Complete Agenda

Democratic Services
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Meeting

GOVERNANCE AND AUDIT COMMITTEE

Date and Time

10.00 am, THURSDAY, 26TH NOVEMBER, 2026

Location

Virtual Meeting

*** NOTE ***

*** For public access to the meeting, please contact us***

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(DISTRIBUTED 19/11/26)

GOVERNANCE AND AUDIT COMMITTEE

MEMBERSHIP (18)

Plaid Cymru (8)

Councillors

Geraint Wyn Parry
Arwyn Herald Roberts
Meryl Roberts
Ioan Thomas
Menna Baines
Huw Rowlands
Edgar Wyn Owen
Elfed Wyn ap Elwyn

Independent (4)

Councillors

Wendy Cleaver
Richard Glyn Roberts
Angela Russell
Elwyn Jones

Lay Members (6)

Dewi Lewis
Carys Edwards
Hywel Eifion Jones
Peter Barnes
Paul Millar Mills
Vacant seat

Ex-officio Members

Chair and Vice-Chair of the Council

A G E N D A

1. APOLOGIES

To receive apologies for absence.

2. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

3. URGENT ITEMS

To note any items which are urgent business in the opinion of the Chairman so they may be considered.

4. MINUTES 5 - 19

The Chairman shall propose that the minutes of the meeting of this committee, held on 22nd October 2026, be signed as a true record.

5. IMPLEMENTING THE DECISIONS OF THE COMMITTEE 20 - 38

To consider the report

6. SAVINGS OVERVIEW: PROGRESS REPORT ON REALISING SAVINGS SCHEMES 39 - 47

Receive the information, consider the general risks arising from the savings slippages

7. REVENUE BUDGET 2026/27 – END OF AUGUST 2026 REVIEW 48 - 73

To receive the information, consider the risks arising from the forecast expenditure against the budget, and scrutinise the decisions to be presented to Cabinet regarding budget management by the Council and its departments

8. TREASURY MANAGEMENT 2026-27 MID YEAR REVIEW 74 - 85

To consider the report and receive as information

9. COMPLAINTS AND SERVICE IMPROVEMENT ANNUAL REPORT 86 - 113

To consider the report

10. AMENDING SECTION 11 OFFICERS' STANDING ORDERS. 114 - 140

To consider the report and provide observations on the recommendation to Council.

- That the Council adopts Annex 1 to Section 11 of the Constitution

and the resulting modifications within Section 11.

- That the Council agrees to establish a Chief Officers Appeals Committee adopting the model in Appendix 3 and the amendments to the Constitution.

11. AUDIT WALES REPORTS AND ORGANISATIONAL RESPONSE 141 - 157

To consider the report recently published by Audit Wales – 'Value for money of the Arosfan pilot scheme arrangements'

12. THE COMMITTEE'S FORWARD PROGRAMME 158 - 160

To consider and accept the work programme

GOVERNANCE AND AUDIT COMMITTEE 22 October, 2026

Attendance: Vice-chair Carys Edwards

Councillors: Elwyn Jones, Edgar Wyn Owen, Geraint Parry, Huw Rowlands, Meryl Roberts, Richard Glyn Roberts, Angela Russell, Ioan Thomas and Elfed Wyn ap Elwyn

Lay Members: Peter Barnes, Eifion Jones, and Paul Millar Mills

Officers: Dewi Morgan (Head of Finance), Ffion Madog Evans (Assistant Head of Finance - Accounting and Pensions), Luned Fôn Jones (Internal Audit Manager), Delyth Jones-Thomas (Investment Manager), Caren Rees Jones (Group Accountant - Capital and Management), Gwion Elis Jones (Senior Accountant) David Lloyd-Williams (Group Accountant), Nel Gwynn Povey (Finance and Accounting Professional Trainee) and Lowri Haf Evans (Democracy Services Officer)

Others invited:

Cllr Huw Wyn Jones (Cabinet Member for Finance)

Item 7:	Cllr Nia Jeffreys (Council Leader), Cllr Menna Trenholme (Deputy Council Leader/Cabinet Member for Children and Supporting Families), Cllr Dewi Jones (Cabinet Member for Education), Dafydd Gibbard (Chief Executive), Dylan Owen (Statutory Director of Social Services), Iwan Evans (Head of Legal Service and Monitoring Officer), Gwern ap Rhisiart (Head of Education), Alison Halliday (Assistant Head of School Support), Llion Williams (Quality, Safeguarding and Well-being Lead), Ian Jones (Head of Corporate Services), Catrin Love (Assistant Head of Corporate Services), Ffion Mai Jones (Senior Executive Manager) and Lois Owens (Senior Executive Officer)
Items 7, 8 and 17:	Dewi Wyn Jones (The Council's Business Support Service Manager)
Items 9 and 10:	Yvonne Thomas (Audit Wales)
Item 17:	Lora Gwawr (Audit Wales)

1. APOLOGIES

Apologies were received from Dewi Lewis (Chair), and Councillors Menna Baines, Wendy Cleaver and Arwyn Herald Roberts.

2. DECLARATION OF PERSONAL INTEREST

None to note.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair accepted the minutes of the previous meeting of this committee held on 29 September 2026 as a true record**.**

5. IMPLEMENTING THE DECISIONS OF THE COMMITTEE

A report was presented providing an outline of how the Council's departments had responded to the decisions of the Governance and Audit Committee so that Members could be assured that their decisions were being addressed. It was noted that the report gave Members an opportunity to consider the decisions with the intention of removing the item/decision when the action had been completed.

Thanks were given for the report.

RESOLVED

To accept the contents of the report.

6. UPDATE ON THE PROGRESS OF THE RESPONSE PLAN: OUR BRAVERY BROUGHT JUSTICE

The Council Leader gave thanks for the invitation to present the progress on the Council's response plan to the Our Bravery Brought Justice report. She thanked the survivors for their bravery and that they were primarily the ones driving the work forward. She noted that the Response Plan Board, led and chaired by Professor Sally Holland, and the Cabinet had fully accepted the suggestions put forward by the Committee in January 2026. Members were reminded that there was a team of people working on the Response Plan with each being accountable and responsible for a specific workstream and that additional resources had been invested to strengthen the safeguarding arrangements.

It was reported that 43 out of the 55 workstreams had now been delivered or had been incorporated into the Council's day-to-day work. She stressed that the Response Plan was not a 'tick-the-box exercise' but a plan that addressed changing safeguarding arrangements. She referred to examples of changes such as: ensuring that children who are named in referrals have the opportunity to speak to a social worker; checking information about historical allegations; introducing new training on grooming; creating a safeguarding training video for frontline staff; and strengthening the training available to governors.

The progress and hard work that had already been put in place was acknowledged, but that the challenge now shifted from asking "what has been done?" to "what difference has been made?" She highlighted the need to measure impact ensuring that changes were embedded as part of Cyngor Gwynedd's culture. She added that the victims and their families deserved nothing less than seeing that Cyngor Gwynedd had listened, acted and most importantly, changed.

The Chief Executive presented the practicalities of the Response Plan. He noted that 8 out of 9 of the recommendations that had been designated to Cyngor Gwynedd (or all Councils) had been delivered with the remaining one scheduled for completion before Christmas. In the context of the 17 recommendations identified for regional and national organisations, 9 were reported to have been delivered in Gwynedd.

Thanks were given for the report and for the effort to deliver the work, which was encouraging and positive.

Observations arising from the ensuing discussion:

- The significant work that had been undertaken to respond to the challenge was recognised.
- The fact that additional resources had been invested into areas of safeguarding was welcomed.
- The report and the Response Plan were professional.

- It was good to see Gwynedd leading on changes.

Reference was made to 'consider responding to the comments and recommendations presented' at the January 2026 meeting and to the need for 'assurance that disciplinary arrangements were in place, a timetable for the disciplinary process and a means of reporting on the action; this was fair to those families who had been affected' and whether this had been addressed - the Chief Executive indicated that he could not discuss confidential matters, but made a promise that the Council was taking appropriate action and following the expected processes to deal with the matter; following advice from a barrister and the statutory arrangements, and that reporting back on any action would be done in accordance with the Council's Constitution.

In response to a question about monitoring the behaviour of home teaching, the Head of Education stated that although the issue was not related to the report, he would be able to provide a report on what was in place to protect these children.

In the context of funding the work and whether Gwynedd had received financial support from the Welsh Government, it was noted that the Welsh Government had provided financial assistance to address the responses relating to schools and staffing, and that Cyngor Gwynedd had decided to invest an additional £600,000 from the revenue budget into safeguarding related areas of work – one of the areas of work was children's referrals and the need for more frontline resources.

In relation to progress reports/further updates on the work, the Chief Executive noted that discussions were taking place about the process of reporting on progress in future, suggesting that specific matters/themes/aspects would report back to different forums – the Governance and Audit Committee would certainly be part of that process.

RESOLVED

To accept the contents of the report.

7. RECOMMENDATIONS ARISING FROM THE PANEL PERFORMANCE ASSESSMENT - COUNCIL'S DRAFT RESPONSE

The Leader of the Council thanked the Members for the invitation to present the outcomes of the Council's Panel Performance Assessment. She explained that this was the first time she had had the experience of going through the process and expressed that carrying out a periodical external performance assessment was an important part of governance arrangements and gave the Council the opportunity to obtain an independent view on the effectiveness of the Council, and how it carried out its functions.

She took the opportunity to thank the members of the Panel for their work and time to meet with Members and officers during their visit in March 2026, as well as to consider a wide range of documents when drawing up their conclusions.

A final copy of the Assessment was received in June 2026. The report was considered to identify several strengths within the Council, but as any constructive review, it also highlighted areas which could be further improved. It was accepted that this was a key part of the process and helped the Council to continue to develop as an organisation. She highlighted that many of the recommendations related to strengthening and developing existing arrangements, rather than creating new arrangements.

She added that, despite the significant challenges currently facing local government, it was encouraging to see that the report recognised the commitment of Council Members and staff to deliver for the residents of Gwynedd. She noted that the Council was required to respond

formally to the report and therefore sought the Committee's views on the draft Action Plan which outlined how the Council intended to respond to the Panel's recommendations.

The Chief Executive took the opportunity to note that although the Council completed an Annual Self-assessment and reported on performance, the Assessment was an additional layer of monitoring the Council's governance arrangements and a means of adding value. He added that while some elements of the recommendations were already in place, the Council welcomed the Panel's recommendations and that the action plan outlined the arrangements that were intended to be put in place to address the recommendations and support continuous improvement.

The members thanked the Leader for the report.

Observations arising from the ensuing discussion:

- The Council clearly took the assessment seriously.
- It was welcomed that the Assessment added value.
- It was good to hear that the Council accepted the recommendations.

In response to a comment regarding recommendation 2b Transformation, and the suggestion that reorganising Ffordd Gwynedd within a whole-organisation transformation framework would strengthen this element, the Chief Executive noted that transformation was an ongoing operation and that the Council was always looking to improve and modernise. He added that the Council's Transformation Plan was one of the priorities of the Council Plan and expressed that the panel was aware that Ffordd Gwynedd was currently under review - the Council would use the best principles of Ffordd Gwynedd and build on these.

In response to a question about artificial intelligence (AI) which was not addressed in the Assessment but was key to the transformation process, the Chief Executive noted that AI certainly added value in some situations and that projects were being piloted across the Council on the use of AI. He cited an example of using the 'BEAM Notes' system that could free up social workers from recording conversations to focus on supporting and safeguarding people instead. He added that work had also been commissioned with MSbarc to try to identify areas of work that could or could not be transformed using AI.

Responding to a comment about a concern about staff turnover, it was noted that Gwynedd's staff turnover was no different to other councils, but it was acknowledged that a number of experienced staff were reaching retirement age and that there was a challenge in identifying the next wave to replace them. He referred to recommendation 1b which recommended reviewing the Council's strategic leadership capacity and that there was an intention to respond to this by appointing an additional Corporate Director. The Leader added that there were around one hundred fewer staff compared to previous years and that this was the result of a lack of budget and cuts over the years – the Council had to deliver more with less.

In the context of departmental turnover, it was noted that statistics were not available, but that every department had its own workforce plan as the requirements of each department were different. Healthcare was cited as an example where, as experienced staff retire, everyone was seen to be competing for the same pool of people and that Gwynedd had responded to the challenge by establishing the Care Academy.

RESOLVED

- **To accept the draft response to the Report stating that no change is recommended to the response.**
- **To welcome an update in 12 months' time on the progress towards implementing the recommendations.**

8. CYNGOR GWYNEDD SELF-ASSESSMENT 2025/26

The Self-assessment was presented by the Leader of the Council, noting that the Self-Assessment was an important element of the Council's governance arrangements and an opportunity to take an honest look at performance, how resources were used, and how effective the arrangements were to deliver for the people of Gwynedd. The members were reminded that the main headings were presented to the Committee in July 2026 and thanks were given for the comments and input presented at that meeting – those comments had been addressed and included in the draft document.

She highlighted that the Self-assessment did not seek to imply that the Council was operating perfectly but rather recognised the areas where good progress had been made, and identified those areas where challenges continued and required further attention in the future.

The Committee was asked to consider the content of the draft document and to make any further comments or recommendations before it was presented to the Cabinet on 10 November and then to the Full Council on 3 December. It was added that the document would be presented alongside the Council's Annual Performance Report for 2025/26.

The Council's Business Support Service Manager was invited to present the report in detail. He noted that the Self-assessment was a statutory requirement under the Local Government and Elections (Wales) Act 2021 and that the (internal) Governance Group had been taking the lead and an overview of the process to ensure ownership and leadership at a strategic level. He added that the findings of the Self-assessment for 2025/26 corresponded with the findings and recommendations of the Panel Report, providing further assurances that the key matters had been identified.

The members thanked the officer for the report.

Observations arising from the ensuing discussion:

- That the report was a good one
- Several positives had been included – the information gave a full picture.

In response to a comment regarding an increase in staff sickness absences across the Council (from 10 days to 13 days) and that the matter should be included on the Council's risk register, the Leader noted that the Corporate Service had presented a report to the Cabinet addressing the matter and the work being done to improve the situation. The Chief Executive added that, in terms of comparisons with other Councils, the increase in Gwynedd did not stand out. He noted that specific work was being done to address the categories of sickness absence due to stress and musculoskeletal conditions by analysing data from different departments and proposing improvements by department. He also suggested that recording sickness absences had been simplified by using the Self-service and that staff were more willing to acknowledge their illness compared to the past.

In the context of engaging and consulting on Council Tax with the public given that the tax increased annually, it was noted that conducting a consultation on the tax was difficult as the timetable between receiving Gwynedd's total settlement from the Welsh Government in December, and setting the Council's budget in March, was very tight. It was added that if the Welsh Government were to consider a tiered settlement rather than an annual settlement this would perhaps free up sufficient time for consultation on the tax in future.

Responding to a question about the need for a clear breakdown of local demand spending, the Chief Executive noted that 90% of care services responded to the local demand and that the Council had a duty to implement this. He agreed that the demographics of the County

were challenging and that the reality of the situation was that there were more elderly people in the County, and fewer children. However, he emphasised that it was the Council's duty to look after the people of Gwynedd and everyone who lived within the county's boundaries, with the Council focusing on the people of Gwynedd, and those who paid Cyngor Gwynedd's Council Tax. A suggestion was made to emphasise this in the report.

Responding to a question about the number of people who had not paid the Council Tax and what deficit the Council anticipated, the Head of Finance stated that a report would be presented to the Committee in February providing an update on the collection rate. He added that the situation remained challenging, and while accepting that rising costs of living were having an impact on the situation, that tax and what was owed must be collected. Despite the recent improvements introduced to the Taxes and Benefits Unit, there was no significant difference to the current situation, but he envisaged improvements for the future; the situation was unstable but moving in the right direction.

In response to an observation that 21% of staff responses to the Staff Voice Survey 2026 did not give an accurate picture of the situation and that the figure needed to be around 50%, it was noted that the response rate from a further survey was around 40%, and that there were other ways apart from the survey to gather information. Reference was made to the Managers' Network which met every 3 months and was attended by at least 300 – a great opportunity for a conversation and an opportunity to give feedback.

RESOLVED

- **To accept the contents of the report.**
- **To recommend adding 'staff sickness absences' to the list of challenges/risks in the Self-assessment document in response to the increase in sickness absences.**
- **To recommend that the Council considers consulting on the Council Tax with the residents of Gwynedd.**

9. FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026 AND RELEVANT AUDIT

The Head of Finance highlighted that he, as the Section 151 Officer, had signed the statement of accounts as giving an accurate and fair picture and complying with proper practice. He added that he was happy and satisfied with the content and thanked the Finance Department's Officers and Audit Wales Officers for their work.

The report was presented by the Assistant Head of Finance - Accountancy and Pensions. Members were reminded that conditional accounts on the Gwynedd audit for 2025/26 had already been submitted to the Committee at the meeting in July 2026 where the Statement was discussed in detail, drawing attention to the main matters and relevant notes. It was added that the Harbours' accounts had also been submitted to the Committee in May and it was pleasing to report that there were no amendments deriving from the Audit, and therefore they did not need to be resubmitted.

The accounts had been subject to audit by Audit Wales and an unqualified opinion was issued on the accounts by the Auditors with a combination of post-audit amendments and recommendations having been implemented.

Reference was made to the uncorrected misstatements, noting that they were not being considered as material, but where relevant, they would be corrected as a part of the 2026/27 accounts. The two areas in question were:

Note 15:
Property, Plant and Equipment - a matter in terms of classification, namely that an item of

capital expenditure funded from a UKSPF grant had been incorrectly classified and treated as an addition to the balance sheet instead of as revenue expenditure, funded from capital through statute. It was confirmed that the expenditure was not being questioned. The second point concerned a technical issue relating to the treatment of capital, and the third point was an error in a spreadsheet by the valuer. It was noted that these matters would receive appropriate attention by the 2026/27 accounts.

Note 21: Creditors - a creditors matter relating to the treatment of a grant balance. It was noted that the matter related to leases, in the first year in terms of the accounting treatment of leases in the accounts, and therefore the matters would be addressed for the 2026/2027 accounts.

When discussing amendments to the Statement of Accounts, it was noted that a number of the amendments related to amendments between categories and that there were no implications on the face of the Balance Sheet – the value of the largest amendment was one that related to Note 15 Property Plant and Equipment, which had been moved from one category to another. Other matters corrected were the treatment of income in Highways, Engineering and Gwynedd Consultancy and how income had been classified under investment income. These amendments did not affect the bottom line, but rather a change in classification.

Since the submission of the draft version in July, it was reported that the above amendments did not affect the Balance Sheet, Cash Flow Statement or the statement of movements in reserves, and in terms of the Income and Expenditure Account, they were amendments between different headings which had been implemented, rather than changing the net position on the bottom line.

Yvonne Thomas, Audit Wales was welcomed to the meeting to present their report on the Audit of Accounts. It was noted that Audit Wales intended to issue an unqualified opinion on the 2025/26 accounts adding that the accounts gave a true and fair picture of the situation and complied with appropriate practices. It was added that the actions had now been completed and there were no additional matters. Attention was drawn to the misstatements highlighting that discussions had taken place with the Officers about whether to correct or not, and that they needed to be further considered for the 2026/27 accounts. Although there was no full assurance, it was noted that the Auditors worked on a material assurance level with a 2025/26 materiality level of £6.029 million and had operated independently over the audit period.

Cyngor Gwynedd's Finance Officers were thanked for their support and for the good cooperation during the process. She expressed that there was a marked improvement in the quality of the work given the challenging timetable set and that there were no significant issues to be brought to the attention of the Committee.

The Chair thanked Audit Wales for the report and expressed that it was pleasing to have an unqualified opinion which gave the Committee firm assurances that the accounts were accurate and fair.

In response to a question regarding Note 18a (Debtors) and 18b (Council Tax Debtors) - a reference to long-term debtors, and an increase of approximately 50% in one year in the amount of Council Tax debts, and whether legal action was involved in the situation, it was noted that legal arrangements were in place in the context of Council Tax debtors with a greater number of cases having gone to Court. It was added that taxpayers switching from non-domestic tax to Council tax (and perhaps back to non-domestic tax) created instability, along with matters of back-dating payments and collecting premium, but that work and arrangements were in place to discuss individual situations. It was noted that Note 18a also included costs on the property of people in care and car loans. In response, it was noted that

the situation was understandable and that the staffing level of premium collection had increased, but if people could not pay Council Tax then the problem would continue into another year.

