

CORPORATE SCRUTINY COMMITTEE

Minutes of the virtual meeting held on 7 June, 2021

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

Councillors John Griffith, Richard O. Jones, Bryan Owen, Alun Roberts, J. Arwel Roberts, Margaret M Roberts

Portfolio Members

Councillors Llinos Medi Huws (Leader and Portfolio Member for Social Services), Alun Mummery (Portfolio Member for Housing and Supporting Communities), Richard Dew (Portfolio Member for Planning and Public Protection), Carwyn Jones (Portfolio Member for Major Projects and Economic Development), R.G. Parry, OBE, FRAGS (Portfolio Member for Highways, Property and Waste), Dafydd Rhys Thomas (Portfolio Member for Corporate Business), Robin Williams (Portfolio Member for Finance)

IN ATTENDANCE: Chief Executive
Deputy Chief Executive
Director of Function (Resources)/Section 151 Officer
Director of Function (Council Business)/Monitoring Officer
Director of Social Services
Director of Education, Skills and Young People
Head of Service (Regulation and Economic Development)
Head of Highways, Waste and Property
Head of Housing Services
Head of Profession (HR) & Transformation
Chief Waste Management Officer
Housing Services Manager (Strategy, Commissioning and Policy)
Scrutiny Manager (AGD)
Committee Officer (ATH)

APOLOGIES: Councillors Richard Griffiths, Nicola Roberts, Mr Keith Roberts and Mrs Anest Frazer (Co-opted Members) Councillor R. Meirion Jones (Portfolio Member for Education, Youth, Libraries and Culture), Councillor Ieuan Williams (Portfolio Member for Transformation and the Welsh Language)

ALSO PRESENT: Councillor Dafydd Roberts (Chair of the Finance Scrutiny Panel), Head of Democratic Services, Scrutiny Officer (SR), Corporate Business and Performance Analyst (AW), Bethan Roberts (Audit Wales), Mr Gareth Williams (Local Democracy Reporter)

1 DECLARATION OF INTEREST

No declaration of interest was received.

2 MINUTES OF THE PREVIOUS MEETINGS

The minutes of the previous meetings of the Corporate Scrutiny Committee held on 26 March, 2021 (call-in), 23 April, 2021 and 14 May, 2021 (election of Chair and Vice-Chair) were presented and were confirmed as correct.

Arising thereon – the Chair sought a progress update with regard to creating a Community Resilience Handbook which it was agreed at the Committee's April meeting would be a useful resource in bringing together the lessons learnt and good practices fostered in responding to the Covid 19 pandemic from a community perspective.

The Chief Executive confirmed that whilst work in the background to create a handbook of the kind has begun she was not able to give a timescale for its completion. The handbook will be produced as soon as is practicably possible and as dealing with the continuing pandemic will allow.

3 MONITORING PERFORMANCE: CORPORATE SCORECARD QUARTER 4 2020/21

The report of the Head of Profession (Human Resources) and Transformation incorporating the final scorecard report for 2020/21 was presented for the Committee's consideration. The scorecard portrays the position of the Council against its operational objectives as outlined and agreed earlier in the year.

Councillor Dafydd Rhys Thomas, Portfolio Member for Corporate Business introduced the report highlighting that the Quarter 4 Scorecard brings to a close one of the most difficult periods in the life of this Council. During Quarter 4, Wales continued to be in a national lockdown and the Island saw its highest number of positive Covid 19 cases as well as an outbreak on Holy Island. As a result of a multi-agency response and intervention, the situation was successfully managed swiftly, avoiding further community spread to other areas of Anglesey. It is within this context that the Quarter 4 report has been prepared and is a key tool in monitoring the success of the Council's normal business as usual activities.

