- 9.1.** The budget for 2025/26 has been set in the context of an improving funding position and an expectation that funding will continue to rise or at least keep pace with inflation. However, the position for 2026/27 may remain challenging with a permanent solution to the 2025/26 funding shortfall required and an ever increasing demand for services.
- 9.2.** There are also a number of factors outside the control of the Council which can have significant cost implications for the Council. The challenging budget position faced by the Council is not unique to Anglesey, it is a position that is being faced by every local authority in the UK. Sound financial management in the past has placed the Council in a strong financial position to deal with the challenge in the short term, but if costs and demand for services continues to grow and is not matched by the required funding increases, a significant restructure of Council services will be required to avoid the Council becoming insolvent.

- 9.3. The Council's services rely on its committed and hard working staff and the impact on these members of staff also needs to be recognised. The financial challenge will require a reduction in staffing levels but, if this is not met by a reduction in workload, the pressure on staff will continue to grow and will lead to difficulties in retaining existing staff, recruiting new staff and ensuring that the Council has a healthy workforce. Dealing with these issues will come with a financial cost which will have to be factored into future budgets.
- 9.4. The local government provisional settlement for Wales is as forecast and does not fully cover the cost pressures currently faced by the Council. The standstill budget for 2025/26 is required to rise by 8.1%, but the provisional settlement only provides 3.6% for the Council. The shortfall is significant and cannot be made up by raising Council Tax alone.
- 9.5. The position in respect of grant funding creates an additional financial challenge which will result in a reduction in some grant funded services. This will become clearer once the individual allocation of each grant is known.
- 9.6. Prudent financial management in previous years has significantly strengthened the Council's financial position and has increased the Council's level of general balances and earmarked reserves. This improved financial position has allowed the Council to put forward a budget proposal which allows the Council Tax rise to be as low as possible, although it has to be higher than the current rate of inflation.
- 9.7. There is a level of risk surrounding the budget, in particular whether sufficient provision has been made for pay increases and the increasing demand for services. The risk is mitigated through the fact that the Council does hold general balances and earmarked reserves which could be redirected to fund any additional costs, and this highlights the importance of maintaining a healthy level of reserves.
- 9.8. However, the continued use of reserves to balance the budget is unsustainable and weakens the Council's financial resilience. The use of reserves allows the Council to review its budget requirement in the long term, where the services provided must be re-aligned to the core funding available.
- 9.9. The proposed budget begins the process of reducing service provision, but further significant reductions in services will have to be implemented in 2026/27 and beyond to enable the Council to continue to set a balanced budget and to keep Council Tax rises to a reasonable and affordable level. Failure to do so increases the risk of the Council becoming financially unsustainable by 2026/27 or 2027/28.

10. MATTERS FOR DECISION

- 10.1. The final budget will not be approved by the full Council until 6 March 2025, however, at this point, the Executive is recommended to approve the following:-
 - The initial proposed budget for 2025/26 of £195.234m;
 - A proposed increase in Council Tax of 8.85%, plus 0.65% to cover Fire Levy = Total of 9.50%, taking the Band D charge to £1,721.70;
 - To formally propose to maintain the premium on empty and second homes at 100%;
 - That £2.000m is released from the Council's general balances and earmarked reserves in order to balance the 2025/26 revenue budget.