RESOLVED

- **To accept and approve the 'ISA260' Report by Audit Wales in respect of Cyngor Gwynedd.**
- **To accept and approve the Statement of Accounts 2025/2026 (post-audit).**
- **To authorise the Vice-chair of the Committee and the Head of Finance Department to certify the Letter of Representation electronically.**
- **To congratulate the officers for their work of receiving an unqualified statement.**
- **Audit Wales officers were thanked for the good partnership working.**

10. THE GWE JOINT COMMITTEE'S FINAL ACCOUNTS FOR THE YEAR ENDED 31 MAY 2025 AND RELEVANT AUDIT

The report was presented by the Assistant Head of Finance - Accountancy and Pensions. Members were reminded that Cyngor Gwynedd, as the host authority, had been responsible for undertaking accounting responsibilities and reporting on the financial matters of the GwE Joint Committee. It was noted that GwE had ended on 31 May 2025, but as the Joint Committee would not meet after this date, the 2024/25 and 2025/26 accounts had to be submitted to the Governance and Audit Committee for approval.

It was reported that the accounts had been audited by Audit Wales since the beginning of April and that an unqualified opinion had been issued on the accounts by the Auditors with a few amendments implemented. There had been no change to the main financial statements namely the Balance Sheet, Income and Expenditure Statement, Cash Flow Statement or the Movement in Reserves statement. However, attention was drawn to the amendments to the notes supporting the Statement of Accounts.

The first amendment related to the Annual Governance Statement, as the last meeting of the GwE Joint Committee was on 21 May 2025 - an Annual Governance Statement for 2024/25 was submitted and received. As this was ten days before the GwE Joint Committee would be coming to an end, the period of the 2024/25 Annual Governance Statement needed to be extended for the first two months of the 2025/26 financial year to 31 May 2025, to comply with the statutory requirements. The second amendment concerned the matter of the winding-up of GwE and its relevance to the Gwynedd Pension Fund which meant that the Actuary had to change their report to reflect the correct opening position.

In addition, a small number of minor narrative amendments were referenced to some of the notes.

On behalf of Audit Wales, Yvonne Thomas noted that Audit Wales intended to issue an unqualified opinion on the 2025/26 accounts, adding that the accounts provided an accurate and fair picture of the situation, complied with appropriate practices and that Audit Wales worked to a 'materiality' level. It was reported that the level of materiality was determined to try and identify and correct misstatements that could otherwise mislead those who used the accounts. The materiality level was set at £33,000 for the 2025/26 audit and threshold misstatements above £1,650, (calculated as 5% materiality), were reported. It was reported that the misstatements had been corrected and Cyngor Gwynedd's finance officers were thanked for their support during the process and for good partnership working. There were no significant matters to bring to the Committee's attention.

The report was welcomed and everyone was thanked for their work.

RESOLVED

- **To approve the Joint Committee's Final Accounts for 2025/26.**
- **To accept the 'ISA260' report by Audit Wales in respect of GwE Joint Committee.**
- **To authorise the Vice-chair of the Governance and Audit Committee to sign the Letter of Representation electronically for GwE.**
- **To congratulate the officers for their work of receiving an unqualified statement.**
- **Audit Wales officers were thanked for the good partnership working.**

11. CAPITAL PROGRAMME 2026/27 – END OF AUGUST 2026 REVIEW

A report was presented by the Cabinet Member for Finance highlighting a capital programme (end of August 2026 position) and approving the relevant funding sources. The Committee was asked to scrutinise decisions approved by the Cabinet on 13 October 2026
.
Reference was made to a Departmental breakdown of the £175.7 million capital programme for the 3 years 2026/27 - 2028/29 together with the sources available to fund the net increase of approximately £79.483 million since the original budget, of which £21.97 million came from re-profiling at the end of the previous year.

It was added that,

- There were firm plans in place to invest £123.5 million in 2026/27 on capital schemes, with £72.1 million (58%) of it being financed through specific grants.
- An additional £12.0 million of proposed expenditure had been re-profiled from 2026/27 to 2027/28 and 2028/29.
- The main schemes that had slipped since the original budget included £5.9 million for School Schemes (Sustainable Learning Communities and Others), £2.85 million in Levelling-up Fund Schemes, £1.05 million in Coastal Risk and Flood Prevention Schemes, £1.0 million in other Housing and Grant Schemes.

Attention was drawn to a list of additional grants that the Council had been able to secure since the last review which included, £24.325m as part of a new Local Growth Fund Grant by the UK Government; £16.365m as part of the Sustainable Schools Challenge Grant and the Childcare Grant towards Ysgol Bontnewydd; £11.648m Shared Prosperity Fund Grant from the UK Government; £4.260m Grants from the Active Travel Fund (ATF) and Safe Routes in Communities (SRiC) from the Welsh Government; £2.840m Additional School Maintenance Grant 2026/27; £2.091m Welsh Government Town Transformation Grant and £1.656m Sustainable Learning Communities Grant - various schemes

Reference was made to the information about the Council's Capital Prudential Indicators highlighting that, in accordance with the CIPFA Prudential Code, the Council was obliged to report the information - it was added that the Council had complied in full with the policy on borrowing for capital purposes.

The members thanked the Member for the report.

In response to a question about Capital Receipts and that only £164,00 had been recorded for 2026/27 with the columns for 2027/28 and 2028/29 left blank, it was noted that this was a figure for the method of funding a programme rather than the amount received to move a scheme forward. In response to a supplementary question as to whether the Council should e.g., with a scheme dealing with Council properties, estimate a number for the empty columns - the Head of Finance noted that an ongoing review of the Council's estate was being implemented to ensure value for money. He reiterated that an Asset Plan Report was due to be presented to the Committee in February 2027.

An observation was made that the timing of the sale of a property was crucial as well as ensuring suitable plans for property use and grant use, and that the Council should avoid retaining a property unless there was a strategic use for the building in the future.

A request was made for the relevant officers to consider presenting the Asset Plan earlier in the year so that there could be a full discussion on the matter.

RESOLVED

To accept the report and note the information.

Note: Asset Plan – request for the report to be presented to the November 2026 meeting rather than the February 2027 meeting.

12. TREASURY MANAGEMENT QUARTERLY UPDATE

A report was presented by the Investment Manager reporting on the actual results of the Council's treasury management 2026/27 to 30 June 2026, against the Treasury Management Strategy 2026/27 as approved by the Full Council in March 2026. It was noted that, in accordance with the requirements of the strategy, the Investment Manager was required to report on treasury management prudential indicators every quarter.

It was reported that, on 30 June 2026, the Council was in a very strong position with net investments which had resulted from a high level of investments and operational capital. This included the Pension Fund's money. It was noted that there had been no significant shift in the level of loans in the 3 months in question; the Council was continuing with the strategy of using internal resources before borrowing externally.

In the context of investment activities, it was elaborated that the Council continued to invest in Banks and Building Societies, Local Authorities, Money Market Funds, the Debt Management Office and Pooled Funds, which were consistent with the type of investments made by the Council for several years now with returns having been consistent.

Reference was made to the Liability Benchmark noting that the benchmark was an important tool to help establish whether the Council was likely to be a long-term borrower and so shape its strategic focus and decision making. It was highlighted that the Council expected to remain borrowed above its benchmark because the Council held reserves, and cash flow to date had been below the assumptions made when the loans were borrowed.

In the context of a compliance and indicators report, it was reported that all activities had fully complied with the CIPFA code of practice and the Council's Treasury Management Strategy - this was good news and highlighted that there was firm management of the funds.

The members expressed their thanks for the report.

RESOLVED

To accept the report for information.

13. OUTPUT OF THE INTERNAL AUDIT SECTION

A report was presented, for information purposes, by the Audit Manager updating the Committee on internal audit work for the period from 1 April 2026 to 20 September 2026. It was highlighted that 11 audits of the 2026-27 operational plan had been completed and set at a high, adequate or limited assurance level.

It was reiterated that the summaries of the audits differed slightly due to responding to the requirements of the Global Audit Standards, Standard 14.3 Evaluation of Findings, which stated that "internal auditors must evaluate each potential engagement finding to determine its significance. When evaluating potential engagement findings, internal auditors must collaborate with management to identify the root causes, when possible, determine the potential effects, and evaluate the significance of the issue". As a result, the Internal Audit Service identified ten main categories for 'root cause' analysis > Governance, Process & Procedures, Accountability, Assurance & Monitoring, Resources, People, Skills & Training, Systems, IT and Digital Tools, Information Management & Record Keeping, Communication & Coordination and Risk Management & Culture; with a definition of the work that needed to be in place and examples of possible findings. These categories would be evaluated in conjunction with the Managers of the relevant areas.

Each audit was referred to in turn.

The members expressed their thanks for the report and for the good partnership working to ensure good management across the Council.

Matters arising from the ensuing discussion:

- Care: Cefn Rodyn and Hafod Mawddach - provision of residential care. Limited Assurance Level > concern about non-compliance with safety matters, conducting fire testing in a timely manner and reviewing care plans – how would this be monitored to protect users?

  There would be a specific follow-up to audits with a limited assurance level.

- Care: Hafod Mawddach > concern over failures to pay correct salaries.

  That there had been good co-operation with the Payroll Service to try to rectify the situation. The matter had not been followed up, but the service was in the process of putting better arrangements in place.

- Care: Plas Hedd – welcomed that the actions had been addressed.

RESOLVED

- **To accept the report.**
- **To support the actions that have already been agreed with the relevant Services.**

14. REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP

A report was presented by the Audit Manager which summarised the work of the Controls Improvement Working Group held on 1 September 2026. Four audits were reviewed in detail with the relevant officers present along with Committee Members - Dewi Lewis, Chair of the Committee and Councillors Geraint Parry, Ioan Thomas and Menna Baines. Members were reminded that the main purpose of the Working Group was to challenge and track progress on agreed operations where managerial weaknesses had been identified.

School Transport Follow-up (Assurance Level: Satisfactory)

It was explained that new arrangements were now in place to provide the Transport Team with automatic monthly reports on pupil changes, improving data accuracy and transport eligibility. It was added that a new Education Transport Policy had completed a consultation

period and had been submitted to Cabinet, with the hope that it would come into force September 2027. It was noted that further work needed to be done to improve information systems and monitoring of contracts, particularly in relation to DBS checks and safeguarding arrangements. The Working Group was satisfied that significant progress had been made and that the Education and Environment departments were working together effectively.

Breakfast Club Follow-up (Assurance Level: Limited)

The biggest risk was reported to be managing food allergies, managing discrepancies in records and updating policies and guidelines. It was expressed that work was underway to develop a new allergy policy on an all-Wales basis, with a greater emphasis on medical evidence and improved information management through Bromcom, a new system that would replace the SIMS system. It was added that improvements to the provision of fruit and specialist equipment for children with allergies had been implemented but that the lack of access to digital training for kitchen staff remained a challenge. However, it was noted that plans were in place to provide IT tools and improve compliance.

Fire Arrangements (Assurance Level: Satisfactory)

The audit concluded that fundamental fire control arrangements were in place, with site managers having been appointed and annual audits carried out, but that there were still weaknesses in completing mandatory training, acting on the recommendations of the Safety and Compliance Team in a timely manner, keeping up-to-date records by Site Managers of managing emergency evacuation arrangements for large buildings. It was reported that a new fire risk assessment for the Headquarters would be arranged following the completion of the refurbishment of the building and the need for a culture change to strengthen ownership and accountability in terms of health and safety was emphasised.

Environment Category Management Follow-up (Assurance Level: Limited)

While progress had been made on the original four actions, they had not yet been fully completed. It was noted that the service was developing a new PowerApp system to manage contracts, monitor accreditations, insurance and automatic renewal dates. It was reiterated that there were capacity challenges due to the size of the work programme and the relatively small size of the team, but that significant work was underway to ensure compliance with the requirements of the Procurement Act 2023 including staff training and the development of new corporate arrangements. The intention was to provide further updates by December 2026 on the development of the systems and the progress of the training.

It was reported that the Working Group was satisfied that firm progress had been made in all four areas, with a significant number of the agreed actions having been implemented or in progress. However, it was considered that some important areas still needed attention, in particular managing allergies in breakfast clubs, training compliance, managing contracts and developing information systems, with the Internal Audit Service continuing to monitor progress against the revised action plans.

The members thanked the officer for the report.

RESOLVED

To accept the report for information.

15. INTERNAL AUDIT PLAN 2026/27

A report was presented by the Audit Manager updating the Committee on the current situation in terms of completing the Internal Audit Plan 2026/27. She apologised that the figures in the report were incorrect and presented revised figures for the work that had been completed. It was reported that, up to 20 September 2026, 25.4% – out of 59 individual audits contained in the amended 2026/27 plan, 15 had been released in a finalised version/completed or closed.

Reference was made to the status of the work, the time spent on each audit and Amendments to the Plan.

The members thanked the officer for the report.

In response to a question about the team's capacity, it was reported that an apprentice had been appointed to the team, but with the apprentice still being under supervision the apprentice's hours were not included in the total days. It was added that one auditor had reduced their working hours from 5 days to 4 days.

The Head of Finance noted that the intention was to submit a bid to the Cabinet for an additional resource for 2027/28. He reiterated that the prospects of success were low given pressures from other services within the Council for additional funding.

RESOLVED

To accept and note the contents of the report as an update on progress against the 2026/27 Audit Plan.

16. CYNGOR GWYNEDD'S ANTI-FRAUD, ANTI-CORRUPTION AND ANTI-BRIBERY STRATEGY AND RESPONSE PLAN

The Strategy was presented by the Audit Manager which highlighted that the risk of fraud, bribery and corruption had been identified as one of the Council's corporate risks but was assessed as a low risk due to the strength of internal controls and the assurance provided by Internal Audit work. However, the importance of keeping a focus on the area was highlighted as the Council had been the victim of major fraud in the past.

It was recognised that risk may arise from external individuals, staff, elected members or a combination of these and in response a "Fraud Awareness" e-learning module had been introduced (November 2025) to staff and members to strengthen awareness and promote a culture of fraud prevention.

It was reported that the Strategy formed a key part of the Council's governance framework and demonstrated a commitment to protecting public finances and maintaining high standards of public accountability. The main objectives of the Strategy were as follows: To define fraud, bribery and corruption; To set clear expectations for staff and members; To promote fraud prevention and detection; To explain how the Council will investigate fraud, bribery and corruption and raise awareness of the associated risks.

In addition to the Strategy, reference was made to the Fraud and Corruption Response Plan which was to be read alongside the Strategy. It was noted that the Response Plan provided a clear procedure for dealing with suspicions or allegations of fraud, bribery or corruption by defining the roles and responsibilities of staff, managers and auditors; To link into key policies such as the Disclosure Policy (Whistleblowing), Disciplinary Policy, Financial Procedure Rules and the Internal Audit Charter; To outline the process of investigating allegations and explain the options available where sufficient evidence is available, including disciplinary action, civil action or criminal prosecution or a combination of these.

The Strategy and Response Plan were considered to strengthen the Council's governance arrangements by providing a clear framework for the prevention, detection and investigation of fraud, bribery and corruption. Although the current level of risk was considered as being low, the documents ensured that the Council remained vigilant and prepared to respond effectively to any incidents that may arise.

The members expressed their thanks for the report.

In response to a question about the retention of data or information about examples of how the Strategy had worked and that this gave Members confidence that the actions were successful, it was noted that central data did not currently exist. However, in establishing and publishing the Whistleblowing Policy a Response Group had been established which would be responsible for receiving and analysing staff complaints and concerns, with financial matters being referred to Finance and Internal Audit, and Safeguarding matters being referred to the Safeguarding Unit. As a result of the procedure, this would allow for central data relating to fraud, corruption and security to be collected and to submit information to the Head of Corporate Services to report on the performance and operations of the Strategy. It was considered that complaints about public affairs would be referred through the complaints' procedure.

RESOLVED

- **To accept the contents of report on the Council's arrangements for investigating and preventing fraud and corruption within the system.**
- **To approve the Anti-fraud, Anti-bribery and Anti-Corruption Strategy and the Fraud and Corruption Response Plan.**

Note: Following the establishment of central arrangements to gather data relating to fraud, corruption, bribery and security, that a report on the Strategy's implementation was to be presented to the Committee.

17. AUDIT WALES REPORTS

- **'USING DATA TO PLAN ADULT RESIDENTIAL CARE'**
- **2026 WORK PROGRAMME**

Lora Gwawr (Audit Wales) was welcomed to the meeting.

A report was presented which reported on the findings of a review which looked at whether Cyngor Gwynedd used data effectively to plan adult residential service budgets. The review was conducted across the six North Wales Councils between March and June 2026.

It was reported that while the Council had the information needed to plan a budget with a data-driven approach (following Llechen Lân's comprehensive research), it was not being used to its full potential. This led to one recommendation from Audit Wales for the Council to strengthen the use of cost and demand data to inform budget decisions over the short and medium-term. It was added that the Council had responded swiftly to the recommendation and had set out actions to be completed by 2027.

The members thanked Audit Wales for the report.

In response to a question about the basis of the data and whether Audit Wales was happy with the long-term projections of the service given statutory responsibilities and demographic circumstances, it was noted that the Council went above and beyond and offered projections relating to e.g. the requirements of how people wish to live, by profile, past family pattern

compared to the present, payment for care and different models of residential service delivery.

It was added that the Council intended to produce a research document to anticipate the needs of children and young people.

This intention was welcomed.

In response to a question about making full use of the wealth of data available to meet the demand and how the service would respond to this, the Head of Finance noted that while additional funding was being given to care, the demand continued to exceed the budget; the demand was increasing and care costs were increasing and while data could look at an ageing population, care unit costs would also go up. It was added that work was being commissioned to look more closely at the situation and compare with other Councils.

The Audit Wales 2026 work programme and timetable for Cyngor Gwynedd was presented for information.

RESOLVED

To accept the report and the 2026 Work Programme.

18. THE COMMITTEE'S FORWARD WORK PROGRAMME

A forward work programme of items was presented for the Committee's meetings until October 2027.

RESOLVED

To accept the Work Programme for November 2026 - October 2027.

Note: Asset Plan – a request for the report to be presented to the November 2026 meeting rather than the February 2027 meeting.

The meeting commenced at 10.00 and concluded at 12.55.

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CHAIR

COMMITTEE	**GOVERNANCE AND AUDIT COMMITTEE**
DATE	**26 NOVEMBER 2026**
TITLE	**IMPELEMENTING THE DECISIONS OF THE COMMITTEE**
PURPOSE OF REPORT	**TO PRESENT AN UPDATE ON IMPLEMENTING THE COMMITTEE'S PREVIOUS DECISIONS**
AUTHOR	**DEWI MORGAN, HEAD OF FINANCE**
ACTION	**FOR INFORMATION**

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1. INTRODUCTION

1.1 The purpose of this report is to outline how Council departments have responded to the decisions of the Governance and Audit Committee, so that members can receive assurance that their decisions are being addressed.

1.2 This contributes to reassuring members that the Council's governance is operating effectively.

1.3 This item is an opportunity for all members of the Governance and Audit Committee to consider the decisions made. Where the action has been completed, or where further action was not necessary, the line is removed from the table after the Committee has considered the matter.