Referring to specific areas of performance, the Portfolio Member for Corporate Business confirmed that the Coronavirus pandemic has had a significant impact on the normal delivery of services by the Council and as such the financial performance does not reflect what would happen in a normal year. The underspend of £4.197m is welcomed and strengthens the Council's financial position but the situation could change especially as the demand for services is expected to increase following the pandemic. In those areas where performance has declined or is under target, Covid19 has been a significant contributing factor as shown in the report. Conversely, the pandemic and the national work at home edict have led to a marked improvement in the staff absence level with 6.68 days lost to absence per FTE in the year against a target of 9.75 days lost per FTE. Reduced contact with others has resulted in a short-term sickness level of only 1.94 days lost to absence per FTE throughout the year. The use of technology has been key although the number of online payments for the green waste collection service was disappointing. The Council's phone lines came under particular pressure for a period at that time and lessons have been learnt from the experience with a view to improving the process next year. Despite its having been a most difficult year, performance on the whole has held up well and thanks are due to all the Council's staff who have ensured the continuation of the Council's business while adapting to different ways of working and in many cases undertaking roles that did not exist before the pandemic.

The Head of Profession (HR) and Transformation agreed that although it had been a most challenging year, staff had responded well to the changed circumstances but that Covid-19 remains a challenge going forward.

In the ensuing discussion, the following points were raised –

- The timeline for the re-opening of Cyswllt Môn, the Council's customer facing area for members of the public to manage issues that cannot be dealt with online acknowledging that that must be done safely.

The Chief Executive clarified that it was hoped that Cyswllt Môn would be able to re-open in some form soon and that work is being done in the background to that end. The Head of Profession (HR) and Transformation further advised that the public can contact the Council through other means and although people do like to visit the Council's Offices for face to face discussion, any such visit must be for a purpose. The Council is not alone among the North Wales councils in not yet having yet re-opened its corporate contact centre and whilst work is being done to consider how re-opening Cyswllt Môn can be achieved in a way that keeps both visitors and staff safe, the advice from Welsh Government at this time is that staff continue to work from home where that is possible which applies to Cyswllt Môn staff as to staff in other services.

- Issues with the Council's telephone system and its ability to cope on occasions when the number of calls is high (e.g. in connection with the green waste collection service) which it was noted pre-date Covid-19. Questions were asked about what provision is being put in place for the telephone system especially while Cyswllt Môn remains closed and what plans are there to upgrade the system.

The Head of Profession (HR) and Transformation advised that it was important to consider the context and in particular the volume of telephone calls received which at peak points was three times higher than usual. Whilst no issues were reported with the telephone system in the nine months from March to December, 2020, a significant surge in the number of calls during March, 2021 – close to 3,000 calls per day were received on several days during the month - placed enormous pressure on the system. Prior to the pandemic, a task group had been formed to look specifically at the Council's telephone system but its work was disrupted by the pandemic and the consequent reassignment of its Officers to emergency response duties. However, a the process of reviewing the telephone system was underway and it is the aim to bring a proposal to the Business Process Transformation Board in the near future with a view to improving to the system.

Councillor Dylan Rees in voicing his own concerns about the telephone system suggested that a Key Performance Indicator for customer satisfaction with contacting the Council be introduced which could set a baseline for satisfaction levels against which planned improvements to the telephone system could then be compared. The Chief Executive advised that a workshop with the SLT and all Elected Members will be held to discuss a suite of KPIs for inclusion in the 2021/22 scorecard when all suggestions will be considered.

- Arrangements for facilitating access to the Council's recycling centres and particularly whether there are any plans for extending opening hours or relaxing visits by pre-booked appointment only. The Chief Waste Management Officer advised that it had been a very challenging time for the Waste Management Service which has been operational throughout the period of the pandemic. The downturn in recycling figures at the Council's Household Waste Recycling Centres (HWRCs) from approximately 5,000 tonnes pre-Covid to 2,000 tonnes in 2020 has hit the service hard in that the 3,000 tonne reduction has had a significant impact on recycling figures. The HWRCs were closed for two months from March, 2020 after which an online booking system was introduced when the centres were allowed to reopen. However, the demand for bookings remained low and visits to the recycling centres were well below pre-Covid

levels. Whilst the booking system is still in effect, other options are now being considered. The Head of Service (Highways, Waste and Property) clarified with regard to the Gwalchmai HWRC that due to the risk of a road accident, the number of visits to the centre have to be managed carefully meaning they will still only be allowed on a pre-booked appointment basis. However, arrangements are in place to allow visits to be made to the Penhesgyn HWRC without a prior appointment; the number of visits will be monitored and visitor details will be taken at the entrance for track and trace purposes. If this arrangement can be successfully managed then it will be allowed to continue. In the long-term the aim is to look at ways of improving the booking system to make it more user friendly.