PROPOSED BUDGET 2025/26 BY SERVICE				
Budget	2024/25 Budget	2025/26 Proposed Budget	Movement	% Change
	£'m	£'m	£'m	%
Lifelong Learning				
Schools	53.067	55.538	2.471	4.66
Central Education	13.307	13.931	0.624	4.69
Culture	1.555	1.666	0.111	7.14
Total Lifelong Learning	67.929	71.135	3.206	4.72
Highways, Waste & Property				
Highways	8.215	8.497	0.282	3.43
Property	1.993	1.833	(0.160)	(8.03)
Waste	10.108	10.333	0.225	2.23
Total Highways, Waste & Property	20.316	20.663	0.347	1.71
Regulation & Economic Development				
Economic Development & Maritime	3.013	2.975	(0.038)	(1.26)
Planning & Public Protection	2.896	3.102	0.206	7.11
Total Reg & Economic Development	5.909	6.077	0.168	2.84
Adult Services	38.454	43.048	4.594	11.95
Children Services	14.434	17.556	3.122	21.63
Corporate Transformation				
Human Resources	1.695	1.825	0.130	7.67
ICT	4.705	5.082	0.377	8.01
Transformation	1.244	1.202	(0.042)	(3.38)
Total Corporate Transformation	7.644	8.109	0.465	6.08
Housing	1.660	2.037	0.377	22.71
Resources	4.018	4.225	0.207	5.15
Council Business	2.125	2.213	0.088	4.14
Total Service Budgets	162.489	175.063	12.574	7.74
Corporate Budgets				
Corporate Management	0.802	0.823	0.021	2.62
Levies	4.931	5.277	0.346	7.02
Corporate & Democratic	2.079	2.238	0.159	7.65
Capital Financing Costs	5.753	4.637	(1.116)	(19.40)
Benefits Granted	0.109	0.110	0.001	0.92
HRA Recharges	(0.800)	(0.840)	(0.040)	5.00
Council Tax Reduction Scheme	7.283	7.416	0.133	1.83
Contingencies	2.107	1.404	(0.703)	(33.36)
National Insurance Grant	0.000	(2.000)	(2.000)	
Staff Savings to be found	(0.694)	0.000	0.694	(100.00)
Discretionary Rate Relief	0.105	0.106	0.001	0.095
Housing Loans and Grants	0.000	1.000	1.000	
Total Corporate Budgets	21.675	20.171	(1.504)	(6.94)
TOTAL BUDGET	184.164	195.234	11.070	6.01

PROPOSED BUDGET REDUCTIONS FOR 2025/26

Category	Service	Proposal	£
Efficiency / Modernisation / Rationalisation of services	Children's Services	Use of AI to reduce administration costs in respect of case conferences	36,000
	Economic Development & Maritime	Delete the remaining budget in respect of blue flag beaches accreditation	11,500
	All Services	Delete unutilised supplies and services budgets	175,000
	Adult Services	Rationalise the provision of day services for clients with physical and learning disabilities	177,000
TOTAL SAVINGS FROM EFFICIENCY / MODERNISATION AND RATIONALISATION OF SERVICES			399,500
Raising Income above inflation / Generating income from new sources	Housing	Increase the fee for access to the Housing Options register	10,500
	Housing	Fund staffing costs from an increased recharge to the HRA and from grant funding / earmarked reserves	69,200
	Economic Development & Maritime	Improve billing and collection methods for maritime income and increase some fees above inflation	30,000
	Property	Commence charging service charges, in accordance with the lease agreements for industrial and business units	32,500
	Highways	Increase fees above the level of inflation allowed for in the standstill budget	60,000
	Waste	Increase the fee for the green garden waste service by a sum greater than the level of inflation allowed for in the standstill budget	37,500
TOTAL SAVINGS FROM INCOME GENERATION			239,700
Service Reductions	Waste	Reduce the total days that recycling centres are open from 10 days per week to 8 days per week (Penhesgyn Wednesday to Sunday, Gwalchmai Sunday to Tuesday)	60,000
TOTAL SAVINGS FROM SERVICE REDUCTIONS			60,000
TOTAL SAVINGS PROPOSALS			699,200

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ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive
Date:	21st January 2025
Subject:	Local Authority Homes for Older People – Setting the Standard Charge 2025/26
Portfolio Holder(s):	Councillor Alun Roberts
Head of Service / Director:	Arwel Wyn Owen, Adult Services Manager
Report Author:	Carwyn Edwards, Finance Manager
Tel:	01248 752699
E-mail:	CarwynEdwards@ynysmon.llyw.cymru
Local Members:	All Members