ACTION SHEET

2. Decisions since establishing the new Council (May 2022)

Meeting of 16 January 2025

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
WALES AUDIT OFFICE REPORTS – 'LOCAL GOVERNMENT FINANCIAL SUSTAINABILITY' AND 'FINANCIAL SUSTAINABILITY REVIEW – CYNGOR GWYNEDD'	• To accept the National and Local reports • To accept the Council's response to the recommendations	Following the receipt of support and CIPFA guidelines, the Response Work Programme is to be presented to the Committee by March 2026. Performance reports will be presented to Scrutiny Committees to show that the statutory requirements are being met.	Head of Finance	The report's recommendations have been taken into account in the review of the Medium-Term Financial Plan. That will be reviewed over the next few months and an update to the MTFP will be presented to the November 2026 meeting of the Committee, which will address remaining issues.	**No**

Meeting of 15 January 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
COUNCIL TAX REDUCTION POLICY UNDER SECTION 13A(1)(C) OF THE LOCAL GOVERNMENT FINANCE ACT 1992	• Accept the report, noting the position and relevant risks • Welcome the Cabinet's decision to approve the Policy • Welcome that the Policy is under continuous review and can be adapted in response to any legislative changes or changes in circumstances	Reword paragraph 3.3 of appendix 2 – Equality Impact Assessment to reinforce the statement Add sustainable tourism as a priority area to paragraph 4.5, Cabinet Report	Assistant Head of Finance – Sustainability and Developments, Taxation Manager	These points will be given consideration when the Policy is reviewed That has started, with the intention of reporting to the Cabinet early in 2027.	**No – to be retained until the Policy has been formally reviewed**

Meeting of 3 February 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
URGENT MATTERS	Concern that the Internal Audit Unit does not have sufficient capacity to meet the Council's expectations	• Accept a report from the Head of Finance outlining the position and potential risks • Need assurance that the work required of Internal Audit continues to be of a high standard	Head of Finance	The service has been successful in appointing an apprentice who started with the service at the end of July. The Head of Finance has now received comparative data and will discuss making a bid for additional resources for 2027/28 with the Cabinet Member, as the bid submission period started in September. Since we are anticipating a poor settlement for 2027/28, the likelihood of success is low.	**No**

BUDGET 2026/27	• Accept the report, noting its contents • Accept the financial propriety of the proposals and the associated risks • Submit comments from the discussion for the Cabinet to consider when discussing and approving the 2026/27 Budget at its meeting on 10/02/26 • Thank the Finance Department for the thorough work in preparing the Budget • Overspending position is a concern • Concern that reserves are decreasing – welcome the harvesting exercise	C**apital bids list** • Scheme to extend the Ysgol y Faenol car park. Request from the Local Member for further details regarding the reasons for the time slippage (original date 2021) and the costs associated with the delay • Suggestion to present Council Tax information in monetary (£) terms rather than percentages (%) only • Statement by the Finance Officer: 'it is inevitable that the budget contains an element of risk from assumptions' … are there plans in place should there be a decrease in premium housing income but an increase in demand for house building?	Head of Finance	The budget was presented to the Cabinet on 10 February and approved by Full Council on 5 March. Ysgol y Faenol – see the decisions action sheet for the meeting on 9 July 2026 below. The report format will be considered when the 2027/28 Budget report is presented. Plans for the possibility of a reduction in Premium income are being considered as part of the review of the Housing Action Plan.	**No**
BUDGET 2026/27 (continued)	• Development plans / improvements to Residential Care		Assistant Head – Business and Commissioning	An update on the Housing LIN Wales report will be provided at this meeting. It	**yES**

	provision in Gwynedd – request that the findings of the Housing LIN Wales investigation be presented to the Committee			is proposed that the title of the item be amended to: “Housing Older People in Gwynedd – request for the findings of the Housing LIN Wales investigation to be presented to the Committee.	

WALES AUDIT REPORTS – TEMPORARY ACCOMMODATION, A LONG-TERM EMERGENCY?	• Accept the Wales Audit Office National Report • Accept the Council's organisational response to the recommendations: -A1 Value for Money -A2 Planning for Prevention -A3 Partnership Working • Welcome the good work being undertaken by the Homelessness Unit • Request a report providing an update on the pilot work being undertaken by the Council to bring empty homes back into use • Receive an update on the progress of the organisational response plan	• Request a report providing an update on the pilot work being undertaken by the Council to bring empty homes back into use • Receive an update on the progress of the organisational response plan	Head of Finance Homelessness and Support Manager, Assistant Head of Business	In line with the new arrangements, an update on progress with the organisational response will be presented to the Committee following the agreed completion date for the work in March 2027.	**No**

Meeting of 21 May 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
FINAL ACCOUNTS 2025/26 – REVENUE OUTTURN	• Receive the report and note the relevant risks	• Invite the Heads of those Departments that are overspending to the Committee to report on the overspend • That a report be submitted to the Committee on Article 4 legal costs	Head of Finance	These reports will be scheduled during the year as appropriate	**No**
WALES AUDIT OFFICE REPORTS	• Accept the national reports • Accept the Council's response to the recommendation in the report *"Building Blocks? Capital Planning in Welsh Councils"* – *'Councils should review their capital planning*	• Request to present an Asset Management Plan to the Committee	Senior Executive Manager	An update will follow a review of the Asset Management Plan during 2026/27.	**No**

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
	arrangements in order to identify and implement opportunities for improvement'				
SPECIAL AUDIT REPORT UPDATE – HOME CARE	• Accept and note progress on the Council's Home Care arrangements • A further update is required in 6 months on the progress and success of the work programme • That there's a need to look at standardizing pay across every sector – this is key if Gwynedd Council wants to keep offering quality care	• Received without objection	Assistant Head – Business and Commissioning	Further Update in six months (January 2027).	**No**

Meeting of 9 July 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
CYNGOR GWYNEDD ANNUAL GOVERNANCE STATEMENT 2025/26	• Accept the amendment to the likelihood score for the Engagement risk (from 3 to 4). • Accept the draft Annual Governance Statement. • Approve the Statement and recommend that it be signed by the Council Leader and the Chief Executive.	• Include in the work programme that the Chair of the Governance and Audit Committee is invited to attend the Governance Arrangements Assessment Group when relevant. • Consider rescoring the Legality risk area following a recent court case. A clause relating to the Article 4 case should be added to the Statement. • Consider splitting the Finance risk area into two separate categories: "Overspending due to underfunding" and	Head of Finance	• The Leader of the Council and the Chief Executive have signed the Statement and it has been included with the Statement of Final Accounts as a separate item on the Committee's agenda. • The invitation to the Chair was discussed at the Governance Group meeting on 21 September. • The legality risk score has been considered by the relevant officers in the context of the governance arrangements in place to protect against members	**No**

		"Lack of financial control". • Reference the internal review to improve Council Tax collection arrangements and provide an update to the Committee. • Apprenticeship Scheme – request a report containing information on the success of the scheme and assurance that it contributes to future workforce plans. • Request that the Monitoring Officer attend Committee meetings.		or officers deliberately breaking the law, which is the description of this risk. •Update to the committee on improvements to the Council tax collection arrangements in February 2027. •Presentation of a report on the successes of the apprenticeship scheme.	

Meeting of 29 September 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
IMPLEMENTING THE COMMITTEE'S DECISIONS	• Improving Council Tax Collection Arrangements – need to schedule an update on the matter for the Committee's forward program. • Capital Bids – plan to expand the Faenol School car park. Application from the Local Member regarding costs associated with the slide.	Unanimously approved	Head of Finance	• Update scheduled for February 2027. • This information was presented to the Committee on 22 October.	**Yes**

Meeting of 22 October 2026

Item:	Decisions / Observations:	Actions:	Responsible Officer:	Update or Completion Date:	Can be removed from the Action Sheet?
IMPLEMENTATION OF COMMITTEE DECISIONS	• Receive the contents of the report.		Head of Finance		**Yes**
RESPONSE PLAN PROGRESS UPDATE: JUSTICE THROUGH OUR COURAGE	• Received without objection.		Statutory Director of Social Services		**Yes**
RECOMMENDATIONS ARISING FROM THE PERFORMANCE ASSESSMENT PANEL - DRAFT COUNCIL RESPONSE	• Accept the draft response to the Report, noting that no changes are recommended to the response. • Welcome an update in 12 months on progress in implementing the recommendations.		Council Business Support Services Manager	Update in 12 months	**No**
CYNGOR GWYNEDD SELF-ASSESSMENT 2025/26	• Receive the contents of the report. • Recommend that the Council consider		Council Business Support		**Yes**

	consulting Gwynedd residents on Council Tax. • Recommend adding "staff sickness" to the risk register in response to the increase in sickness absence.		Services Manager		
FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026 AND THE RELATED AUDIT	• Accept and approve the ISA260 Report from Audit Wales for Gwynedd Council. • Accept and approve the Statement of Accounts 2025/26 (post-audit). • Authorise the Vice-Chair of the Committee together with the Head of Finance to certify the Letter of Representation electronically. • Congratulate the officers on achieving an unqualified audit opinion. • Thank Audit Wales for their good collaboration.		Audit Wales		**Yes**
FINAL ACCOUNTS OF THE GWE JOINT COMMITTEE FOR THE YEAR ENDED 31	• Approve the Joint Committee's Final Accounts for 2025/26. • Receive the ISA260		Audit Wales		**Yes**

MAY 2025 AND RELATED AUDIT	Report from Audit Wales for the GwE Joint Committee. • Approve the 2025/26 accounts. • Authorise the Vice-Chair of the Governance and Audit Committee to sign the Letter of Representation for GwE. • Congratulate the officers on achieving an unqualified audit opinion. • Thank Audit Wales for their good collaboration.				
CAPITAL PROGRAMME 2026/27 – END OF AUGUST 2026 REVIEW	• Receive the report and note the information.		Head of Finance		**Yes**
TREASURY MANAGEMENT QUARTERLY UPDATE	• Receive the report for information.		Head of Finance		**Yes**
INTERNAL AUDIT OUTPUT	• Receive the report. • Support the actions already agreed with the relevant Services.		Audit Manager		**Yes**

CONTROL IMPROVEMENT WORKING GROUP REPORT	• Receive the report for information.		Head of Finance		**Yes**
INTERNAL AUDIT PLAN 2026/27	• Receive and note the contents of the report as a progress update against the 2026/27 Audit Plan.		Audit Manager		**Yes**
CYNGOR GWYNEDD ANTI-FRAUD, ANTI-BRIBERY AND ANTI-CORRUPTION STRATEGY AND RESPONSE PLAN	• Receive the contents of the report on the Council's arrangements for investigating and preventing fraud and corruption within the organisation. • Approve the Anti-Fraud, Anti-Bribery and Anti-Corruption Strategy and the Fraud and Corruption Response Plan.		Head of Finance		**Yes**
AUDIT WALES REPORTS: 'USING DATA WHEN PLANNING ADULT RESIDENTIAL CARE SERVICE BUDGETS' AND WORK PROGRAMME 2026	• Receive the report and the 2026 Work Programme.		Council Business Support Services Manager		**Yes**

COMMITTEE FORWARD WORK PROGRAMME	• Receive the work programme for November 2026 to October 2027. • Asset Management Plan: request for the report to be presented to the November meeting rather than the February 2027 meeting.		Head of Finance	The Chair has granted permission for the Senior Executive Manager to present the item in February 2027 due to other commitments in November 2026.	**No**

3. RECOMMENDATION

3.1 The Governance and Audit Committee is asked to:

- **Consider the contents of the action schedule above and offer comments**
- **Agree to remove from the schedule those items identified as suitable for deletion**

MEETING:	**GOVERNANCE AND AUDIT COMMITTEE**
DATE:	**26 NOVEMBER 2026**
TITLE:	**SAVINGS OVERVIEW: PROGRESS REPORT ON REALISING SAVINGS SCHEMES**
PURPOSE:	**Report on the Latest Position**
ACTION:	**Receive the information, consider the general risks arising from the savings slippages**
CABINET MEMBER:	**COUNCILLOR HUW WYN JONES**
CONTACT OFFICER:	**FFION MADOG EVANS, ASSISTANT HEAD OF FINANCE**

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1. In accordance with the requirements of the Local Government (Wales) Measure 2011, the Governance and Audit Committee is expected to scrutinise some financial matters as appropriate.

2. The attached report (Savings Overview: Progress report on realising savings schemes) will be submitted to the Cabinet on 10 November 2026.

3. The Cabinet Member for Finance, and the Chairman of the Governance and Audit Committee have asked us to present this report to the Governance and Audit Governance Committee to be scrutinised.

4. The Governance and Audit Committee is requested to note the position and the relevant risks regarding the Savings Overview, consider the decisions for the Cabinet and comment as necessary.

Appendices:
Cabinet Report 10/11/2026: Savings Overview: Progress report on realising savings schemes

CYNGOR GWYNEDD –Report to Cyngor Gwynedd's Cabinet

Subject:	**Savings Overview: Progress Report on Realising Savings Schemes**
Cabinet Member:	**Councillor Huw Wyn Jones, Cabinet Member for Finance**
Contact officer:	**Ffion Madog Evans, Assistant Head of Finance - Accounting and Pensions**
Date:	**10 Tachwedd 2026**

1. The decision sought

1.1 To accept the information in the report and to note the progress towards realising the savings schemes for 2026/27 and previous years.

1.2 Approve the removal of savings worth £925,600 by using the specific provision that was set aside in the budget to fund it.

2. The reason why it is necessary that the Cabinet makes the decision

2.1 Realising the individual schemes is the responsibility of relevant members of the Cabinet, who challenge the performance of the departments including the progress of the savings schemes. It is the responsibility of the Cabinet Member for Finance to keep an overview of the whole picture.

3. Introduction and Rationale

Background / Introduction

3.1 This report provides an overview of the Council's savings' situation for 2026/27 and previous years following a review of the situation at the end of August 2026.

3.2 In the 2026/27 Budget report to the Full Council on 5 March 2026, it was reported that savings of £583k were profiled for the 2026/27 budget. Savings to the value of £240k was approved by the Cabinet on 11 February 2025, whilst £343k are savings schemes approved in previous years, but related to the 2026/27 financial year.

4. Rationale and justification for recommending the decision

Reassessing savings

4.1 The Council has financial planning arrangements in place that have already identified significant efficiency savings over recent years to minimise service cuts for Gwynedd residents. However, in recent years there have been difficulties in realising savings in some areas, most evidently seen in the Adults, Health and Well-being Department and in the Waste area.

4.2 Following the inability of some departments to realise savings in some areas, a corporate savings provision of £1.3m was put in place when setting the budget, to enable the removal of savings schemes should the need arise and to respond to the risk of failure to deliver certain savings schemes.

4.3 Following a recent review of savings schemes to assess which ones were no longer achievable, it is recommended that part of the provision be used to delete the savings. A programme has been drawn up to delete £925,600 worth of schemes that could not be delivered.

4.4 **Appendix 1** lists the schemes worth £925,600 which are to be deleted, and Table 1 below summarises the savings per Department.

Table 1: Savings to be deleted per Department

Department	Savings to be deleted £	No of schemes
Highways, Engineering and YGC	190,000	*2*
Adults, Health and Well-being	535,600	*4*
Environment	200,000	*3*
Total	**925,600**	***9***

4.5 The report will focus on the savings situation following the deletion of the savings schemes in part

5. Departmental Savings Schemes 2025/26

5.1 Based on the position of the August 2026 review for the 2025/26 financial year, a total value of £3.1m has been profiled for the year. Of this, a **total of nearly £2.6m or 83%, has**

been realised. There has been a slippage in the realisation of two schemes worth £40k, while there are some risks of achieving savings totalling £486k.

6. Departmental Savings Schemes 2026/27

6.1 Of the schemes with a total value of £533k profiled for 2026/27, **£242k or 45% has already been realised**, and a further £91k on track to be realised on time. The Environment Department anticipates some risks regarding the realisation of one scheme in the Waste area, which is worth £200k.

7. Historical Departmental Savings Schemes 2015/16 – 2026/27

7.1 **Appendix 2** summarises each department's achievement against their savings targets of **£34.037 million** for the period 2015/16 – 2026/27 based on the August 2026 review. **It can be reported that £34.018 million, or 99.9% of these schemes have been realised**, but the risk of realising one of the savings' schemes remains.

7.2 The one scheme that has not been realised by the Economy and Community Department which is at risk to be delivered (£20k), the income target for the Neuadd Dwyfor scheme has been reduced from £100k to £20k on a temporary basis for 2025/26 and 2026/27, to allow time to identify opportunities for implementation. A sum of £80k per year, for a period of two years, will be covered by the Council's Savings Provision.

8. Departmental Savings Schemes 2023/24 – 2026/27

8.1 **Appendix 3** summarises each department's achievement against the savings target for the period 2023/24 - 2026/27 **which totals almost £15.7 million,** based on the August 2026 review. **It can be reported that £14.6 million, or 93% of these schemes have already been realised, with a further £91k, or 0.6% on track for full and timely delivery.**

8.2 Two schemes, with a total value of £91k are on track to be fully realised and on time, while there is a slippage on three schemes totalling £86k which were scheduled to be realised during 2024/25 and 2025/26, but the departments do not foresee any problems to realise. At present, there are some anticipated risks regarding the realisation of savings schemes worth nearly £856k which includes one scheme from the Education Department (£25k), four schemes from the Environment Department (£760k), and one scheme from the Highways, Engineering and YGC Department (£71k).

9. Departmental Savings Schemes 2027/28 onwards

9.1 With only one scheme worth £98.5k from the Education Department profiled for 2027/28, it is premature to report on the status of this scheme at this time.

9.2 The Medium-Term Financial Plan will be presented to the Cabinet in due course, which will consider the financial gap for 2027/28 and the intention in terms of responding to the financial situation facing us as a Council, with the aim of setting a balanced budget for 2027/28.

10. Conclusion

10.1 It can be reported that a total of over £49 million of savings have been realised since 2015/16, which is 98% of the £50 million required over the period. Realising the savings has inevitably been challenging, and I am grateful to all the departments and the Cabinet Members for ensuring this success.

10.2 The table below summarises the latest position of the savings schemes since April 2015 with 98% of all schemes realised.

Table 2: Summary of the status of all savings schemes since April 2015

Status of Savings	Portal	£m	%
Have realised	1	48.6	97.9
On track to achieve savings in full and on time	2	0.1	0.2
Slippage/Delay, but moving forward	3	0.1	0.2
Some risks to achieve - slip or fail	4	0.9	1.7
Significant risks to realise in full or partially	5	0.0	0.0
Total savings		**49.7**	**100**

10.3 Since the start of the period for the Council to find savings back in 2010/11, it can be reported that a total of nearly £72.5 million in savings has been realised, which is 98.4% of the £73.6 million required over that period.

10.4 I therefore ask the Cabinet to note the achievement outlined in this report towards realising the savings schemes. Further to this, delete the savings schemes worth a total value of £925,600.

11. Next steps and timetable

11.1 Implement the recommendations stated in this report and submit a follow-up report to the Cabinet following a review of the situation at the end of November 2026.

12. View of the Statutory Officers

12.1 Head of Finance

I have collaborated with the Cabinet Member in the preparation of this report and I confirm the content.

12.2 Monitoring Officer

No observations to add in relation to propriety

Appendices:

Appendix 1 - Savings Schemes to be deleted per Department

Appendix 2 - Overview of Historical Savings Schemes 2015/16 - 2026/27 per Department

Appendix 3 - Overview of Savings Schemes 2023/24 - 2026/27 per Department

APPENDIX 1

SAVINGS SCHEMES TO BE DELETED PER DEPARTMENT

Department	Scheme	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
		£	£	£	£	£	£	£	£	£
Highways, Engineering and YGC	Improving efficiency/rationalising highways depot sites						60,000			60,000
	Restructuring the Highways Service							130,000		130,000 *
Highways, Engineering and YGC Total		-	-	-	-	-	**60,000**	**130,000**	-	**190,000**
Adults, Health and Well-being	Integrating and transforming Older People's Services	185,600								185,600 *
	Residential and Nursing Homes: Helping 20 individuals to continue living in the community (rather than in a residential care home) over time							50,000	50,000	100,000
	Developing 3 further Extra Care Housing projects in Gwynedd (Pwllheli, Ffestiniog, and South Meirionnydd areas)							200,000		200,000
	Older People's Homes: Looking at arrangements for preparing second choice meals in care homes							50,000		50,000
Adults, Health and Well-being Total		**185,600**	-	-	-	-	-	**300,000**	**50,000**	**535,600**
Environment	Rationalisation of departmental support arrangements						50,000			50,000 *
	Waste Service - Allow certain types of commercial companies to use the recycling centres						50,000			50,000
	Waste Services - Better management of debts from commercial customers, marketing Commercial Services - increasing income and Increasing income through the collection of Commercial Waste from holiday accommodation						100,000			100,000 *
Environment Total		-	-	-	-	-	**200,000**	-	-	**200,000**
Total Savings to delete										**925,600**

** partial deletion*

APPENDIX 2

OVERVIEW OF HISTORICAL SAVINGS SCHEMES FOR 2015/16 TO 2026/27 PER DEPARTMENT

TABLE 1
SCHEMES THAT HAVE REALISED

Department	Total Savings 2015/16 to 2026/27 £	Schemes that have realised £	Percentage of schemes that have realised
Education	1,659,740	1,659,740	100%
Schools	4,331,620	4,331,620	100%
Environment	2,972,463	2,972,463	100%
Corporate Services	2,569,218	2,569,218	100%
Finance	1,881,636	1,881,636	100%
Economy and Community	2,916,422	2,896,422	99.3%
Adults, Health and Well-being	6,409,381	6,409,381	100%
Children and Supporting Families	2,318,908	2,318,908	100%
Highways, Engineering and YGC	6,531,580	6,531,580	100%
Corporate Management Team and Legal	403,240	403,240	100%
Housing and Property	843,230	843,230	100%
Sub-total	**32,837,438**	**32,817,438**	100%
Managerial Savings	1,200,360	1,200,360	100%
TOTAL	**34,037,798**	**34,017,798**	99.9%

TABLE 2
SCHEMES YET TO BE REALISED

Department (no. of schemes)	2025/26 £	2026/27 £	Total £
Economy and Community (1 scheme)	20,000	0	20,000

Head of Finance's comments:

Due to the risk of not being able to implement the savings of the Neuadd Dwyfor scheme, it was decided to reduce the income target from £100k to £20k for 2025/26 and 2026/27, in order to give time to identify opportunities to implement.