- The impact of the revenue underspend position at year end on Council budgets during 2021/22 and beyond.

The Portfolio Member for Finance confirmed that the revenue outturn for 2020/21 is better than that projected at the end of the third quarter due in great part to the late receipt of grants and Covid related Welsh Government financial support. The Council's position in this respect is no different to that of other North Wales Councils which have also underspent more than expected. Some of the grants received have been earmarked to be spent in 2021/22 under plans that will proceed accordingly. The Director of Function (Resources)/Section 151 Officer advised that in closing the 2020/21 accounts attempts have been made to identify those grants not linked to a specific purpose and they have been assigned to the earmarked reserves which have as a result increased by in the region of £5m. The total revenue underspend for 2020/21 was approximately £4m thereby bringing the Council's general balances to £11.6m. School balances have likewise increased on the back of Welsh Government grants some of which were for 2020/21 and some of which are for 2021/22 to help with pupils' education catch-up plans. School balances currently stand at £4m up from the previous level of £200k. It is anticipated that the level of school balances will drop again in 2021/22 as schools make use of the grants they have received. Whilst the general financial position is therefore healthy, the outlook is uncertain both as regards the demand on services after the pandemic which could rise leading to potential service overspend and the consequent utilisation of reserves, and as regard the level of future settlements which could be affected by the financial impact of Covid 19. It is hoped that the Welsh Government review will provide some indication of the longer term prospects for councils' funding. In the event of a reduced settlement for 2022/23 and beyond, the Council's improved balances will allow time to implement any cuts and/or make up a funding shortfall in the short-term.

Having considered the Quarter 4 2020/21 scorecard report and the updates provided by Officers at the meeting, the Committee resolved to accept the report, to note the areas which the Senior Leadership Team is managing to secure improvements into the future and to recommend the mitigation measures as outlined to the Executive.

NO FURTHER ACTION

4 FINANCE SCRUTINY PANEL

Councillor Dafydd Roberts, Chair of the Finance Scrutiny Panel provided a verbal report of the matters discussed at the Finance Scrutiny Panel's 3 June, 2021 meeting as follows

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- **Revenue Budget 2020/21 Quarter 4 update**

The Panel having received a verbal presentation by the Director of Resources (Function)/ Section 151 Officer noted the £4m end of year underspend and the reasons for it including reduced demand for some services in lockdown and Welsh Government financial support for both increased costs and loss of income due to the pandemic. The schools' financial situation and increased balances were noted as was the underspend on central education costs because of the enforced closure of schools for much of the year. The Panel heard that 3 schools are now in deficit compared to 11 last year.

The Panel noted also that services had underspent to the tune of £3m; those services were outlined and why they had underspent was explained. The need to review the children's services out of county budget was recognised because of the extra funding provided in the past two years and the reduced demand for out of county placements as the Authority's own foster service provision has increased. The funding side of the Council's business was discussed including the Council Tax, Council Tax Premium, Non-domestic rates and Revenue Support Grant where the income was £133k short of the budget. This was attributable in the main to 200 second home properties switching from Council Tax to business rates and the Council having to reimburse the difference. Despite this the number of second homes paying the premium has remained constant indicating that the number of properties coming into the second and empty homes category is equivalent to those switching. In agreeing that the Panel would scrutinise the response to the consultation on increasing the Council Tax premium, it was noted that it is becoming increasingly challenging for young people to buy a property and that some form of scheme to help them is required. The Panel also noted the few areas of over expenditure within the Council.