A –Recommendation/s and reason/s

<p><u>Recommendation</u></p> <p>R1 - It is recommended that for Residential Homes the full cost of the service is charged, which is £983.86 per week, in 2025/26.</p> <p>R2 – It is recommended that for EMI Residential Homes the full cost of service is implemented over a 3 year period, meaning that the full cost of service is discounted to £1,046.41 per week in 2025/26.</p> <p>The Local Authority needs to set the level of its Standard Charge for local authority care homes for the year April 2025 – March 2026.</p> <p>In previous years, the cost of all the Council’s homes (excluding Garreglwyd and Plas Crigyll, which are deemed a specialist service provision) were pooled together to calculate an average standard charge for standard residential care, in accordance with National Guidance.</p> <p>In 2024/25, the Standard Charge for Residential care was calculated at £927.77 per week, based on an occupancy rate of 93% across the 3 in-house residential homes (excluding Garreglwyd and Plas Crigyll, which are EMI provisions).</p> <p>It is recommended that we introduce a separate charge for EMI Residential care from 2025 / 26.</p> <p>Caution should be taken if the standard charge is compared with that of other authorities since, despite guidance, other authorities may not have calculated the charge on exactly the same basis.</p> <p><u>Residential Care Home Fees</u></p> <p>The following table calculates the estimated cost per resident week for the year to 31 March 2026, based on 2024/25 occupancy levels and running costs from 2024/25 plus inflationary increases:-</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tbody> <tr> <td style="padding: 5px;">Number of Beds Available</td> <td style="text-align: right; padding: 5px;">77</td> </tr> <tr> <td style="padding: 5px;">Estimated Occupancy Rate based on 2024/25 data</td> <td style="text-align: right; padding: 5px;">93.00%</td> </tr> <tr> <td style="padding: 5px;">Estimated Number of Resident Weeks based on 2024/25 data</td> <td style="text-align: right; padding: 5px;">3,733.95</td> </tr> </tbody> </table>	Number of Beds Available	77	Estimated Occupancy Rate based on 2024/25 data	93.00%	Estimated Number of Resident Weeks based on 2024/25 data	3,733.95
Number of Beds Available	77					
Estimated Occupancy Rate based on 2024/25 data	93.00%					
Estimated Number of Resident Weeks based on 2024/25 data	3,733.95					

	Forecasted Running Costs 2025/26 £	Standard Charge 2025/26 £	Standard Charge 2024/25 £
Estimated Running Costs for 2025/26, based on 2024/25 running costs + inflation	3,283,962	879.49	832.80
Add - Depreciation charge	227,337	60.88	53.55
- Support Services	162,386	43.49	41.42
TOTAL	3,673,685	983.86	927.77
Increase compared to the standard charge in 2024/25	6.05%		£56.09

Based on the above table, the estimated cost per resident week for the year to 31 March 2026 is £983.86

The estimated cost per resident week for the year to 31 March 2026 is higher when compared to the estimated cost for the year to 31 March 2025. This is as a result of inflationary increases and reduction in occupancy rates.

EMI Residential Care Home Fees

The following table calculates the estimated cost per resident week for the year to 31 March 2026, based on 2024/25 occupancy levels and running costs from 2024/25 plus inflationary increases:-

Number of Beds Available	51
Estimated Occupancy Rate based on 2024/25 data	93.00%
Estimated Number of Resident Weeks based on 2024/25 data	2,393.36

	Forecasted Running Costs 2025/26 £	Standard Charge 2025/26 £	Standard Charge 2024/25 £
Estimated Running Costs for 2025/26, based on 2024/25 running costs + inflation	2,524,905	1,054.96	832.80
Add - Depreciation charge	170,719	71.33	53.55
- Support Services	108,257	45.23	41.42
TOTAL	2,803,881	1,171.52	927.77
Increase compared to the standard charge in 2024/25, based on full cost of care	26.27%		£243.75

Based on the above table, the estimated cost per resident week for the year to 31 March 2026 is £1,171.52. This is an increase of £187.66 when compared with the residential rate of £983.86 for 2025/26.

It is recommended that the increase is implemented over a 3 year period. Therefore, we propose to increase the EMI fee to £1,046.41 in 2025/26, with further increases in 2026/27 and 2027/28 to bring the fees to actual cost of care by 1st April 2027.

	% Increase	Standard Charge 2025/26 £	Standard Charge 2024/25 £
EMI Standard Charge (Full Cost)	26.27	1,171.52	927.77
Residential Standard Charge (Full Cost)	6.05	983.86	927.77
Difference between EMI Standard Charge and Residential Standard Charge		187.66	0.00
1/3 of difference between EMI Standard Charge and Residential Standard Charge		62.55	0.00
Proposed EMI Rate for 2025/26	12.79	1,046.41	927.77

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

The setting of the standard charge follows a prescribed method which does not allow for options to be considered. It is possible for the Executive to set a fee which differs from the Standard Charge. Charging less than the standard charge results in the Council subsidising the cost of care of clients who have been identified as having the financial means to pay the full cost of their care. As a result, the option has been discounted.

C – Why is this a decision for the Executive?

Local Authorities are required, under Section 22 of the National Assistance Act 1948, to set the Standard Charge for their homes.

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

This decision is consistent with National Policy, as outlined in section C above.