APPENDIX 3

OVERVIEW OF NEW SAVINGS SCHEMES FROM 2023/24 TO 2026/27 PER DEPARTMENT

Department	Total of new savings from 2023/24 to 2026/27		Realised Schemes		Schemes on track to be completed on time		Schemes slipping and schemes with some risks of achieving the savings		Head of Finance's comments
	£ - *number*		£ - *number*		£ - *number*		£ - *number*		
Education	1,555,010	*35*	1,530,270	*34*	-		24,740	*1*	The department anticipates some risks of realising the savings of 1 scheme namely *Transfer of Maesgeirchen Youth Center to Maes NI Community Hub* (£25k).
Schools	1,966,100	*1*	1,966,100	*1*	-		-		The one scheme for the period has been achieved.
Environment	2,147,380	*36*	1,387,380	*32 **	-		760,000	*4*	The department anticipates some risks of realising the savings of 4 schemes worth a total of £760k which includes *Rationalisation of departmental support arrangements* (£100k), *savings in Waste services* (2 schemes worth a total of £330k) and *Commercial Waste services* (£330k).
Corporate Services	865,620	*30*	865,620	*30*	-		-		The schemes for the period have all been achieved.
Finance	873,430	*21*	833,430	*19 **	-		40,000	*2*	There has been a slippage on 2 schemes namely *Restructuring of the Income Unit,* with a balance of £20k yet to be realised and *Setting an income target for the Payroll Unit to reflect work undertaken for other agencies* , worth £20k.
Economy and Community	648,780	*41*	648,780	*41*	-		-		The schemes for the period have all been achieved.
Adults, Health and Well-being	2,491,860	*19*	2,491,860	*19*	-		-		The schemes for the period have all been achieved.
Children and Supporting Families	308,140	*8*	308,140	*8*	-		-		The schemes for the period have all been achieved.
Highways, Engineering and YGC	1,459,940	*23*	1,251,940	*19*	91,000	*2*	117,000	*2*	Two schemes, with a total value of £91k, are on track for a full and timely delivery this year. The department anticipates risks of realising one scheme namely *Reducing resources by combining the Ground Maintenance Service with the Street View Service scheme* (£71k). There has been a slippage from 2024/25 regarding one scheme: *Changing the order for rural upland/frequency/vertical cutting and the timing relative to the growing season* (£46k).
Corporate Management Team and Legal	161,190	*8*	161,190	*8*	-		-		The schemes for the period have all been achieved.
Housing and Property	780,350	*14*	780,350	*14*	-		-		The schemes for the period have all been achieved.
Managerial Savings	2,400,000	*1*	2,400,000	*1*	-		-		The one scheme for the period has been achieved.
TOTAL	**15,657,800**	***237***	**14,625,060**	***226***	**91,000**	***2***	**941,740**	***9***	**In financial terms (£), 93% of the 2023/24 to 2026/27 savings schemes have already been realised and nearly a further 1% are on track to be delivered on time by the end of the financial year.**

** schemes with different status splits in the years they have been profiled*

MEETING:	**GOVERNANCE AND AUDIT COMMITTEE**
DATE:	**26 NOVEMBER 2026**
TITLE:	**REVENUE BUDGET 2026/27 – END OF AUGUST 2026 REVIEW**
PURPOSE:	**Monitoring Report on the Latest Financial Position**
ACTION:	**Receive the information, consider the risks arising from the forecast expenditure against the budget, and scrutinise the decisions to be presented to Cabinet regarding budget management by the Council and its departments**
CABINET MEMBER:	**COUNCILLOR HUW WYN JONES**
CONTACT OFFICER:	**FFION MADOG EVANS, ASSISTANT HEAD OF FINANCE**

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1. In accordance with the requirements of the Local Government (Wales) Measure 2011, the Governance and Audit Committee is expected to scrutinise some financial matters, including budget monitoring reports, as appropriate.

2. The attached report (Revenue Budget 2026/27 – End of August 2026 Review) was submitted to the Cabinet on 10 November 2026.

3. The Cabinet Member for Finance and the Chairman of the Governance and Audit Committee have asked us to present this report to the Governance and Audit Committee to be scrutinised.

4. The Governance and Audit Committee is requested to note the situation and the relevant risks regarding the budgets of the Council and its departments, consider the decisions for the Cabinet and comment as necessary.

Appendices:
Cabinet report 10/11/2026: Revenue Budget 2026/27 – End of August 2026 Review

CYNGOR GWYNEDD - Report to Cyngor Gwynedd Cabinet

Item title:	Revenue Budget 2026/27 – End of August 2026 Review
Cabinet Member:	Councillor Huw Wyn Jones, Cabinet Member - Finance
Relevant officer:	Ffion Madog Evans, Assistant Head of Finance Department - Accountancy and Pensions
Date of meeting:	10 November 2026

Summary

- *A budget deficit of £9.8 million is forecast for the 2026/27 financial year.*
- *Four of the Council's departments are suffering from a budget deficit above the £100,000 threshold with expenditure in the fields of children's extra-county placements, waste, residential and domiciliary care, post-16 care and the Derwen service, above their allocated budget.*
- *Parking and highway income targets are not being met.*
- *Council tax yield and council tax premium £5.3 million below this year's budget.*
- *The Chief Executive has already held an urgent meeting with all relevant heads of department to gain a better understanding of the issues in the departments and a clear programme to respond including continuing to push to achieve savings. However, a deficit in demand is the obvious reason for the vast majority of the budget deficit and managing that is beyond the Council's ability.*
- *It is anticipated that the Council's reserves will need to be used at the end of the financial year to fund the almost inevitable financial deficit. The Cabinet will then need to decide which funds will be appropriate to use, based on the recommendations of the Statutory Finance Officer. This year, particular attention will have to be paid to the significant impact of housing transfers from tax and premium paying properties to properties subject to non-domestic rates.*

1. The decision sought

That the Cabinet:

1.1 Accepts the report noting that there are forecasts of a significant budget deficit for 2026/27 in the Children and Families Department and the Adults, Health and Well-being Department, with a deficit to a lesser extent in the Environment and Highways Departments as well.

1.2 Approve additional financial support above the contractual payment to Cwmni Byw'n Iach to be funded from the transformation fund, delegating the right to the Cabinet Member for Economy in consultation with the Cabinet Member for Finance, the Chief Executive and

the Head of Finance to agree on the amount of the final financial support above the contractual payment with Byw'n Iach at the end of the financial year.

1.3 Approve funding of the £1.006 million above budget expenditure in the field of Waste using £1.006 million from the Producer Extended Responsibility Fund for packaging materials.

2. The reason why the Cabinet needs to make the decision

2.1 The purpose of this report seeks to provide a trajectory of the revenue position by the end of the financial year. Therefore, the amounts noted below are an estimate of what we are projecting by March 2027 and they are not amounts that represent the deficit in today's budget.

2.2 It is the Cabinet's responsibility to take action, as necessary, to secure appropriate control over the Council's budgets (e.g. approval of significant virements or supplementary budgets).

3. Introduction and Rationale

Background / Introduction

3.1 This report presents the end of August 2026 review of the Council's revenue budget for the 2026/27 financial year, and a summary of the situation per Department is outlined in **Appendix 1**. The current projections suggest that four of the departments will have a significant budget deficit by the end of the year. The main deficit is anticipated in:

- Adults, Health and Well-being Department - Residential Homes and Domiciliary Care
- Children and Families Department – Out-of-county placements, Post-16 and Derwen
- Environment Department - Waste and Parking
- Highways, Engineering and YGC – Highways and Municipal

3.2 Below, and in **Appendix 2,** further details are provided relating to the main issues and headings where a budget deficit is projected, as well as specific recommendations, where appropriate.

4. The reasoning and justification for recommending the decision

The Savings Situation

4.1 In the 2026/27 Budget report to the Full Council on 5 March 2026, it was reported that £583k worth of savings had been profiled for the 2026/27 budget. The budgets have been reduced by this amount; therefore, the situation is reported upon after considering the savings.

4.2 Regular reports, twice a year, are submitted to the Cabinet and the Governance and Audit Committee providing an update on the realisation of savings, and over the past few years we have reported on risks to achieving savings. Following a recent review of the savings schemes, it is recommended that £925,600 worth of savings be erased as they are no longer achievable.

4.3 The latest on savings is that £242k – which is 45% of the relevant £533k to the 2026/27 financial year – has already been realised, with a further £91k on track to be realised in a timely manner. This means that almost £49 million, which is 98% of all revised savings schemes since 2015, have now been realised, which is a total of £72.5 million savings since 2010/11.

5. Council Departments

5.1 Adults, Health and Well-being Department

Over £3.3 million in additional permanent funding was allocated to the Department for the 2026/27 budget onwards. Latest projections suggest that if there is no change during the year, there will be a budget deficit of £2.3 million by the end of the financial year. There have been increasing pressures on residential and nursing care and also on domiciliary care. Staff costs above budget levels are issues in the provider services. Following a review of the department's savings, £536k worth of unrealised problematic savings were erased, while several other savings schemes have recently been realised by the department.

The increase in demand continues to follow what was predicted and warned in Llechen Lân and is likely to continue for years to come.

5.2 Children and Families Department

There has been a further increase in the number of individuals needing specialist care both within and outside the county and that care is costly, which is £5.7 million above budget. Further to this, there has been an increase in the provision of care for children with disabilities in the county through the services of Derwen and Hafan y Sêr and also by the Post-16 service. It is anticipated that there will be a budget deficit of around £6.5 million by the end of the financial year if there is no change in what is provided during the year.

5.3 Education Department

Pressures in the field of school transport on the additional learning needs element, but its impact is reduced by underspending including grant receipt in other fields. The Department intends to balance the department's financial position by the end of the year by making use of funds from a departmental reserve.

5.4 Byw'n Iach

Over the last few years, the Byw'n Iach company has received financial support from the Council above the contractual payment of the provider contract to enable them to maintain their services. This additional support has decreased over the years with the amount being £550k in 2022/23, £308k in 2023/24, £281k in 2024/25 and £269k in 2025/26. It is anticipated that the demand for financial support will continue in 2026/27 but that the amount required will have reduced to £115k by the end of the year. This movement in the right direction is to be welcomed.

5.5 Highways, Engineering and YGC Department

A budget deficit of £329k is anticipated by the department by the end of the year. A reduction was seen in the work being commissioned by external agencies which is having a negative impact on the income of the highways services. In the Municipal Service, there is a combination of factors, including additional pressure on the budgets of cleaning public toilets. While income losses are issues for land maintenance and public toilets. Unrealised savings contribute to the financial position.

5.6 Environment Department

A budget deficit of around £467K is forecast by the end of the year, including an income deficit on parking income whilst the annual trend of overspending in the waste field continuing and responsible for £1 million of the departmental financial pressure. The Department has several schemes in place to address the financial position, but in order to achieve the final step over the next year there will be a need to complete a restructure of the Waste Service and further operational changes. Unrealised savings worth £760k contribute to the department's financial position and timely decisions will be needed if some of these are to be achieved and the financial burden on the department is to be reduced.

The department intends to make use of new income to make up for any shortfall in this year's waste budget, with the money deriving from a levy on packaging materials for producers and retailers, to promote recycling by the companies that create this waste.

5.7 Housing and Property Department

It is anticipated that the department as a whole will underspend (£49k) at the end of the financial year. Following years of significant pressure on the emergency accommodation service, all deliberate interventions by the service have resulted in a reduction in expenditure on the field, down to £5.4 million this year compared to £6.1 million in the last two years. While an additional one-off allocation of £800k was earmarked for emergency accommodation in 2026/27, it is not anticipated that there will be further demand for the provision and therefore the funds can be returned on a corporate level.

The council tax premium funded £4.2m of the emergency accommodation budget in 2026/27.

5.8 Corporate

The latest forecasts suggest that council tax yields and council tax premiums will be £5.3 million lower than the budget this year. The Valuer's Office allowed a significant number of properties to transfer from council tax to non-domestic rates during the year, with 361 properties transferred to the end of August (283 in 2025/26). There was also a decrease of 246 in the number of premium second homes to the end of August (74 in 2025/26). There has also been a decrease of 185 in the number of properties transferring from non-domestic rates to council tax (618 in 2025/26). The loss is further intensified in 2025/26 as applications are backdated by a few years, so the impact of several years goes against the financial situation this year. In light of the recent reduction in tax yields, the impact of this will soon receive consideration in the context of funding the commitments from the council tax premium.

Contrary to this picture, there are better forecasts on other Corporate headings including higher income and grant receipts, favourable impact of historic loan repayment, return of bid funds that are not fully utilised this year, reduction in overall capital costs along with less pressure on a number of various budgets. Considering Corporate as a whole, pressures are forecast to be £408k above budget.

It is anticipated that the Council's reserves will need to be used at the end of the financial year to fund the financial deficit.

6. Conclusion

6.1 Following a review at the end of August, a budget deficit of £9.8 million is forecast in order to continue to meet the increasing demand for services for the rest of the year based on the information that we currently have. The figure is based on a budget deficit of £9.4 million by the departments and a further £0.4 million on corporate budgets.

69%, which is £6.5 million of it, derives from the increasing demand for children's services, mainly on out-of-county placements.

It is anticipated that four of the Council's departments will be spending significantly above budget by the end of the year, with an increase in demand seen in several other fields including adult care and transport in the field of additional learning needs in schools.

The Chief Executive has already held an urgent meeting with all relevant heads of department to gain a better understanding of the issues in the departments and a clear programme to respond including continuing to push to achieve savings.

Given the latest overspending forecasts, it is recommended that it is appropriate that action to freeze unavoidable expenditure be implemented for the remainder of the financial year. Nevertheless, it is anticipated that the Council's reserves will need to be used at the end of the financial year to fund the almost inevitable financial deficit. The Cabinet will then need to decide which funds will be appropriate to use, based on the recommendations of the Statutory Finance Officer. This year, particular attention will have to be paid to the significant impact of housing transfers from tax and premium paying properties to properties subject to non-domestic rates.

7. Next steps and timetable

7.1 A report outlining the situation at the end of November will be submitted to the Cabinet in January 2027.

8. Observations of the Statutory Officers

8.1 Chief Finance Officer

I have worked with the Cabinet Member to prepare this report and I confirm the content.

8.2 Monitoring Officer

No comments to add from a propriety perspective.

Appendices:

Appendix 1 - Summary of departmental budgets' net positions

Appendix 2 - Details of budgets and the significant variances

Revenue Budget 2026/27 - Summary of the position per Department

	End of August Review			
	2026/27 Proposed Budget	Gross Estimated Over / (Under) Spend 2026/27	Recommended Adjustments	Estimated Adjusted Over / (Under) Spend 2026/27
	£'000	£'000	£'000	£'000
Adults, Health and Well-being	91,344	2,273	0	2,273
Children and Families	28,239	6,499	0	6,499
Business Service and Care Commissioning	3,067	(101)	0	(101)
Education	130,326	0	0	0
Economy and Community	6,635	170	(115)	55
Highways, Engineering and YGC	19,554	329	0	329
Environment	19,297	1,473	(1,006)	467
Housing and Property	15,440	(49)	0	(49)
Corporate Management Team and Legal	2,742	11	0	11
Corporate Support	13,593	(70)	0	(70)
Finance	5,489	(17)	0	(17)
Corporate Budgets *(Differences only)*	*	408	0	408
Totals (net)	341,215	10,926	(1,121)	9,805

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Adults, Health and Well-being Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Adults Services						
Management	649	542	(107)		(107)	(117)
Learning Disabilities Services	33,778	33,740	(38)		(38)	(414)
Mental Health Services	7,495	7,380	(115)		(115)	558
Older People's Services including Physical Disabilities						
Residential and Nursing - Homes	27,065	28,862	1,797		1,797	455
Domiciliary Care	13,434	13,692	258		258	(21)
Direct Payments	3,371	3,018	(353)		(353)	(334)
Others	3,846	3,939	93		93	224
	47,716	49,511	1,795	0	1,795	324
Adults Services Total	**89,638**	**91,173**	**1,535**	**0**	**1,535**	**351**
Provider Services (shows net budget)						
Residential Care	515	1,068	553		553	821
Community Care	1,191	1,395	204		204	211
Others	0	(19)	(19)		(19)	(2)
Provider Services Total	**1,706**	**2,444**	**738**	**0**	**738**	**1,030**
Closure of 2025/26 Accounts Adaption					0	(1,281)
Adults, Health and Well-being Total	**91,344**	**93,617**	**2,273**	**0**	**2,273**	**100**

Adults, Health and Well-being

Over £3.3 million in additional permanent funding was allocated to the Department for the 2026/27 budget onwards. Latest projections suggest that if there are no changes in the actions during the year, there will be a financial deficit of £2.27 million by the end of the financial year.

Department Management - underspend on staff costs as well as a grant receipt.

Learning Disability - the service received an additional budget allocation of £1.4 million in 2026/27. An underspend of (£38k) is reported, which includes a mixed situation within the services with increased pressure on the nursing home element, day services and support schemes but a decrease in pressure on direct payments. The work of reviewing care packages continues and is bearing fruit.

Mental Health - £1.2 million of additional funding was allocated to the field for 2026/27. There was less pressure on direct payments as a complex case came to an end earlier in the year and no increase was seen in residential and nursing numbers so far this year, which means that an underspend of (£115k) is forecast.

Older People - increasing demand on Residential and Nursing provision and therefore forecasts of a budget deficit of £1.8 million, with an increase in the number of cases during the year.

A £258k budget deficit on domiciliary care is forecast, with an increase in spending on private domiciliary care seen in the Porthmadog and Tywyn areas. In terms of direct payments, the numbers of cases vary between areas but ensuring the efficiency of the payments assists with the picture. In 'Others', a complex case in supported accommodation commenced during the year.

Provider Services - staff costs above budget levels are issues in residential and domiciliary care, with the use of agency staff seen in residential care.

Savings - following a review of the savings, £536k worth of unrealised problematic savings were erased, while several other savings schemes were recently realised by the department.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Children and Families Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	812	794	(18)		(18)	0
Operational	3,356	3,500	144		144	478
Placements						
Out-of-County Placements	6,916	12,605	5,689		5,689	2,011
Small Group Homes	312	480	168		168	80
Fostering through an Agency	2,014	1,996	(18)		(18)	(138)
Fostering - Internal	3,215	3,271	56		56	95
Support Services and Others	2,390	2,409	19		19	241
	14,847	20,761	5,914	0	5,914	2,289
Post-16	1,895	2,267	372		372	437
Derwen Service	3,969	4,239	270		270	443
Youth Justice	283	281	(2)		(2)	(11)
Early Years	150	20	(130)		(130)	(186)
Workforce Development Unit	245	245	0		0	0
Others	2,682	2,631	(51)		(51)	(54)
Closure of 2025/26 Accounts Adaption	0	0	0		0	(3,296)
Children and Families Total	**28,239**	**34,738**	**6,499**	**0**	**6,499**	**100**

Children and Families

An additional £791k of permanent funding was allocated to the Department for the 2026/27 budget. The latest forecasts suggest that the department will have a budget deficit of £6.5 million by the end of the financial year.

Management - one-off additional staffing costs but which are counterbalanced by the use of grants towards establishing an information system.

Operational - an additional £212k of funding was allocated for support schemes in 2026/27 but pressure remains, staffing above budget levels is seen on field workers.

Placements - a further increase was seen in the average number of out-of-county placements again this year to 41 (37 in 2025/26, 34.3 in 2024/25, 32.5 in 2023/24, 25.7 in 2022/23), with the average cost of placements now increased to £317k. There are 8 exceptional cases that cost an average of £720k a year. One new permanent case has started since the beginning of the financial year.