The Panel in considering future financial prospects noted the uncertainty around future funding settlements and the level of demand for some of the Council's services as it comes out of the pandemic which it recognised as risks. The importance therefore of maintaining a healthy level of balances to meet future potential demand pressures and/or reduced funding was noted. Concluding its scrutiny of the Qtr.4 revenue side of the budget the Panel recommended the following for the Committee's attention –

- To note the Authority's financial performance at the end of Quarter 4 2020/21
 - To acknowledge the uncertainty in respect of the 2022/23 funding settlement and the possibility of increased demand for services recognising the importance therefore of maintaining a prudent level of reserves.
 - To scrutinise the response to the consultation on increasing the Council Tax premium in due course.
- **Capital Budget Quarter 4 2020/21 update**

The Panel having received a verbal presentation by the Director of Resources (Function)/ Section 151 Officer noted that the underspend on the 2020/21 capital programme was £25m which is higher than in previous years but for which there are specific reasons not least the delays to capital schemes caused by the Covid 19 pandemic in what has been an exceptional year. The Panel was assured that no external funding would be lost as a result of the slippage. It was noted also that the price of building materials has increased and that some are in short supply potentially affecting capital projects going forward– the Panel was informed that where tenders are in place, then those prices will be maintained. The Panel recommended that the expenditure against the 2020/21 capital budget at Quarter 4 be noted.

In noting the report back from the Chair of the Finance Scrutiny Panel on the Quarter 4 Revenue and Capital Budgets position, Councillor Bryan Owen highlighted that near to 10% of the Council's budget is now held in reserves; he queried therefore whether the Authority's high level of reserves will impact on its funding settlement from Welsh Government on the reasoning that holding so much cash in reserve might be taken to indicate that the Authority can manage with less. He further suggested that had the Authority not raised the Council Tax for 2021/22 then it still would have had a sufficient amount of reserves and that it was perhaps time to consider putting those reserves to good use for the benefit of the taxpayer by improving services or providing facilities in communities e.g. 3G pitches.

Councillor Dafydd Roberts said that the Finance Scrutiny Panel would support using reserves if that was done in a reasonable way and had advocated a reduced increase in Council Tax for 2021/22.

Councillor Robin Williams, Portfolio Member for Finance in acknowledging the point raised, said that IoACC's Council Tax increase for 2021/22 was the second lowest in North Wales. Whilst the reserves will be utilised in some form and investment made in the Island's resources, the Authority needs to be circumspect in managing its reserves because of the degree of uncertainty regarding the future. The process of reviewing service budgets will begin later this month and will provide services with an opportunity to discuss their aspirations and to consider whether those can be incorporated within the Council's spending plans.

The Director of Function (Resources)/Section 151 Officer advised that the Authority's current positive financial position is due to late funding from Welsh Government which was received after the 2021/22 budget was set. The Authority needs to ensure that it makes the best use of reserves which means not using them solely to fund capital expenditure but having regard to pressure on services in the coming year and the need possibly to support the revenue budget as a result. In utilising the reserves consideration will have to be given to projects that make a difference to Anglesey's residents and to the possibility also that the reserves may be required to fill a funding gap between a reduced settlement and the savings the Authority is able to deliver.

There followed a discussion about the Council Tax premium and whether the income it generates is then targeted towards those communities where the number of second or empty homes is highest. A point was made about the premium being a double edged sword affecting local people who may come into possession of a second property they are then not able to dispose of which may remain empty for a long period.

The Director of Function (Resources)/Section 151 Officer clarified that the revenue generated by the Council Tax premium goes into the budget and an element is allocated to the Housing Service's budget to help young people across the Island with their housing needs; it is not targeted at areas where the number of second and/or empty homes is high but is available to meet eligible claims wherever on the Island they are made. With regard to empty homes, owners of empty homes are exempt from paying the Council Tax and premium for the first 6 months after the property has become empty; if the property is being actively marketed the premium will not apply for a further 12 months. Under the Council's Council Tax Discretionary Relief Policy the Section 151 Officer has the authority to consider cases where having to pay the Council Tax and/or premium would cause financial hardship and if claimants are able to demonstrate that that is the case and that they are unable to dispose of the property, they can be exempted from paying the premium. Such cases are few the purpose of the premium being to induce people to bring empty homes back into use by upgrading, selling or letting them.