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

Yes

Dd – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	The setting of the fee will only impact on a small number of clients who pay the full cost of their care. This decision will have minimal impact on the long term needs of the Island.
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2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The decision eliminates the subsidy that the Council provides to those clients that have been identified as having the means to pay for their full cost of care.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Not applicable
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not applicable
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The decision would impact on the clients who have been assessed as having the means to pay for their full cost of care. These are not a group that are 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.	No impact on the Welsh Language.
E - Who did you consult?		What did they say?
1	Chief Executive / Leadership Team (LT) (mandatory)	
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	
4	Human Resources (HR)	Not applicable
5	Property	Not applicable
6	Information Communication Technology (ICT)	Not applicable
7	Scrutiny	
8	Local Members	Not applicable
9	Any external bodies / other/s	Not applicable
F - Appendices:		
None		
FF - Background papers (please contact the author of the Report for any further information):		
None		

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Executive
Date:	21st January 2025
Subject:	Community based Non-residential Social Care Services – 2025/26 Fees & Charges
Portfolio Holder(s):	Councillor Alun Roberts
Head of Service / Director:	Arwel Wyn Owen
Report Author:	Carwyn Edwards, Finance Manager
Tel:	01248 752699
Email:	CarwynEdwards@ynysmon.llyw.cymru
Local Members:	All Members

A –Recommendation/s and reason/s

Recommendation

To apply the maximum threshold for home care services endorsed by Welsh Government and to increase other service charges as outlined in the summary below. The recommendations are summarised at the end of this section (R1 – R9).

1. Background

It is usual practice to review the charges in respect of domiciliary services annually to coincide with Central Government revision of benefit and pension levels.

The report sets out community based non-residential social care fees and charges for 2025/26, in accordance with the Social Services and Well-Being (Wales) Act 2014.

2. Home Care Services

Home Care Charges 2025/26

Welsh Government has confirmed in their settlement that they are maintaining the care cap at £100.00 per week. We will charge up to the maximum amount permitted by Welsh Government.

3. Telecare Charges

Telecare services support independence within the home and provide 24-hour support and response 7 days a week, with remote monitoring via the telephone. Additional sensors can be installed which help identify any known risks, e.g. falls, heat, water, etc.

The following factors must be considered when determining a fair charge for the Telecare service:-

- Local Authority Contribution to the Regional Monitoring Galw Gofal Service;
- Maintenance charges;
- Telecare equipment costs;
- Finance and Administration costs;

- Installation costs;
- Costs of recycling equipment;
- Costs of bi-annual Health & Safety visual checks;
- Impact on current business;
- Transformation and modernisation by utilising technological aids.

We are progressing with the transition from Analogue to Digital systems, and it is expected that all paying service users will have transferred over to the Digital platform by 31st March 2025. We propose increasing the Telecare fees by 1.7%, rounded up to the nearest £0.10. We have also added a supplement of £0.10 per week to the fees to cover the cost of upgrading Galw Gofal Technology systems.

Table A: Telecare 2025/26 Proposed Charges

Tier 1 Digital Equipment, service and maintenance (unit, pendant and smoke alarm)	Everyone will be paying £78.00 per quarter. (£6.00 a week)
Tier 2 Digital Equipment, service, monitoring and maintenance (Equipment other than unit, pendant and smoke alarm)	Everyone will be paying £153.40 per quarter. (£11.80 a week)

Table B – Telecare Annual Charges for 2025/26

	2024/25	2025/26 Proposed Charges
Service and Maintenance	£140.00	£142.50
Services Only	£90.00	£91.50
One Off Installation	£56.00	£57.00

4. Direct Payments

Direct Payments enable individuals to independently purchase services that the Local Authority would otherwise have provided. Direct Payments support independent living by enabling individuals to make their own decisions and have control over their own lives. In Wales, the Scheme has gradually been extended to include:-

- Older People;
- Carers;
- Parents of Children with Disabilities;
- Adults with Disabilities.

An hourly Direct Payment rate of £15.95 per hour was established for 2024/25. In light of the increase in the Real Living Wage, we propose to increase this to £16.80 per hour for 2025/26.

Micro Carers

Due to long-standing recruitment challenges within domiciliary services, the Department is advocating a new rate to try and encourage the recruitment of micro carers. The provision would emulate schemes operational in other local authorities. To qualify for consideration, applicants would need to meet standards established by the local authority and comply with CIW registration requirements. Under existing legislation, micro cares can provide care for a maximum of 3 individuals and would operate on a self-employed basis. In recognition of the additional requirements, the rate advocated is slightly above the Direct Payment, but below the unit cost charged by independent providers who operate on Anglesey. This is intended to try and attract new provision within the sector and increase options within the community. We are proposing an hourly rate of £19.00 per hour for Micro Carers.