In In-house Fostering, the contribution from the Home Office for the unaccompanied asylum seekers receiving a service is not sufficient given the costs.

Small Group Homes - the homes are currently being established in Gwynedd with two homes now operational, and the third becoming operational during 2026/27. This in-house provision means that children can be placed in-house instead of with out-of-county external providers. The Council received grants to establish the homes as well as a contribution towards the costs of running the homes this year, but it is anticipated that the employment costs will exceed the funding available.

Post-16 - additional pressure on the service after two exceptional cases were transferred from the out-of-county service. Pressure also on the over 18 year old asylum seekers element, as the Home Office contribution is not enough to meet the costs. Staffing above the social worker budget also contributes to the over-budget spending.

Derwen - over-budget pressures on the employee element in the Short Respite Unit, grants could be used towards the costs in previous years but the source of funding is not available this year.

Early Years - grants available to fund core spending, leading to a projected underspend.

Others - staff turnover and vacant posts in the edge of care team and on the administrative side, but over-budget legal costs reduce reported underspending.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Business and Care Commissioning Service	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Support and Commissioning	1,271	1,145	(126)		(126)	(22)
Income and Finance	1,497	1,471	(26)		(26)	(57)
Preventative Services	299	350	51		51	(20)
Business and Care Commissioning Service Total	**3,067**	**2,966**	**(101)**	**0**	**(101)**	**(99)**

Business and Care Commissioning Service

Support and Commissioning - grant receipt towards the time of a number of staff associated with the significant work to implement care cases software across north Wales. It is anticipated that there will be less pressure on the budgets of supplies and services which is also contributing to the situation.

Income and Finance - a combination of underspend on staff costs in preparation for restructuring, as well as a grant receipt towards the time of staff associated with the work to implement care cases software across north Wales. For a period, two care information systems will run concurrently. The underspend is being reduced by unrealised savings schemes.

Preventative Service - additional investment in preventative equipment but the financial impact is reduced by the receipt of higher income fees for the service.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Education Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Leadership and Management	2,453	2,109	(344)		(344)	53
Devolved Schools	108,440	108,440	0		0	0
Schools Quality Service	(2,128)	(2,318)	(190)		(190)	(55)
Infrastructure and Support Services						
Transportation	8,436	8,992	556		556	0
Ancillary Services	1,512	1,575	63		63	(253)
Others	4,322	4,313	(9)		(9)	109
	14,270	14,880	610	0	610	(144)
Additional Learning Needs and Inclusion	6,102	6,093	(9)		(9)	122
Youth Service	1,114	1,122	8		8	0
Use of the Department's Underspend Fund	75	0	(75)		(75)	0
Education Total	**130,326**	**130,326**	**0**	**0**	**0**	**(24)**

Education

Leadership and Management - one-off spend on implementing a new information management system for schools to be funded from a reserve budget plus a smaller contribution to a fund than what was budgeted.

Schools Quality Service - combination of attracting grants in the field of Early Years and the Welsh Language, success in attracting income from the Business Centre and expenditure within budget.

Transport - following substantial financial pressures on transport in recent years, a budget of £896k was allocated on a permanent basis to address the pressures on the school bus and taxi field, £939k was also received on a one-off basis in 2025/26; therefore, as the funding is not available in 2026/27, pressures are anticipated on the field and specifically in the field of additional learning needs, with an above-budget expenditure objective of £556k by the end of the year.

Infrastructure and Support Services - Ancillary Service - sickness in the field of cleaning, care and catering continues, while there is a reduction in financial pressure on the care element of the breakfast clubs following the receipt of a bid for 2026/27.

Infrastructure and Support Services - Others - mixed position on the various headings including one-off costs which are reduced by underspending on other budgets.

Additional Learning Needs and Inclusion - the joint additional learning needs and inclusion service between Gwynedd and Anglesey came to an end at the end of August 2026, therefore, the service is in a transitional period during 2026/27. One-off costs are funded within the financial position per year.

To remove the reported overspend, the department uses £75k from the departmental fund.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Economy and Community Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	410	415	5		5	(11)
Community Regeneration and Support Programmes	666	658	(8)		(8)	(3)
Maritime and Country Parks	(170)	(143)	27		27	101
Byw'n Iach and Other Leisure Contracts	2,530	2,657	127	(115)	12	34
Economic Development Programmes	(79)	(79)	0		0	(4)
Marketing and Events	270	270	0		0	0
Gwynedd Libraries	1,888	1,814	(74)		(74)	(29)
Gwynedd Museums, Arts and Archives	1,120	1,213	93		93	9
Use of the Department's Underspend Fund	0	0	0		0	(49)
Use of the Department's Other Fund	0	0	0		0	(48)
Economy and Community Total	**6,635**	**6,805**	**170**	**(115)**	**55**	**0**

Economy and Community

Maritime and Country Parks - In Maritime, above-budget expenditure forecasts of £71k at Victoria Dock, Caernarfon, while the Beaches have a net income deficit of £37k, but more promising income forecasts for Hafan, Pwllheli (£54k) and Harbours of (£26k). A balanced situation in the country parks as it is intended to use any underspend on the field to fund capital schemes which are mainly funded by a grant.

Byw'n Iach and Other Leisure Contracts - the leisure provision was transferred to the Byw'n Iach Company in April 2019, but responsibility for the running costs of properties remained with the Council. Over the past few years the company has received annual financial support from the Council which was £550k in 2022/23, £308k in 2023/24, £281k in 2024/25 and £269k in 2025/26, which was above the contractual payment in the delivery contract, to enable them to maintain their services. It is projected that the financial support will continue this year and the required amount is £115k by the end of the year.

Furthermore, an overspend of £12k on the Economy and Community Department budget to run leisure facilities.

Gwynedd Libraries - underspend on staff coupled with the financial impact of the closure of two libraries for part of the year whilst significant refurbishment works take place at Caernarfon and Tywyn Libraries.

Museums, Arts and Gwynedd Archives - overspending mainly because electricity costs and lack of income account for an overspend of £52k at Neuadd Dwyfor, while above-budget staff costs coupled with a lack of income are issues at Storiel £36k and at the Lloyd George Museum £13k.

It is recommended that the Cabinet approves additional financial support for the Byw'n Iach Company at the end of the year if overspend continues, with the existing projections estimating support of £115k.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Highways, Engineering and YGC Department (including Trunk roads	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Services:						
Highways (including Trunk roads)	12,595	12,750	155		155	318
Engineering	423	441	18		18	(76)
Municipal	6,480	6,631	151		151	180
Gwynedd Consultancy	56	61	5		5	(15)
Closure of 2025/26 Accounts Adaption	0	0	0		0	(307)
Highways, Engineering and YGC Total	**19,554**	**19,883**	**329**	**0**	**329**	**100**

Highways, Engineering and YGC (including Trunk roads)

Highways Services - forecast of reduced income in an agreement by an external agency while underspending is anticipated in the field of lighting and county road management.

Engineering Services - savings to be found in the field of sewage and water pipes and minor overspend on several headings on Pont yr Aber, Caernarfon.

Municipal Services - a mixed picture which is a combination of factors including pressures on the costs of cleaning supplies and on public toilet cleaning staff, and a failure to realise £117k savings in open lands. Income losses remain as issues for land maintenance and public toilets. Underspending on wages in street enforcement, street cleaning and tidy teams reduces reported overspending.

Gwynedd Consultancy - forecasts of exceeding income from external organisations such as other councils and the Welsh Government in the field of roads and engineering whilst a shortfall in income is anticipated in the Building Service.

Savings - it is anticipated that departmental savings of £117k will not be realised and therefore contribute to the financial position.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Environment Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	854	953	99		99	172
Planning and Building Control Service	762	772	10		10	(225)
Street Care and Transport Services						
Network Management (Transportation)	308	(73)	(381)		(381)	(445)
Parking and Parking Enforcement	(2,745)	(2,243)	502		502	474
Integrated Transport	2,250	2,517	267		267	250
	(187)	201	388	0	388	279
Markets	8	14	6		6	5
Countryside and Access	887	891	4		4	18
Public Protection	2,020	1,980	(40)		(40)	(127)
Waste	14,953	15,959	1,006		1,006	1,256
Environment Total	**19,297**	**20,770**	**1,473**	**0**	**1,473**	**1,378**
Use of Parc Adfer Refinance Gain Share Reserve						**(786)**
Use of Extended Producer Responsibility for packaging Reserve				**(1,006)**	**(1,006)**	**(470)**
Closure of 2025/26 Accounts Adaption						**(22)**
Total	**19,297**	**20,770**	**1,473**	**(1,006)**	**467**	**100**

Environment

Department Management - a delay in realising savings schemes to the value of £100k as well as over-budget spending on vehicle costs.

Planning and Building Control Service - a mixed picture including lack of income remains as issues in Development Control, Building Control and Land Charges but staff turnover and vacant posts are assisting the financial situation.

Network Management (Transport) - exceeding the streetworks fees income, as well as vacant posts and further underspend on many of the budget's headings.

Parking and Parking Enforcement - following the rise in parking fees in April 2025, parking income was expected to improve but an income deficit of £529k is forecast compared to £464k in 2025/26. Vacant posts and underspending on a works budget are helping to improve the reported situation.

Integrated Transport - there was an increase in contract costs over the years and the grants received do not cover all the costs associated with transport contracts. Underspend on staff costs and on other budgets reducing the reported overspend.

Public Protection - vacant posts and less expenditure on a number of the budget headings, including on vehicle costs. Trade standards and food safety income are forecast to exceed the target but there will be a shortfall in taxi licence income.

Waste - several matters are responsible for the projected over-budget expenditure of £1.006 million, including an income deficit of £374k on commercial waste collection and an over-budget spend of £445k on several budget headings by the Waste Collection and Recycling Service. It is anticipated that spending will be above the budget of £217k at the Caergylchu treatment plant, Caernarfon.

There has been a slippage in the restructuring and introduction of changes to the field with a number of steps involved in the process. The first steps have already been implemented with the next steps to follow and as a result there is a slippage in the associated savings schemes and therefore, it is not projected that £660k worth of waste savings schemes will be realised by the end of the year.

Extended Producer Responsibility for packaging materials - new income receipt for councils which derives from a levy on packaging for producers and retailers, to promote recycling. £1.006 million is to be used in 2026/27 to meet the deficit in the waste service, with the remainder being prioritised for the waste field.

Savings - savings to the value of £760k are not being realised and are therefore contributing to the above-budget expenditure position.

It is recommended that the above-budget expenditure of £1.006 million projected by the waste service is funded by using the Extended Producer Responsibility Fund for packaging materials.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Housing and Property Department	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	735	716	(19)		(19)	(216)
Housing Services						
Homelessness	6,008	5,958	(50)		(50)	280
Private Sector Housing	486	507	21		21	17
Others	657	675	18		18	(124)
	7,151	7,140	(11)	0	(11)	173
Property Services						
Property	7,565	7,540	(25)		(25)	22
Caretaking, Catering and Cleaning	(11)	(5)	6		6	1
	7,554	7,535	(19)	0	(19)	23
Housing and Property Total	**15,440**	**15,391**	**(49)**	**0**	**(49)**	**(20)**

Housing and Property

Management -underspend on staffing costs as well as an underspend on services and supplies.

Homelessness - following years of significant pressure on the emergency accommodation service, following all deliberate interventions by the service, a reduction in expenditure is anticipated on the field, down to £5.4 million this year compared to £6.1 million in 2025/26 and 2024/25, with the current forecasts projecting an underspend of (£149k).

A permanent budget of £4.1 million has been allocated from council tax premium to emergency accommodation. Although the service received a one-off additional allocation of £800k for the additional pressures anticipated on emergency accommodation in 2026/27, it is no longer anticipated that this provision will be in demand during the year, with the funding therefore being returned on a corporate level.

Private Sector Housing - it is anticipated that there will be a shortfall in housing income fees with a number of residents, but that the financial impact will be reduced as there is staff turnover in the Enforcement field.

Housing Services, Others - one-off costs by the one-stop-shop result in forecasts of above-budget expenditure.

Property Services - staff turnover but its impact is reduced by pressures on the services and supplies budget.

Caretaking, Catering and Cleaning - additional costs on the costs of cleaners and on cleaning goods but exceeding income that assists the financial position.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Central Departments	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	2,742	2,753	11		11	(39)
Finance	5,489	5,472	(17)		(17)	(38)
Corporate Services	13,593	13,523	(70)		(70)	(20)
Central Departments Total	**21,824**	**21,748**	**(76)**	**0**	**(76)**	**(97)**

Central Departments

Corporate Management Team and Legal - forecasts of the Coroner's service costs £19k above budget, but general underspending and a vacant post for part of the year in the Corporate Management Team means that the reported financial pressure is being reduced.

Finance - a combination of staff turnover and receipt of additional income and grants assists the department to deal with software price increases above inflation levels along with the additional costs of the department's financial systems.

Corporate Services - vacant posts and staff turnover in several fields including Information Technology, with Translation and the Democratic Service projected to exceed income whilst a reduction in income is projected by the Registration service and the Print-room.

REVENUE BUDGET 2026/27- END OF AUGUST REVIEW

Corporate (Reflects variances only)	2026/27 Proposed Budget	2026/27 Estimated Position	**Estimated Over / (Under) Spend 2026/27**	Use of Other Sources or Other Adjustments Recommended	**Estimated Adjusted Over / (Under) Spend 2026/27**	Net Over / (Under) Spend Final Position 2025/26
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax and Council Tax Premium	*	*	5,277		5,277	0
Council Tax Reductions	*	*	(198)		(198)	0
Capital Costs	*	*	(289)		(289)	0
Savings Provision	*	*	(398)		(398)	0
Budgets / Bids Returned	*	*	(858)		(858)	0
Others	*	*	(3,126)		(3,126)	0
Corporate Total	*	*	**408**	**0**	**408**	**0**

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Council Tax and Council Tax Premium - the latest forecasts suggest that council tax yields and council tax premiums will be £5.3 million lower than the budget this year due to several factors, which include:
- the Valuer's Office allowed a significant number of properties to transfer from council tax to non-domestic rates to the end of August 2026, namely 361 properties, which is 35% higher than last year's figure (283 in 2025/26, 189 in 2024/25, 193 in 2023/24).
- there was a decrease of 246 in the number of premium second homes to the end of August 2026, (a decrease of 74 in 2025/26, an increase of 387 in 2024/25).
- there was a decrease in the number of properties transferring from non-domestic rates to council tax compared to previous years, namely 185 properties to the end of August 2026 (618 in 2025/26, 692 in 2024/25, 381 in 2023/24).

The loss has been intensified as the applications are backdated by a few years, therefore the impact of several years goes against this year's financial position.

In 2026/27, £14.5 million of council tax premium was earmarked, of which £8.1 million is for the Housing Strategy, a further £4.7 million for the Homelessness field along with £1.7 million for other commitments.

Council Tax Reductions - following a campaign to target different groups to increase the number of applications, an increase was seen in the number who claim the reduction in Gwynedd compared with the trend in previous years, but it is anticipated that it will be within the budget position.

Capital Costs - reduction in capital costs as there was no need for external borrowing, therefore avoiding the associated costs.

Savings Provision - corporate provision has been established following the inability of some departments to realise savings in certain fields. A recent review saw £926k worth of problematic savings erased, namely £536k in the Adults, Health and Well-being Department, £190k in the Highways, Engineering and YGC Department and £200k in the Environment Department.

Budgets / Bids Returned - bids that had not been used in full this year were returned by the departments, including £800k from the emergency accommodation field.

Others - a combination of reasons including the favourable impact of historic loan repayment, exceeding income and grant receipt, including the additional element of teacher inflation from September 2026 onwards as it is expected to be funded by the Government. Furthermore, the demand on the provision is not anticipated to be as high as what was projected when setting the budget.

MEETING:	**GOVERNANCE AND AUDIT COMMITTEE**
DATE:	**26 NOVEMBER 2026**
TITLE:	**TREASURY MANAGEMENT 2026-27 MID YEAR REVIEW**
PURPOSE:	**CIPFA's Code of Practice recommends that a report on the Council's actual Treasury Management during the current financial year is produced.**
RECOMMENDATION:	**RECEIVE THE REPORT FOR INFORMATION**
AUTHOR:	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

1. INTRODUCTION

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi- annual and annual outturn reports.

This report also includes the requirement in the 2021 Code, of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's normal quarterly reports.

The Council's Treasury Management Strategy for 2026/27 was approved at Full Council on 5 March 2026. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy.

2. EXTERNAL CONTEXT

Economic Background: The key story remained the conflict in the Middle East and its impact on global energy prices and inflation, while on the UK politics side, Andy Burham became the new Prime Minister. Although energy prices had shown signs of moderating towards the end of (calendar) Q2, the continuing conflict pushed oil and gas up sharply once again in Q3. Around mid-September, Brent oil and UK gas prices were over 30% and 70% higher respectively compared to the period preceding the Bank of England's (BoE) July Monetary Policy Report (MPR).

Given the inflationary impact of the previous energy shock from the Russia/Ukraine war, central bank policymakers remained alert to higher energy prices feeding into wider price and wage-setting behaviour ('second-round effects'). In the UK, higher fuel and energy prices were evident in headline inflation, but there was limited evidence of material second-round effects. At the same time, underlying wage pressures continued to moderate, and the labour market remained relatively loose.

The BoE's Monetary Policy Committee (MPC) maintained Bank Rate at 3.75% throughout the period. In April the MPC voted by 8-1 to leave rates unchanged, with one member wanting a 0.25% increase. The voting subsequently became more hawkish, moving to 7-2 in June and 6-3 in both July and September, with all dissenters preferring to increase Bank Rate to 4.00%. The change in voting patterns reflected increasing policymaker concern over the persistence of the energy shock and the risk that higher headline inflation could become embedded in domestic prices and wages.

At the September MPC meeting, the Committee judged the inflation risks were further to the upside compared to its July MPR. Energy prices had risen again and borrowing costs were materially higher than before the US/Iran conflict. Despite expecting inflation would rise further in the near-term, most members believed that a soft labour market, spare capacity and restrictive monetary conditions would reduce inflation over time. Moreover, the data showed there was still little evidence of material second-round effects, although the MPC emphasised that the risk of these effects would increase the longer elevated and volatile energy prices persisted.

UK headline consumer price inflation (CPI) initially declined, suggesting the initial energy shock was not spreading into a wider range of goods and services. However, later in the period inflation picked up again, with CPI rising from 2.6% in June to 3.1% in August due largely to higher transport costs. Core CPI was 2.6% in July and August, suggesting the divergence between that and headline inflation was due to energy rather than a broad increase in underlying inflation.

UK economic activity was somewhat stronger than initially anticipated over the period. GDP expanded by 0.6% in the first quarter of the calendar year and 0.5% in the second quarter, slightly stronger than the initial estimate of 0.4%. Monthly activity was more volatile, with a contraction of -0.1% in April, followed by gains of 0%, 0.3% and 0.4% in May, June and July respectively.

Labour market data continued to show softening employment conditions. The unemployment rate fell to 4.9% in April and remained at that level to July, against expectations it would tick up. Job vacancies also continued to decline, to 702,000 in the three months to July. Earnings growth moderated, with regular earnings at 3.5% in the three months to July and total earnings at 3.9%, suggesting weaker labour demand was continuing to restrain domestic wage pressures.

Arlingclose, the Council's treasury adviser, expects Bank Rate will stay at 3.75%. However, higher energy prices due to the ongoing conflict(s) and uncertainty around the government's upcoming Budget have increased the near-term upside risks. Moreover, stronger inflation projections, which accompanied the September MPC decision, shifted market expectations for Bank Rate higher. In addition, despite little evidence of second-round effects to date, the changing tone of the MPC minutes suggests it may not need something seismic to tip the Committee to increase Bank Rate.

The US Federal Reserve held the Fed Funds target range at 3.50%-3.75% through to July. However, inflation pressures rose during the summer, pushing headline CPI to 3.4% in August, with higher petrol prices accounting for much of the increase. This led the Fed to raise its target range to 3.75%-4.00% in September. The move reflected increased concern over inflation at a time when US economic activity and labour-market conditions were relatively resilient.

Following a 0.25% increase in June, the European Central Bank raised its three key policy rates by a further 0.25% in September, taking the deposit facility rate to 2.50%. Inflation increased from 2.9% in July to 3.2% in August, and an initial estimate suggested a further rise to 3.8% in September, with energy prices the principal driver. The ECB emphasised the uncertainty around the duration of the energy shock and the risk prolonged higher inflation could feed into wider price-setting.