It was resolved to accept the report of the Chair of the Finance Scrutiny Panel, to note the points brought to the Committee's attention and to thank Councillor Dafydd Roberts for the feedback.

NO FURTHER ACTION

5 IMPACT OF COVID ON HOMELESSNESS SERVICES

The report of the Head of Service (Housing) setting out how the Service responded to homelessness during the pandemic was presented for the Committee's consideration. The report summarised the matters dealt with in terms of the number of households/individuals presenting as homeless during this time; the challenges in identifying and providing emergency accommodation; the physical and mental health issues experienced by many of those seeking help and the importance of partnership working in responding to the crisis.

The Housing Services Manager (Strategy, Commissioning and Policy) reported that the paper presents an overview of the challenges faced by the Housing Service in responding rapidly to the pandemic by providing safe accommodation to protect homeless people and reduce the community transmission of the virus. The Homelessness Service as with many other services, had to be provided in a different way with all activity conducted over the phone or on digital platforms with support being provided remotely and through the service's support providers. The period has provided new opportunities to engage with individuals whom the service has been trying to support as well as with principal partners with all organisations pulling together to ensure sufficient capacity. Providing enough units to meet the need provided a challenge due to the significant increase in the number of people seeking help; the increase flow of people seeking support has since continued with the service already having dealt with 100 such applications. One of the biggest challenges is being able to move those housed in emergency accommodation into permanent housing; a shortage of opportunities to move on as well as high rents means that the Authority is supporting individuals for longer periods. The Team has also seen an increase in the number of people presenting with complex issues including mental health issues, substance misuse and domestic violence. Other people have presented in a very vulnerable state with provision being made for food, tenancy starter packs, basic furniture and packs to assist if there is a need to self-isolate due to Covid.

In response to questions by the Committee, the Housing Services Manager (Strategy, Commissioning and Policy) further clarified –

- That the Covid 19 pandemic has exacerbated the homelessness situation in that extended lockdown periods have had an effect on family relationships and have contributed to family breakdown; they have led to increased instances of domestic abuse and have resulted in an increased number of young people seeking support. While these are issues that the Housing Service is used to dealing with, the Covid 19 crisis has contributed to an increase in the scale of the challenges faced.
- That there is a perception that rough sleeping is something that affects larger towns and cities rather than rural areas and also a misapprehension that the Local Authority can solve the problem and compel individuals off the street; the Authority seeks to persuade individuals who are sleeping rough to move away from the streets into accommodation and other services which can also provide support and continues to try to work with rough sleepers who refuse advice and assistance.
- That homeless persons' problems are not immediately solved by the offer of accommodation and many will require ongoing support to settle into and maintain their tenancy. Engaging with organisations that can offer additional help is therefore key to successfully sustaining a tenancy.
- That the Regional Homelessness Strategy Collaborative Work Plan appended to the report shows those areas where the North Wales local authorities have been working

together on tackling homelessness issues. Each Local Authority also agrees their own local action to address issues in their own area.

- That a review of collaborative working during the pandemic is being conducted to obtain feedback particularly from the Authority's support providers who have confirmed their appreciation of the accessibility of Housing Support officers during this time. There has also been close and productive collaboration with the Police and with the Probation Service. The Service will be looking at people with complex needs for whom the availability of housing is only part of the solution and where collaboration with other partner agencies is essential.
- Whilst the data available at this time does not confirm a link between the shortage of private tenancies and an increase in the number of second homes, there is an indication that private sector rents as well as landlords' expectations in relation to tenancies have increased making it more difficult for individuals in receipt of benefits to access accommodation. The Service works closely with private landlords to make accommodation accessible and it is likely that the increase in house buying will in time make itself felt in a reduction in the number of properties available to rent; additionally private landlords may decide to sell their properties in a favourable property market.

It was resolved to accept the report on the response to Covid and homelessness and to note the information.

NO FURTHER ACTION

6 FORWARD WORK PROGRAMME

The Committee's forward work programme to November, 2021 was presented for consideration.

It was resolved –

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

**Councillor Aled Morris Jones
Chair**