Modernisation of Blue Badge Scheme in Wales

It is recommended that a charge of £10 / badge is levied in respect of organisational and replacement badges (lost / stolen) for 2025/26.

Purchasing Day Care Services in Independent Residential Care Homes

The charge for purchasing day services was £44.33 per day in 2024/25. We propose to increase the fee for 2025/26 to £45.10 per day. This increase will help to ensure the sustainability and continuation of day care services purchased from independent residential care homes, and to meet the individual needs of service users.

Domiciliary Care Fees

At present, Adult Social Care commission domiciliary care from the independent sectors, following a tender exercise in 2023. The contract stipulates that we must allow for statutory increases in legislation, this equates to an increase of £1.73 per hour as a result of the increase in the Real Living Wage in 2025/26.

Meals in Day Services

For 2025/26, we recommend a 1.7% increase on the fees (rounded up to the nearest £0.05):-

Table C – Meals in Day Services Charges for 2025/26

	2024/25	2025/26 Proposed Charges
Meals in Day Services for adults (excluding people with learning disabilities)	£7.65	£7.80
Mid-day snack in Day Services for people with learning disabilities	£3.25	£3.30
Other refreshments (tea / coffee / cake) in Day Services	£1.80	£1.85

Recommendations

The Executive Committee is requested to approve the following:-

R1 To apply the maximum threshold for home care services endorsed by Welsh Government.

R2 Charges for Telecare services as outlined in Table A:-

Tier 1 - everyone will be paying **£78.00** per quarter;

Tier 2 - everyone will be paying **£153.40** per quarter.

R3 Charges for Telecare Annual Charges as outlined in Table B:-

Services and Maintenance **£142.50**;

Services Only **£91.50**;

One off Installation **£57.00**.

R4 Rate for Direct Payments at **£16.80 per hour**.

R5 Implement a charge of **£19.00 per hour** for Micro Carers.

R6 Maintain a charge of **£10.00** for the administration in relation to Blue Badge requests and replacements, as outlined.

R7 Increase the fee for purchasing day care services in independent residential homes by 1.7%, to **£45.10 per day** (rounded up to nearest £0.05).

R8 Increase Domiciliary Care fees by **£1.73 per hour**, to comply with new legislation.

R9 Charges for Meals in Day Services fees as outlined in Table C:-

Meals in Day Services for adults (excluding people with learning disabilities) - **£7.80**;

Mid-day snack in Day Services for people with learning disabilities - **£3.30**;

Other refreshments (tea / coffee / cake) in Day Services - **£1.85**.

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

The options noted are consistent with the Council's overall approach to fees and charges in previous years.

C – Why is this a decision for the Executive?

Decisions on fees and charges have financial implications for the Local Authority's budget in terms of income received and the affordability of payments made in the prevailing financial climate.

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

Yes

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

Yes

DD – Assessing the potential impact (if relevant):		
1	How does this decision impact on our long term needs as an Island?	Not applicable
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	No
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	We have consulted with other Local Authorities in the region as part of our fees setting process.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not applicable
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	DWP benefits are set to rise by 1.7% in April 2025, whilst the basic and new state pension are set to rise by 4.1% from April 2025. The increases proposed are equal to the inflationary uplifts provided by DWP for state benefits and below the inflationary uplifts provided for state pension. The only exception to this is the £0.10 per week supplement on Telecare fees to cover upgrade costs to Galw Gofal Technology systems. This supplement will increase the fees by £5.20 per annum, over and above the welfare benefits inflation. This is an optional service, and service users can opt out at any time.
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	As above, the inflationary increases recommended in this paper for like with like services is in line with the 1.7% inflationary uplift for state benefits, including Universal Credit, and 4.1% for state pension. As above, the only exception to this is the £0.10 per week supplement on Telecare fees to cover upgrade costs to Galw Gofal Technology systems. This supplement will increase the fees by £5.20 per annum, over and above the welfare benefits inflation. This is an optional service, and service users can opt out at any time.
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 on the Welsh Language.

E - Who did you consult?		What did they say?
1	Chief Executive / Leadership Team (LT) (mandatory)	
2	Finance / Section 151 (mandatory)	
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8	Local Members	Not applicable
9	Any external bodies / other/s	Not applicable
F - Appendices:		
None		
FF - Background papers (please contact the author of the Report for any further information):		
None		