Financial markets: After the sharp deterioration early in the period, financial market sentiment improved somewhat as there were ongoing hopes that the US/Iran war would be resolved. However, towards the end of the period, signs of any potential resolution appeared premature and oil prices rose alongside inflation and bond yields while equity market volatility increased as investors weighed conflict-related as well as AI-related concerns.

Bond yields in both the US and UK increased markedly over the period, with the gap between gilts and US Treasuries tightening towards the end of the period. While term premia are still embedded in gilt yields given the relatively uncertain fiscal outlook, a more hawkish Fed alongside persistent US inflation and fiscal concerns have pushed the yields on US Treasuries to their highest levels in years.

Some relatively market-friendly announcements were made by Andy Burham in his speech at the Labour Party conference, but it will be the Budget at the end of October that will hopefully provide some clarity on what the UK's fiscal position might look like going forward.

Over the period, the 10-year UK benchmark gilt yield started at 4.86% and ended at a high of 5.43%. The 20-year gilt yield starting at 5.45% and finished at 5.93%, another high for the period. The Sterling Overnight Rate (SONIA) averaged 3.73% over the period to 30th September.

Credit review: Arlingclose maintained its advised recommended maximum unsecured duration limit on the majority of the banks on its counterparty list at 6 months. The other banks remain on 100 days.

During the period, Fitch upgraded numerous banks due to a rating methodology change, as well as the reference obligations used for Issuer Default Ratings and introduced more differentiated notching between deposits, senior preferred, senior unsecured and senior non-preferred debt ratings.

Later in the period, Moody's changed the outlook on HSBC to Positive from Stable, while also affirming its long-term deposit rating. This follows a similar action from S&P on HSBC's outlook a few months prior to this.

After spiking in April following escalation in the Iran war, credit default swap prices on UK banks declined during most of the period but started to pick up again in September. They ended the period well below levels that may give cause for concern but remain under constant monitoring.

European banks' CDS prices followed a similar pattern to the UK, while Canadian bank CDS prices rose early in the period and then remained at similar levels, while Australian and Singaporean banks tended to trend downwards.

Overall, at the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will continue to be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

3. LOCAL CONTEXT

On 31 March 2026, the Council had net investments of £15m arising from its revenue and capital activities. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while the usable reserves and working capital are the underlying resources available for investment.

These factors are summarised in the table below.

Balance Sheet Summary –

	31.3.26 Actual £m
CFR	189
Less: Other debt liabilities	(6)
Borrowing CFR	**183**
Less: Usable reserves	(142)
Less: Working capital	(56)
Net borrowing/ (investment)	**(15)**

The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.

The treasury management position at 30 September 2026 and the change during the period is shown in the table below.

Treasury Management Summary

	31.3.26 Balance £m	**6 month Movement £m**	**30.9.26 Balance £m**
Long-term borrowing	69.4	(1.1)	68.3
Short-term borrowing	4.9	0.7	5.6
PFI	6.3	0.0	6.3
Total borrowing	**80.6**	**(0.4)**	**80.2**

Short-term investments	(47.3)	34.9	(12.4)
Cash and cash equivalents	(48.7)	22.5	(26.2)
Total investments	**(96.0)**	**57.4**	**(38.6)**
Net investments	**(15.4)**	**57.0**	**41.6**

4. BORROWING STRATEGY AND ACTIVITY

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield and the Council intends to avoid this activity in order to retain its access to PWLB loans.

Borrowing Position

At 30 September 2026 the Council held £73.1m of loans as part of its strategy for funding previous years' capital programmes, and £0.8m for specific projects. Outstanding loans on 30 September 2026 are summarised in the table below:

	31.3.26 Balance £m	**6 month Movement £m**	**30.9.26 Balance £m**
Public Works Loan Board	73.1	0.0	73.1
Specific Projects	1.2	(0.4)	0.8
Total borrowing	**74.3**	**(0.4)**	**73.9**

The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

The Council considers it to be more cost effective in the near term to use internal resources and borrow short term loans when required. This strategy enables the Council to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

5. TREASURY INVESTMENT ACTIVITY

The CIPFA Treasury Management Code defines treasury management investments as those which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the 6 months, the Council's investment balance ranged between £21.0 and £115.8 million due to timing differences between income and expenditure. The investment position during the period is shown in the following table:

Treasury Investment Position

	31.3.26 Balance £m	**6 month Movement £m**	**30.9.26 Balance £m**	**30.9.26 Income Returns %**
Banks & building societies (unsecured)	1.2	0.6	1.8	3.15
Local authorities	8.0	(8.0)	0.0	0.00
Money Market Funds	47.5	(23.1)	24.4	3.93
Debt Management Office	27.1	(27.1)	0.0	0.00
Pooled Funds	12.2	0.2	12.4	5.75
Total investments	**96.0**	**(57.4)**	**38.6**	

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and boost investment income.

The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in the table below.

	Credit Score	**Credit Rating**	**Bail-in Exposure**	**Weighted Average Maturity (days)**	**Rate of Return %**
31.03.2026	4.50	A+	58%	46	4.49
30.09.2026	**4.99**	**A+**	**100%**	**2**	**4.51**
Similar Las	**4.57**	**A+**	**58%**	**53**	**4.13**
All LAs	**4.58**	**A+**	**67%**	**10**	**4.11**

Bank Rate remained at 3.75% during the period. The rates on DMADF deposits ranged

between 3.70% and 3.75% and Money Market Rates between 3.71% and 3.97%.

£13m of the Council's investments has been invested in externally managed strategic pooled property, multi-asset, bond and equity funds where short- term security and liquidity are lesser consideration, and the objectives instead are regular revenue income and long- term price stability. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued stability in meeting the Council's investment objective are regularly reviewed.

The performance of our pooled property, multi-asset, bond and equity funds at September 2026 can be seen below:

FUND NAME	ASSET CLASS	No of Units Held in Period	Current Value £	Capital Growth £	Dividends Earned £	Holding Period (yrs)	Capital Return	Income Return	Total Return	Volatility
AEGON (KAMES) DIVERSIFIED MONTHLY INCOME FUND	MULTI ASSET	1,158,480	1,327,536	77,536	490,620	7.5	6.20%	39.25%	45.45%	9.5%
CCLA - LAMIT PROPERTY FUND	PROPERTY	1,524,344	4,174,416	-825,585	1,478,090	7.5	-16.51%	29.56%	13.05%	5.9%
NINETY ONE (INVESTEC) DIVERSIFIED INCOME FUND	MULTI ASSET	1,228,153	1,135,053	-114,947	383,750	7.3	-9.20%	30.70%	21.50%	3.3%
PAYDEN ABSOLUTE RETURN BOND FUND	ABSOLUTE RETURN	233,541	1,958,803	-41,197	344,497	3.0	-2.06%	17.22%	15.16%	1.1%
SCHRODER INCOME MAXIMISER FUND	EQUITY - UK	7,675,245	3,920,400	405,092	1,499,952	5.6	11.52%	42.67%	54.19%	8.6%
GRAND TOTAL			12,516,208	-499,100	4,196,908	6.3	-3.83%	32.25%	28.41%	4.4%
			Unrealised capital loss since purchase:	-483,792			Annualised income return:	4.52%		
							Average Bank Rate:	*2.52%*		

It is evident that the combined capital value of the funds is less than the initial investment of £13m. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters, and even years; but with the confidence that over a three to five year period total returns will exceed cash interest rates. Investment in these funds will be maintained in the medium term.

6. COMPLIANCE

Compliance with specific investment limits is demonstrated in the table below.

Investment Limits

The Council failed to comply with two investment restrictions and this occurred because we had a high level of cash and therefore the investment with some counterparties was increased temporarily. We have opened additional accounts to ensure full compliance in the future.

	Counterparty Maximum during period	Counterparty 30.9.26 Actual	Counterparty 2026/27 Limit	Complied
The UK Government	£52.9m	£0m	Unlimited	✓
Local authorities & other government entities	£5m	£0m	£10m	✓
Secured investments- government support	£0m	£0m	£10m	✓
Secured investments- other collateral	£0m	£0m	£10m	✓
Banks (unsecured)	£5m	£1.8m	£5m	✓

Building societies (unsecured)	£0m	£0m	£5m	✓
Registered providers (unsecured)	£0m	£0m	£5m	✓
Money market funds	£10m	£10m	£10m	✓
Strategic pooled funds	£5m	£5m	£10m	✓
Real Estate Investment Trusts	£0m	£0m	£10m	✓
Other investments	£0m	£0m	£5m	✓

Compliance with the Authorised Limit and Operational Boundary for external debt is shown in the table below:

Debt Limits

	Maximum during period	**30.9.26 Actual**	**2026/27 Operational Boundary**	**2026/27 Authorised Limit**	**Complied**
Borrowing	£74m	£4m	£184m	£194m	✓
PFI & finance leases	£6m	£6m	£6m	£6m	✓
Total debt	**£80m**	**£80m**	**£190m**	**£200m**	✓

7. TREASURY MANAGEMENT PRUDENTIAL INDICATORS

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

i. Liability Benchmark

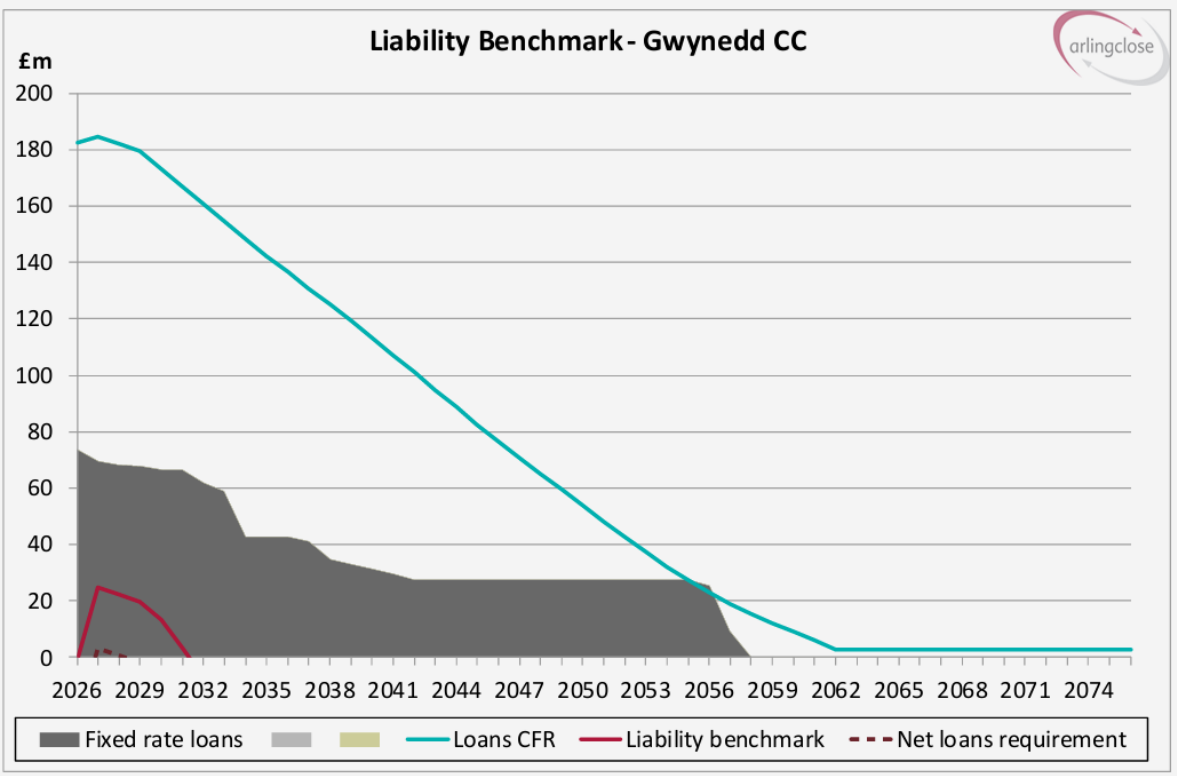
This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long- term borrower or long- term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £21.5m required to manage day to day cash flow.

	31.3.26 Actual £m	**31.3.27 Estimate £m**	**31.3.28 Estimate £m**	**31.3.29 Estimate £m**
Loans CFR	182.3	184.7	182.1	179.6
Less: Balance Sheet resources	(204.4)	(181.5)	(181.5)	(181.5)
Net loans requirements	(22.1)	3.2	0.6	(1.9)
Plus: Liquidity allowance	21.5	21.5	21.5	21.5

Liability benchmark	**(0.6)**	**24.7**	**22.1**	**19.7**
Existing borrowing	**74.3**	**69.4**	**68.1**	**66.5**

The table shows that the Council expects to remain borrowed above its liability benchmark. This is because the Council holds reserves, and cash outflows to date have been below the assumptions made when the loans were borrowed.

Following on from the medium-term forecast above, the long-term liability benchmark assumes no new capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on a 50 year straight line method. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



The chart shows that there is no need to borrow long- term based on current projections.

ii. Maturity Structure of Borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing were:

	Actual	Upper	Lower	Complied
Under 12 months	7.5%	25%	0%	✓
12 months and within 24 months	0.4%	25%	0%	✓
24 months and within 5 years	2.2%	50%	0%	✓
5 years and within 10 years	31.9%	75%	0%	✓
10 years and above	58.0%	100%	0%	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

iii. Long term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2026/27	2027/28	2028/29	No precise date
Actual principal invested beyond year end	£13m	£0	£0	£0
Limit on principal invested beyond year end	£40m	£20m	£20m	£20m
Complied	✓	✓	✓	✓

Additional indicators:
The Council measures and manages its exposures to treasury management risks using the following indicators:

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the time-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment and taking the arithmetic average, weighted by the length of each investment. Unrated investments are assigned a score based on their perceived risk.

	30.9.26 Actual	2026/27 Target	Complied
Portfolio average credit score	4.99	A score of 6 or lower	✓

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	30.9.26 Actual	2026/27 Target	Complied
Total cash available within 3 months	£26.2m	£10m	✓

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates was:

	30.9.26 Actual	2026/27 Limit	Complied
Upper limit on one year revenue impact of a 1% rise in interest rates	£215,026	£1,105,508	✓
Upper limit on one year revenue impact of a 1% fall in interest rates	£215,026	£1,105,508	✓

Treasury Management Performance

The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates.

The Council's budgeted investment income for the year is £992,000, however the actual expected investment income for the year 2026/27 is slightly higher at approximately £1.1m.

8. INVESTMENT TRAINING

During the period, officers have attended investment training with Arlingclose and CIPFA relevant to their roles.

9. RECOMMENDATION

To receive the report for information.

MEETING	**Governance and Audit Committee**
DATE	**26 November 2026**
TITLE	**Complaints and Service Improvement Annual Report**
PURPOSE	**To update the Committee on the content of the Ombudsman's Annual Letter and the Council's arrangements in relation to dealing with complaints and improving the service.**
AUTHOR	**Catrin Love – Assistant Head of Corporate Services Department**

1. Decision Sought

This is the standard report that is normally submitted to give an overview of the arrangements for dealing with corporate complaints about Council services. To accompany the report, and to set the context, the Ombudsman for Wales's Annual Letter for the year 2025/26 is also submitted as an appendix, which was received mid-September 2026. The Ombudsman has requested for the annual letter to be submitted to this Committee.

The Committee is requested to accept the report and make any observations or recommendations on the complaints procedure when doing so.

2. Introduction and Rationale

This report gives an overview of the Council's arrangements for dealing with corporate complaints and also presents the observations of the Ombudsman for Wales on our arrangements and performance as a Council when dealing with complaints. The Ombudsman's observations highlight successes, challenges and developments specifically for the period 2025/26. Formal observations are received from the Ombudsman via an Annual Letter. The latest Annual Letter for the year 2025/26 was received on 17/09/2026. It presents an analysis of quantitative and qualitative data, which is a measure of the Council's performance. The Letter is attached as Appendix 2 to this report.

In accordance with the Statutory and Non-statutory Guidance for Principal Councils in Wales – supporting provisions in the Local Government Act 2000, Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021, issued in June 2023 – the Committee is required to ensure that there are effective arrangements to deal with complaints within the Council.

It should be noted that it is not the Committee's role to consider whether individual complaints were dealt with appropriately, but rather to consider the effectiveness of the entire complaints process. As a result, there is no reference in the report to any individual complaint or departmental performance within the Council.

Therefore, this report is submitted as a basis for the Committee to come to a conclusion on how effective those arrangements are.

The responsibility for the complaints procedure was transferred to the Customer Contact Service in August 2026. It should be noted that we are in the middle of a comprehensive review of the procedure to: a) obtain assurance that we are continuing to implement the Ombudsman's guidance and good practices when dealing with complaints and improving the service; and b) to ensure that we work in the most effective way possible, bearing in mind technical developments and in keeping with wider customer care principles. The Ombudsman's letter is based on the Policy adopted by the Council in 2021. A new Customer Care plan was adopted in July 2025, following a thorough consultation process. Once the review has been completed, the complaints procedure will form part of a new Customer Care course. Currently, it is premature to report on the review's findings.

This is the existing procedure:

How Gwynedd residents get to know about the complaints procedure

The following report gives an overview of the procedure that is in place to deal with corporate complaints, and how they are processed. However, before giving greater details about that procedure, it should be highlighted that this is the corporate complaints procedure, and that some areas have been excluded. Four specific areas have been excluded, as listed below, and Appendix 1 in the report gives further details about each of these exceptions.

- Care
- Education
- Employment
- Byw'n Iach

The corporate complaints procedure

It is crucial that the public is aware of how to contact the Council if they wish to submit a complaint or express concern. The existing complaints procedure was established in 2015. Back then, an article was published introducing the procedure in Newyddion Gwynedd (Gwynedd News) which at the time was being circulated to the homes of Gwynedd residents.

The Concerns and Complaints Policy was written under the supervision of the Public Services Ombudsman for Wales. It corresponds to Welsh Government guidelines and is therefore consistent with the complaints procedures of other public bodies.

The Policy was updated in 2021 and the responsibility for implementing the Complaints and Service Improvement procedure was transferred to the Corporate Services Department.

All the details of the procedure can be seen on the Council's website. Copies of the Policy, which is bilingual and includes a Praise or Complaint form, is also available in the Council's Siopau Gwynedd and in our libraries.

A hard copy of the Policy can be sent to anyone requiring this.

https://www.gwynedd.llyw.cymru/cy/Cyngor/Dogfennau-Cyngor/Cysylltu-%C3%A2-ni/Polisi-Pryderon-Cymraeg-2023-Layout-1.pdf

An Easy-read copy of the Policy is also available.

https://www.gwynedd.llyw.cymru/cy/Cyngor/Dogfennau-Cyngor/Cysylltu-%C3%A2-ni/Hawdd-i-Darllen-Cymraeg.pdf

Should a customer require a copy in another language, or an interpreter to assist with the complaint, this can be arranged upon request.

How can Gwynedd residents submit a complaint or express concern?

Submitting a complaint or expressing a concern can be made via the Council's website: www.gwynedd.llyw.cymru

A multi-purpose form is available that can be used to praise or complain. https://diogel.gwynedd.llyw.cymru/HunanwasanaethGweFfurflenni/cy/CwynCyffredinol/Index

If a customer requires a hard copy, then they can request a copy of the form from the officer he or she is in contact with.

You can contact our central point of contact on 01766 771000 to submit a complaint over the phone.

An e-mail can be sent to cwynion@gwynedd.llyw.cymru

You may write to the Service Improvement Officer, Corporate Services, Cyngor Gwynedd, Shirehall Street, Caernarfon, Gwynedd, LL55 1SH

The role of the Service Improvement Officer includes advocating on behalf of the customer.

The Council's arrangements for dealing with complaints

When a complaint reaches us, be that via an on-line form, via e-mail, letter or on the phone, we aim to acknowledge the complaint within 5 working days. The customer is informed who will organise the investigation and respond to the complaint. A link is sent to the Concerns and Complaints Policy in the acknowledgement message. If the complaint was submitted via letter, an acknowledgement letter is sent to the customer together with a paper copy of

the Policy. If the complaint was received on the phone, the customer is asked how they would like us to contact them, e.g. via e-mail or letter.

Once a complaint is received, it is recorded on the complaints system and transferred to the service or the relevant officer for attention.

There are two steps to the procedure, namely Step 1 (Informal Complaint) and Step 2 (Formal Complaint). Usually, an informal complaint is resolved more or less immediately by the services. Of course, investigating a formal complaint and responding to it takes more time.

In accordance with the Policy, the service has up to 25 working days to investigate any complaint and respond to it. If more time is required, then the customer and the Service Improvement Officer must be informed as soon as possible. At the same time, the service is expected to give a specified date to provide a full answer to the customer.

If there is further delay for whatever reason, it should be ensured that the customer and the Service Improvement Officer are always informed about this.

The Service Improvement Officer monitors the response timetable and reminds services of this, as required. Sometimes, the Officer will need to send several reminders to a service as the complaint remains open for more than 20 days, without the service explaining that more time is required.

If the service has failed to respond within 20 working days, without explaining to the customer and the Service Improvement Officer that more time is needed, the customer has the right to forward the matter to the Public Services Ombudsman for Wales.

Arrangements if the complainant is unsatisfied with the response

The service is always expected to include a standard paragraph in its response to formal complaints, noting how to contact the Ombudsman's office. If the complainant is unsatisfied with the response given by the service, they have the right to take the matter further to the Ombudsman if they so wish.

Learning lessons from complaints and improving services

One area where we see possible opportunities to strengthen the current arrangements is learning and sharing lessons. It is proposed that we return to this Committee once the review has been completed.

In terms of the Ombudsman's arrangements, the office can contact us with an Enquiry, a Request for further information or a Response. Depending on the

case, the response can be one of the following: No Investigation, No Premature Investigation, Investigation or Report.

The Council's performance in terms of complaints is reported to the Cabinet twice a year, with specific reporting on valid formal complaints and complaints to the Ombudsman. The Ombudsman's letter is presented annually to the Cabinet. This year's letter will be included in the next report to the Cabinet, later in the year.

3. The Ombudsman's Annual Letter

As noted earlier in the report, the latest Annual Letter for this year was received on 17/09/2026. The content of this letter will also be fully considered when making our future arrangements, as part of our efforts to continuously improve.

We will report back to the Ombudsman with the dates of the submission of the Annal Letter to the Cabinet and the Governance and Audit Committee, together with any observations that arise.

We will continue to engage and meet the Ombudsman's officers in relation to their Complaints Standards work and will implement their model policy fully and provide correct and timely complaints data to them. We will offer and promote any training they have available.

List of Appendices

Appendix 1 Details of areas that have been excluded from the corporate complaints' procedure
Appendix 2: The Ombudsman's Annual Letter 2025/26

Appendix 1

Details of areas that have been excluded from the corporate complaints procedure

Four areas have been excluded from the corporate complaints procedure as there are alternative processes and arrangements in place. Details are given of the arrangements for the four following areas.

1.1. Care – Due to the nature of the area of work, there is a statutory procedure in place for the Adults service and the Children's Service. There is a link to this procedure on the Council's Corporate Complaints page and is included below.

Complaints and praise (Social Services)

(below is an excerpt of the Complaints guidance in the Care field).

If you are not happy with your Social Services, please let us know.

We aim for high standards but sometimes things don't go as they should. If you contact us, we will be able to work with you to rectify things as soon as possible.

You can submit a comment or complaint by using the following contact details:

Complaints about the Adults, Health and Well-being Service

- On-line form: Complaint about Gwynedd's adults services
- 01286 679549
- gcgc@gwynedd.llyw.cymru
- Customer Care Officer, Adults, Health and Well-being Department, Cyngor Gwynedd, Shirehall Street, Caernarfon, LL55 1SH

Complaints about the Children and Supporting Families Department

- On-line form: Complaint about Cyngor Gwynedd Children's Department.
- 01286 679151
- gcgc@gwynedd.llyw.cymru
- Customer Care Officer, Children and Supporting Families Department, Cyngor Gwynedd, Shirehall Street, Caernarfon, LL55 1SH

Otherwise, you may speak to any member of staff in Social Services, and they will transfer your concern or comment to the appropriate Customer Care Officer.

1.2. Education – Schools have their own complaints procedure. See the following link to the Welsh Government's website.

https://www..gov.wales/school-complaints-procedures-guidance -html#110594

1.3. **Employment** – Employment matters do not come under the corporate complaints procedure. Rather, they are transferred for the attention of the Human Resources Manager.

Sometimes, complaints are received from members of the public about staff behaviour at work. Such complaints are transferred to the relevant manager to look into these and to respond. Should the complaint be a formal one, it would be included in the report to the Cabinet.

1.4. **Byw'n Iach** – Byw'n Iach complaints receive attention from the relevant managers or Director, depending on the nature of the complaint. Byw'n Iach can be contacted directly: cyswllt@bywniach.cymru

Ombwdsmon
Ombudsman
Cymru · Wales

Ask for: Complaints Standards
01656 641150
Caseinfo@ombudsman.wales

Date: 17 September 2026

Cllr Nia Jeffreys
Leader of the Council
Cyngor Gwynedd

By email only
cynghorydd.niajeffreys@gwynedd.llyw.cymru

Dear Councillor Jeffreys

Annual Letter 2025-26

Our Role

As the Public Services Ombudsman for Wales, we independently consider complaints about public services and investigate alleged breaches of the councillor Code of Conduct. We also set complaints handling standards for public bodies, drive continuous learning from complaints and undertake investigations into public services on our own initiative.

Purpose of this Annual Letter

This letter provides an update on our work for this period, and highlights key trends in Welsh local government complaints. It details performance specific to your organisation and outlines the positive actions we would like you to take.

Overview - a record-breaking year

This letter, as always, coincides with the publication of our Annual Report, which holds special significance this year as we mark our 20th anniversary. We closed our busiest year on record where the office received 4,507 duly made complaints across its public services and Code of Conduct remits — 27% more than last year, 47% more than 3 years ago, and 3 times as many as 20 years ago.

To meet this demand, we closed a record number of complaints, 29% more than last year and 43% more compared with 3 years ago. We intervened in 568 of complaints that we closed.

ombwdsmon.cymru
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
Rydym yn hapus i dderbyn ac ymateb i ohebiaeth yn y Gymraeg.

ombudsman.wales
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
We are happy to accept and respond to correspondence in Welsh.

Finding swift resolutions to complaints, where possible, remains important to us and benefits all parties involved. This year, 85% of our interventions included an element of Early Resolution, a process we hope has proved valuable to both your organisation and to complainants.

Despite the increased volume of cases, our case handling times remained efficient. Initial assessments and Early Resolutions were completed within 4 weeks - well ahead of our 6 week target. Additionally we maintained a downward trend in our average investigation time which was 54 weeks this year from 64 weeks in 2023-24.

Overview of Local Authority complaints

During 2025-26, we received 1,704 complaints about local authorities across Wales. This is a 27% annual increase and 67% more when compared to 3 years ago.

These complaints most commonly related to housing, social services, environment and environmental health, complaint handling, and planning.

Across the sector we intervened in 9% of local authority complaints that we closed – a similar proportion to recent years.

Performance Specific to your Authority

During 2025-26 we received 47 complaints about your Authority and closed 49 complaints (some complaints were carried over from the previous year).

We intervened in 14% of the complaints we closed about your Authority.

We made 17 new recommendation(s) to your Authority in the cases closed this year.

There were 17 recommendation(s) that fell due during this period. Your Authority complied with 94% of these within the agreed timescales.

Detailed data on the complaints we handled about your organisation in this period can be found in the appendices below.

Improving compliance with our recommendations

We always take time to ensure that recommendations and timescales are agreed with public bodies before finalising them. Therefore we expect agreed deadlines to be met. Timely compliance is not, however, as high as it should be; with only 69% of our recommendations across Wales complied with on time as at 31 March 2026. Promptly delivering agreements to resolve injustice or hardship for individuals, and implementing systemic learning on time, is vital to build and maintain public trust in both our office and your organisation.

We recognise that unexpected challenges arise that make deadlines difficult to meet. In response to feedback from public bodies, we have adapted our approach moving forward: if you request a reasonable extension on or before the original deadline, and you meet that new date, it will be recorded as complied with on time. We hope this is a welcome adjustment that will help demonstrate a more accurate compliance rate over the coming years.

Our Code of Conduct work

It is important for local democracy that elected and where appropriate co-opted members uphold the highest standards of integrity, accountability, and respect. We take our duty to investigate alleged breaches of the councillor Code of Conduct seriously. When we consider, following investigation, that sanctions such as suspension or disqualification may be appropriate and in the public interest, we refer these cases to local Standards Committees or to the Adjudication Panel for Wales ("APW").

Code of Conduct complaints remained broadly stable compared to last year, increasing by 3%.

The majority (58%) involved members of Town and Community Councils.

We closed 85 cases we investigated last year – a significant increase on last year with 15 cases being referred to Standards Committees or the APW. Additionally, during the year we successfully and significantly reduced the number of aged investigations in our caseload with only 5 at 31 March 2026 compared to 25 at 31 March 2025.

Addressing disrespectful, bullying and harassing behaviour

I continue to be very concerned by the number of bullying and harassment allegations involving council staff. This year, we referred several particularly pernicious cases to the APW, resulting in lengthy disqualifications for some councillors.

These were not isolated incidents. We will continue to take complaints of this nature seriously and have taken steps to ensure that we appropriately prioritise the most serious cases we receive.

I would like to thank your Monitoring Officer for their professional engagement with my office during this period.

Supporting improvement of public services – key themes and our own initiative work

We continue to use of our own initiative powers. These allow us to investigate emerging issues proactively, addressing administrative failings before they multiply.

The Senedd entrusted us with the power to investigate under our own initiative, and it is key for us that this power delivers positive impact for the people of Wales.

Carers' needs assessments in Wales

This year we followed up on public bodies' compliance with our previously published report on carers' needs assessments. Our follow-up report noted that while all 4 investigated authorities took positive action, we had to issue further recommendations to 2 of the authorities to ensure full compliance.

Going forward all local authorities must maintain their focus on ensuring carers are informed of their rights and can access the information, advice, and support required to sustain their vital roles. I encourage you to read our follow-up report, if you have not already on our website - here.

Gyspy and Traveller Accommodation

We shared findings from our own initiative investigation into Gypsy and Traveller accommodation in Cardiff with all local authorities. The sector wide learning emphasises that all councils must take timely action when demand exceeds accommodation capacity. This prevents prolonged poor living conditions that leave residents disadvantaged.

Housing conditions and our public interest reports

When an investigation reveals serious systemic risks that may affect many individuals, or offer wider sector lessons, we publish a public interest report.

We issued 9 public interest reports during this period. While the majority involved Health Boards, 4 are relevant to local authority work (2 were issued for Local Authorities and 2 for Housing Associations), specifically focussing on residents living in unacceptable housing conditions. If you have not already done so, I encourage you to read these reports for their valuable insights - here.

I have stated before that unresolved damp, mould, and disrepair cause serious harm and distress, and disproportionately affect vulnerable tenants. I have continued to highlight cases where systemic maladministration, delayed responses, and missed opportunities by social landlords and local authorities were found. It is concerning that these issues continue to be seen, and this remains a key area of our further and ongoing own initiative work.

Ongoing own initiative investigations

As at March 2026, we were conducting a further 4 own initiative investigations which focus, among other things, on:

- How social landlords manage complaints about disrepair and damp and mould.

- Potential maladministration and service failure in health care.

We expect to complete this work later in 2026, and will determine then if the findings warrant publication in the public interest.

Our Complaints Standards Work

By the end of March 2026, all local authorities, health boards and 21 housing associations in Wales were operating under our model complaints policy. During 2025-26, we initiated the transition for the remaining housing associations and we expect them to be fully compliant by the end of September 2026.

Organisations that are already compliant, or will be shortly, account for 85% of new complaints about public services which we receive.

Our free complaint handling training remains highly requested; we delivered 58 sessions to public bodies across Wales this year, bringing our total since 2020 to over 600 sessions and 10,000 participants.

More broadly we expect to publish the data on complaints handled by local authorities in Wales during 2024-25 and 2025-26 in the Autumn.

Actions we would like your organisation to take

To build on findings from this period, can I ask that your organisation takes the following actions:

- Present this Annual Letter and associated data to the Cabinet and the Governance and Audit Committee at the earliest opportunity and notify me of the planned meetings dates.

- Review the data in this letter alongside your own data to better understand your complaint performance, identify trends, and review your compliance with the recommendations made by my office.

- Read the reports highlighted in this letter to extract relevant learning for your own Authority.

- Inform me of the outcome of your considerations and your proposed action plan at the earliest opportunity.

I would like to thank you and your officers, for your continued openness and engagement with my office. Our data shows that local authorities are looking into more complaints than ever before and that better outcomes for the people of Wales are achieved when information from complaints is fully utilised.

Yours sincerely

Michelle Morris
Public Services Ombudsman

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Information Sheet

Glossary of terms a guide to some of the terms used within our Annual Letters and Appendices.

Appendix A shows the number of complaints we received for all local authorities in 2025-26. These complaints are contextualised by the population of each authority.

Appendix B shows the number and proportion of complaints received by category.

Appendix C shows intervention rates for all local authorities in 2025-26. An intervention is categorised by either an upheld complaint (either public interest or non-public interest), an early resolution, or a voluntary settlement.

Appendix D shows outcomes of the complaints we closed for the local authority in 2025-26. This table shows both the number, and the proportion that each outcome represents for the local authority.

Appendix E shows the compliance performance of each local authority.

Appendix F shows the outcomes of Code of Conduct complaints we closed for local authorities in 2025-26. This table shows both the number, and the proportion that each outcome represents for the local authority.

Appendix G shows the outcomes of Code of Conduct complaints we closed related to Town and Community Councils in the local authority's area in 2025-26. This table shows both the number, and the proportion that each outcome represents for each Town or Community Council.

Annual Letters - Glossary of terms

Term	Definition
Complaints received	The number of duly made complaints we receive about a Public Body.
Duly made complaint	A complaint about public services is duly made when: • the organisation is within our jurisdiction and • the organisation has replied or had the opportunity to reply and • the events complained about happened less than a year ago, or the complainant became aware of them less than a year ago (unless there was a good reason the complainant could not complain sooner) and • the complainant is entitled to bring a complaint and • we have the details we need e.g. name, contact details, organisation being complained about, we can understand the complaint. A complaint about a local councillor is duly made when: • we have the details we need e.g. name and contact details of the complainant, the name of the councillor and the Local Authority they are a member of • we have a signed declaration from the complainant and any third parties whose evidence has been submitted.
Early Resolution	A matter which is closed without investigation because there is an obvious solution and the body agrees to carry out action to resolve the matter. The body must give us evidence that it has taken action within the timeframe agreed.
Intervention	Cases which we have closed and we have either: • Upheld the complaint after investigation. • Resolved the complaint by way of Voluntary Settlement. • Resolved the complaint by way of Early resolution.
Voluntary Settlement	A matter which has progressed to investigation stage but closed without investigation being completed because we agree that action which the body has voluntarily

	suggested it will take is appropriate to resolve the matter. The body must give us evidence that it has taken action within the timeframe agreed.
Uphold	A matter we have closed after investigation and where we found that something went wrong.
% of interventions	The number of public service complaints we closed that involved Early Resolution/Voluntary Settlement and those which we upheld following an investigation, divided by the total number of duly made public service complaints we closed in the reporting period.
Upheld %	The proportion of the complaints in which we intervened that we upheld in the reporting period, shown as a percentage.
Cases Closed	The number of complaints we closed during the reporting period. This may be different from the number we received because there may be some complaints we received in the previous reporting period but which we closed in this reporting period.
Recommendation	These are actions which we ask bodies to take within agreed timescales when we find something has gone wrong. These may be actions to help the individual complainant or systemic actions to help improve services for all service users. We can make recommendations as part of an Early Resolution, Voluntary Settlement or when upholding a complaint following investigation. When we make recommendations, organisations must provide evidence to us that they have complied.
Recommendations made	The number of recommendations we made to bodies during the reporting period. (1 April 2025 to 31 March 2026)
Recommendations falling due	The number of recommendations which needed to be complied with within the reporting period (1 April 2025 to 31 March 2026). Some recommendations will have been made in the previous reporting period but fell due within this reporting period.
Recommendations complied with in line	The number of recommendations which were complied with by the agreed timescale as set out in Early

with agreed target date %	Resolution, Voluntary Settlement or Investigation report (applicable for those falling due in 2025-26).
Population	Population is included to provide context, based upon the size of an organisation. However, it is recognised that complaints can be made by people who are not included in the population figure, for example, residents from outside the health board or local authority area, or non-contract holders. • For **local authorities**, population refers to the estimated total number of people living in the local authority area. The figures are taken from the StatsWales.[1] • For **housing associations**, population refers to the total stock at social rent, shown in units. This includes general needs stock, sheltered stock, other supported stock and extra care stock with non self-contained bedsits, hostels and shared housing. This figure is taken from StatsWales.[2] • For **health boards**, population refers to the estimated total number of people living in the health board area. The figures are taken from StatsWales.[3]

[1] Population estimates by local authority, year, sex and age | StatsWales
[2] Social landlord housing stock, including social and non social housing | StatsWales
[3] Population estimates by local health boards, year, sex and age | StatsWales

Appendix A – Complaints received (overview)

	MAL			CODE			Total		
Local Authority	**Complaints Received**			**Complaints Received**			**Complaints Received**		
Blaenau Gwent County Borough Council	24	67,873	0.35	2	67,873	0.03	26	67,873	0.38
Bridgend County Borough Council	68	147,530	0.46	18	147,530	0.12	86	147,530	0.58
Caerphilly County Borough Council	79	176,865	0.45	5	176,865	0.03	84	176,865	0.47
Cardiff Council*	290	383,919	0.76	16	383,919	0.04	306	383,919	0.80
Carmarthenshire County Council	109	190,800	0.57	7	190,800	0.04	116	190,800	0.61
Ceredigion County Council	35	72,599	0.48	1	72,599	0.01	36	72,599	0.50
Conwy County Borough Council	50	114,891	0.44	9	114,891	0.08	59	114,891	0.51
Cyngor Gwynedd	47	120,813	0.39	3	120,813	0.02	50	120,813	0.41
Denbighshire County Council*	107	98,202	1.09	4	98,202	0.04	111	98,202	1.13
Flintshire County Council	113	155,867	0.72	4	155,867	0.03	117	155,867	0.75
Isle of Anglesey County Council	35	69,097	0.51	0	69,097	0.00	35	69,097	0.51
Merthyr Tydfil County Borough Council*	23	58,972	0.39	2	58,972	0.03	25	58,972	0.42
Monmouthshire County Council	37	94,930	0.39	6	94,930	0.06	43	94,930	0.45
Neath Port Talbot Council	54	143,249	0.38	11	143,249	0.08	65	143,249	0.45
Newport City Council	74	167,899	0.44	2	167,899	0.01	76	167,899	0.45
Pembrokeshire County Council	55	125,761	0.44	8	125,761	0.06	63	125,761	0.50
Powys County Council	90	135,059	0.67	7	135,059	0.05	97	135,059	0.72
Rhondda Cynon Taf County Borough Council*	98	242,844	0.40	2	242,844	0.01	100	242,844	0.41
Swansea Council	152	251,304	0.60	11	251,304	0.04	163	251,304	0.65
Torfaen County Borough Council	15	94,119	0.16	1	94,119	0.01	16	94,119	0.17
Vale of Glamorgan Council	79	135,743	0.58	8	135,743	0.06	87	135,743	0.64
Wrexham County Borough Council	70	138,245	0.51	9	138,245	0.07	79	138,245	0.57
Total	**1704**	**3,186,581**	**0.53**	**136**	**3,186,581**	**0.04**	**1840**	**3,186,581**	**0.58**

* inc 11 Rent Smart Wales
* inc 3 Wales Penalty Processing Partnership
* inc 3 South Wales Police and Crime Panel
* inc 3 South Wales Parking group

Appendix B – Complaints received (by organisation)

Cyngor Gwynedd	Complaints Received	% Share
Adult Social Services	2	4%
Agriculture and Fisheries	0	
Benefits Administration	0	
Children's Social Services	4	9%
Community Facilities. Recreation and Leisure	1	2%
Complaints Handling	5	11%
Covid 19	0	
Education	3	6%
Environment and Environmental Health	3	6%
Finance and Taxation	6	13%
Health	0	
Housing	6	13%
Licencing	2	4%
Planning and Building Control	9	19%
Roads and Transport	2	4%
Self Funding Care Provider	1	2%
Various Other	3	6%
Total	**47**	

Appendix C – Cases with PSOW intervention (overview)

Local authority	No. of interventions	No. of closures	% of interventions
Blaenau Gwent County Borough Council	0	24	0%
Bridgend County Borough Council	3	67	4%
Caerphilly County Borough Council	13	83	16%
Cardiff Council*	52	304	17%
Carmarthenshire County Council	9	106	8%
Ceredigion County Council	3	33	9%
Conwy County Borough Council	1	48	2%
Denbighshire County Council*	5	105	5%
Flintshire County Council	11	108	10%
Cyngor Gwynedd	7	49	14%
Isle of Anglesey County Council	4	36	11%
Merthyr Tydfil County Borough Council*	0	23	0%
Monmouthshire County Council	4	36	11%
Neath Port Talbot Council	7	60	12%
Newport City Council	3	71	4%
Pembrokeshire County Council	2	55	4%
Powys County Council	8	84	10%
Rhondda Cynon Taf County Borough Council*	4	97	4%
Swansea Council	10	151	7%
Torfaen County Borough Council	1	17	6%
Vale of Glamorgan Council	6	78	8%
Wrexham County Borough Council	4	72	6%
Total	**157**	**1707**	**9%**

* inc 11 Rent Smart Wales
* inc 3 Wales Penalty Processing Partnership
* inc 2 South Wales Police and Crime Panel
* inc 3 South Wales Parking group

Appendix D – Complaint outcomes (by organisation)

Cyngor Gwynedd		% Share
Complaint investigation discontinued (with early resolution at assessment stages)	0	
Complaint investigation discontinued (without settlement)	0	
Decision not to investigate complaint	26	53%
Early resolution	6	12%
Matter out of jurisdiction	6	12%
Non-public interest report issued: complaint not upheld	0	
Non-public interest report issued: complaint not upheld with early resolution at assessment stage	0	
Non-public interest report issued: complaint upheld	0	
Non-public interest report issued: complaint upheld with early resolution at assessment stage	0	
Premature	10	20%
Public interest report issued: complaint upheld	0	
Public Interest report issued: complaint upheld with early resolution at assessment stage	0	
Special Interest Report	0	
Voluntary settlement	1	2%
Total	**49**	

Appendix E – Compliance performance comparison

Local Authority	Number of recommendations made on complaints closed in 2025-26	Number of recommendations falling due in 2025-26	% of recommendations, complied with in line with agreed target date
Blaenau Gwent County Borough Council	0	0	n/a
Bridgend County Borough Council	10	10	70%
Caerphilly County Borough Council	34	29	41%
Cardiff Council*	164	136	85%
Carmarthenshire County Council	23	15	47%
Ceredigion County Council	10	10	80%
Conwy County Borough Council	1	1	100%
Denbighshire County Council**	11	10	50%
Flintshire County Council	38	39	49%
Cyngor Gwynedd	17	17	94%
Isle of Anglesey County Council	7	7	100%
Merthyr Tydfil County Borough Council	0	0	n/a
Monmouthshire County Council	8	6	83%
Neath Port Talbot Council	13	13	69%
Newport City Council	6	10	60%
Pembrokeshire County Council	4	7	43%

Powys County Council	18	15	53%
Rhondda Cynon Taf County Borough Council	13	12	50%
Swansea Council	45	40	90%
Torfaen County Borough Council	3	2	100%
Vale of Glamorgan Council	18	17	76%
Wrexham County Borough Council	10	13	92%

Appendix F - Code of Conduct complaints closed

Cyngor Gwynedd	
Cc not acted on	0
Code of Conduct leaflet sent/link to website provided	0
Complaint taken over telephone – awaiting signature	0
Complaint Withdrawn	0
Discontinued. Not in the public interest to pursue	0
Duplicate complaint with no new evidence	0
Information provided	0
No action necessary	1
No declaration rec'd – Withdrawn	0
No evidence of Breach	0
No prima facie evidence of breach	1
Not in the public interest to investigate	1
Out of Jurisdiction - signposted	0
Premature - referred for local resolution	0
Referred to Adjudication Panel	1
Referred to Standards Committee	0
Withdrawn	0
Total	4

Appendix G - Code of Conduct complaints closed related to Town and Community Councils in the Local Authority's area

	Decision not to investigate Code		Investigations					
Cyngor Gwynedd	**Not in the public interest to investigate**	**No prima facie evidence of breach**	**Discontinued. Not in the public interest to pursue**	**No action necessary**	**No evidence of Breach**	**Referred to Adjudication Panel**	**Referred to Standards Committee**	**Total**
Aberdaron Community Council	0	0	0	0	0	0	0	0
Aberdyfi Community Council	0	0	0	0	0	0	0	0
Abergwyngregyn Community Council	0	0	0	0	0	0	0	0
Arthog Community Council	0	0	0	0	0	0	0	0
Bangor City Council	0	1	0	0	0	0	0	1
Barmouth (Town) Community Council	0	0	0	0	0	0	0	0
Beddgelert Community Council	0	0	0	0	0	0	0	0
Bethesda Community Council	0	0	0	0	0	0	0	0
Betws Garmon Community Council	0	0	0	0	0	0	0	0
Bontnewydd Community Council	0	0	0	0	0	0	0	0
Botwnnog Community Council	0	0	0	0	0	0	0	0
Brithdir, Llanfachreth and Rhydymain Community Council	0	0	0	0	0	0	0	0
Bryncrug Community Council	1	0	0	0	0	0	0	0
Buan Community Council	0	0	0	0	0	0	0	0
Caernarfon (Town) Community Council	0	0	0	0	0	0	0	0
Clynnog Community Council	0	0	0	0	0	0	0	0

Corris Community Council	0	0	0	0	0	0	0	0
Criccieth (Town) Community Council	0	0	0	0	0	0	0	0
Dolbenmaen Community Council	0	0	0	0	0	0	0	0
Dolgellau (Town) Community Council	0	0	0	0	0	0	0	0
Dyffryn Ardudwy & Talybont Community Council	0	2	0	0	0	0	0	2
Ffestiniog (Town) Community Council	0	0	0	0	0	0	0	0
Ganllwyd Community Council	0	0	0	0	0	0	0	0
Harlech Community Council	0	1	0	1	0	0	0	2
Llanaelhaearn Llanaelhaearn	0	0	0	0	0	0	0	0
Llanbedr Community Council	0	0	0	0	0	0	0	0
Llanbedrog Community Council	0	0	0	0	0	0	0	0
Llanberis Community Council	0	0	0	0	0	0	0	0
Llanddeiniolen Community Council	0	0	0	0	0	0	0	0
Llandderfel Community Council	0	0	0	0	0	0	0	0
Llandwrog Community Council	0	0	0	0	0	0	0	0
Llandygai Community Council	0	0	0	0	0	0	0	0
Llanegryn Community Council	0	0	0	0	0	0	0	0
Llanelltyd Community Council	0	0	0	0	0	0	0	0
Llanengan Community Council	0	0	0	0	0	0	0	0
Llanfair Community Council	0	0	0	0	0	0	0	0
Llanfihangel-y-Pennant Community Council	0	0	0	0	0	0	0	0
Llanfrothen Community Council	0	0	0	0	0	0	0	0

Llangelynnin Community Council	0	0	0	0	0	0	0	0
Llangywer Community Council	0	0	0	0	0	0	0	0
Llanllechid Community Council	0	0	0	0	0	0	0	0
Llanllyfni Community Council	0	0	0	0	0	0	0	0
Llannor Community Council	0	0	0	0	0	0	0	0
Llanrug Community Council	0	0	0	0	0	0	0	0
Llanuwchllyn Community Council	0	0	0	0	0	0	0	0
Llanwnda Community Council	0	0	0	0	0	0	0	0
Llanycil Community Council	0	0	0	0	0	0	0	0
Llanystumdwy Community Council	0	0	0	0	0	0	0	0
Maentwrog Community Council	0	0	0	0	0	0	0	0
Mawddwy Community Council	0	0	0	0	0	0	0	0
Nefyn (Town) Community Council	0	0	0	0	0	0	0	0
Pennal Community Council	0	0	0	0	0	0	0	0
Penrhyndeudraeth (Town) Community Council	0	0	0	0	0	0	0	0
Pentir Community Council	0	0	0	0	1	0	0	1
Pistyll Community Council	0	0	0	0	0	0	0	0
Porthmadog Town Council	0	0	0	0	0	0	0	0
Pwllheli Town Council	0	1	0	0	0	0	0	1
Talsarnau Community Council	0	0	0	0	0	0	0	0
Trawsfynydd Community Council	0	0	0	0	0	0	0	0
Tudweiliog Community Council	0	0	0	0	0	0	0	0
Tywyn Town Council	3	0	0	3	0	0	0	6

Waunfawr Community Council	0	0	0	0	0	0	0	0
Y Bala (Town) Community Council	0	0	0	0	0	0	0	0
Y Felinheli Community Council	0	0	0	0	0	0	0	0

Meeting:	Governance and Audit Committee
Date:	26 Tachwedd 2026
Title:	Amending Section 11 Officers' Standing Orders.
Author:	Iwan G D Evans – Head of Legal Services – Monitoring Officer
Purpose:	To add detailed procedures for Chief Officers processes, establishing a Chief Officers Appeals Committee and making subsequent adjustments.

Background

1. As noted in previous reports a process of reviewing and updating the Constitution has been underway and reporting to the Council. As part of that process a need was highlighted to add detailed Standing Orders within Section 11 to support the Council's delegated arrangements for dealing with certain employment matters.

Rationale

Section 11 Procedures

2. In accordance with the requirements of the Local Authorities (Standing Orders) (Wales) Regulations 2006 "the Regulations") the Council is required to have Standing Orders to deal with the employment matters of Officers. This requirement is addressed in Section 11 of the Constitution. Based on this the employment conditions of Chief Officers on the one hand and Chief Executives on the other hand are also based on these provisions.

3. In reviewing the Constitution, the Authority's Employment Policies and employment conditions it was concluded that it was necessary to add specific provisions to Section 11 for these provisions and to make changes based on the Delegation Scheme to ensure that the arrangements are current and that they coincide.

4. There are four officers who have statutory employment protection:

   (a) Chief Executive
   (b) Monitoring Officer
   (c) Head of Finance (S151 Officer)
   (d) [Head of Democratic Services.

The arrangements for the disciplinary processes of these four officers are laid out by statute. It is a specific procedure which is set out in Part A of the Annex to Section 11. With the exception of a decision to dismiss the Chief Executive which is a Full Council matter, these actions are in the hands of the Chief Officer Appointments Committee. This will not be changed as a result of these decisions.

5. Corporate Directors and Heads of Department are appointed by the Chief Officer Appointment Committee and disciplinary decisions are also in its hands. However, the statutory procedure does not apply to these posts. These processes are set out in Part B of the Annex to Section 11. This will not be changed as a result of these decisions.

6. As a result of the addition of the Annex to Section 11 the following changes to Section 11 are highlighted in Annex 1 to ensure consistency across the procedures and the Delegation Scheme.

7. At present, although Section 11 fulfils the statutory requirements, it is considered necessary to be clear about the exact procedures that would be followed if an issue came before the Committee, specifically for the positions listed above.

Appeal Arrangements.

8. The Regulations require a Committee exercising the duties of the Chief Officers Appointment Committee to consist of a minimum of one Cabinet member.

> 4 (2) Where the committee or sub-committee of the relevant authority performs, on behalf of the relevant authority, the function of appointing or dismissing any officer referred to in sub-paragraphs (a), (b), (c) [F40, (d), (f), or (i) of paragraph 3(1) or the function of dismissing any officer referred to in paragraph 3(2)] –
>
> > (a)at least one member of the executive body must be a member of that committee or sub-committee; and
> >
> > (b)more than half of the members of that committee or sub-committee must not be members of the executive of the relevant authority."

9. The requirement to have an appeals procedure for any disciplinary process is reflected in these specific arrangements. However, given the above requirement, an Appeals Committee should include this cross-section of membership. Although the Council has an Employment Appeals Committee, its constitution does not satisfy this requirement. Therefore, for the purposes of the appeals of the above positions it is recommended to establish a Chief Officers Appeals Committee. In terms of the number of members it would consist of 7 members in the same way as the current Appeals Committee.

However, it would be necessary to ensure that at least 1 Cabinet member is a member of the Committee. Members would be appointed on the basis of political balance and in accordance with usual committee appointment arrangements. It is expected that members sitting on the Committee would receive training prior to taking action.

Conclusion

These recommendations are considered to ensure that the Council's procedures around the matters of Chief Officers are clear and establish the current arrangements within the Constitution in relation to the process and role of Committees and Members.

Recommendation

That the Committee considers the report and provides observations on the recommendation to Council.

" 1. That the Council adopts Annex 1 to Section 11 of the Constitution and the resulting modifications within Section 11.

2. That the Council agrees to establish a Chief Officers Appeals Committee adopting the model in Appendix 3 and the amendments to the Constitution. "

Monitoring Officer

Author of the Report

Head of Finance

Background documents
JNC Chief Officers
JNC Chief Executives

Appendix 1

Chief Officers Disciplinary Procedure

1 The Local Authorities (Standing Orders)

The Local Authorities (Standing Orders) (Wales) Regulations 2006 ("the Regulations") set out mandatory requirements in respect of disciplinary proceedings relating to the Chief Executive, the Monitoring Officer , the Section 151 Officer and the Head of Democratic Services; they also apply to an officer who was, but at the time of the proposed disciplinary action no longer is such an officer, and where the alleged misconduct, or, as the case may be, the reason for the proposal for dismissal, occurred during the period when the officer was such an officer.

The Council has also resolved to adopt a procedure for Corporate Directors and Heads of Department employed on JNC terms and conditions.

2 Intention

This Standing Order is intended to give effect to the Regulations, but also sets out a prescriptive disciplinary procedure, which incorporates the JNC for Chief Executives and JNC for Chief Officers for Local Authorities model procedures, with modifications, and which are to be applied in the event of an allegation against the officer/s. It will consist of initial guidance and then a procedure to be followed in all cases.

If a matter is prescribed in the Local Authorities (Standing Orders) (Wales) Regulations 2006 as amended which is not referred to in this procedure or where there is a conflict, the Regulations take precedence.

3 Interpretations

The interpretations below are those that are set out in the 2006 Regulations as amended and the relevant parts are replicated below. (Regulation 2):

a) "The 1989 Act" means the Local Government and Housing Act 1989;

b) "The 2000 Act means the Local Government Act 2000;

c) "The 2021 Act" means the Local Government and Elections (Wales) Act 202

d) "Chief Officer" means:

- i) The Chief Executive;
- ii) Monitoring Officer;
- iii) Chief Finance Officer
- iv) Head of Democratic Services
- v) A Corporate Director

vi) Head of Department

and any reference to an appointment or purported appointment of a Chief Officer includes reference to the engagement or purported engagement of such an officer under a contract of employment;

e) "Chief Finance Officer" means the officer having responsibility, for the purposes of section 151 of the Local Government Act 1972 (financial administration) for the administration of the local authority's financial affairs;

f) "disciplinary action" in relation to a member of staff of the authority means any action occasioned by alleged misconduct which, if proved, would, according to the usual practice of the authority, be recorded on the member of staff's personal file, and includes dismissal of a member of staff for any reason other than redundancy, permanent ill-health or infirmity of mind or body, but does not include failure to renew a contract of employment for a fixed term unless the authority has undertaken to renew such a contract;

g) “Head of Democratic Services” means the officer designated under section 8 of the Local Government (Wales) Measure 2011;

h) "Chief Executive " means the officer designated under section 54 of the 2022 Act (designation and reports of Chief Executive);

i) "Monitoring Officer" means the officer designated under section 5(1) of the 1989 Act (designation and reports of Monitoring Officer);

j) “Statutory Officers” means:

i) Chief Executive,

ii) Monitoring Officer,

iii) Head of Finance and

iv) Head of Democratic Services

4 General Principles

a) Informal resolution is preferred to formal disciplinary procedures where appropriate.

b) All cases where disciplinary investigation or action relating to the Chief Executive is being considered must be referred to the Monitoring Officer or nominated representative(s) who will be the Lead Officer for the purposes of these Standing Orders. In all other cases the Line Manager or nominated representative(s) will be the Lead Officer.

c) It is in the interests of all parties that proceedings be conducted expeditiously. It is recognised that it would be inappropriate to impose timescales that in practical terms could be difficult to achieve.

d) Suspension should not be automatic and should be a last resort depending upon the circumstances of the case. A Suspension Risk Assessment will inform the decision in all cases and will be regularly reviewed.

e) Other than in circumstances where there is an urgent requirement to suspend, officers covered by this policy will be entitled to be accompanied by a single nominated companion as described by Paragraph 10 of the Employment Relations Act 1999 or a trade union representative at all stages

5 Disciplinary actions

No disciplinary action (other than action to which paragraph 6))in respect of the Chief Executive; Its Monitoring Officer, Chief Finance Officer and Head of Democratic Services to which this procedure applies may be taken by the relevant authority, or by a committee, a sub-committee, a joint committee on which the relevant authority is represented or any other person acting on behalf of the relevant authority, other than in accordance with a recommendation in a report made by a Designated Independent Person (DIP) under regulation 9 of the Local Authorities (Standing Orders) (Wales) Regulations 2006 as amended. (investigation of alleged misconduct).

6 Chief Officer Appointments Committee ("COAC")

The **Chief Officer Appointments Committee** will be the relevant investigation and disciplinary committee COEC for these Standing Orders and will perform the function of carrying out the investigation to consider the alleged misconduct and take the following steps.

(a) Exonerate the Chief Officer
(b) State as to whether (and if so the extent to which) the evidence they have obtained supports any allegation of misconduct against the Chief Officer
(c) Determine the disciplinary action (if any) or range of actions which appear appropriate to take against the Chief Officer including:

- Recorded verbal warning
- Written warning
- Final Written Warning
- Demotion
- Relegation (i.e. a reduction in salary)
- Dismissal

(d) The power to confirm the dismissal of the Chief Executive must be exercised by Full Council itself and the COAC will only make a recommendation on dismissal to the

Full Council. In respect of the Monitoring Officer, the Chief Financial Officer, the Head of Democratic Services and all other Chief Officers will be taken by the COAC and the Chief Officers Appeals Committee.

7 Membership of the COAC

For these purposes the COAC must:

a) Consist of **15** members of the authority; (the committee has already have been set).

b) Be politically balanced in accordance with section 15 of the 1989 Act; and

c) At least one member of the Executive must be a member of the COACand the Chief Officers Appeals Committee. However, not more than half of the members of the COAC and the Chief Officers Appeals Committee are to be members of the executive of the authority.

A. Statutory Officers Procedure

8 Process of the COAC

For these purposes the COAC must within 1 month of the referral of alleged misconduct to it, consider the allegation of misconduct and decide whether it should be further investigated.

9 Considering the Allegations or Other Issues Under Investigation

The COAC will, as soon as is practicable, inform the Statutory Officer in writing of the allegations or other issues under investigation and provide them with any evidence that the COAC is to consider including the right to hear verbal evidence.

10 The Investigation Meeting

a) The Statutory Officer will be permitted to respond both in writing and verbally at the Investigation and Disciplinary Committee meeting save that the remit of the Committee is inquisitorial in nature and no cross examination will be permitted at the Meeting.

b) The Statutory Officer will be entitled to be represented by his or her trade union representative or a single nominated companion as described by Paragraph 10 of the Employment Relations Act 1999 co-worker l

c) The Committee will meet to consider the allegation in order to determine whether there is an allegation of misconduct by the Statutory Officer which requires further investigation by a Designated Independent Person (DIP).

d) The Committee will be advised by a legal officer at all times.

e) The procedure for the Meeting will be as follows: -

i) The Human Resources Advisory Manager or their nominated deputy will outline the allegation and introduce any evidence that the Authority wishes to rely on in support;
ii) Any witnesses for the authority will give their evidence and questions will be permitted;
iii) the Statutory Officer or his representative will present their defence;
iv) Any witnesses for the Statutory Officer will give their evidence and questions will be permitted;
v) The Committee will then adjourn to deliberate and decide whether there is a case that merits further investigation;
vi) The Committee will re-convene to deliver their decision to the Statutory Officer.

f) The Committee will assess any evidence provided in support of the allegations and anything said in defence. The Committee will then decide whether it is in a position to dismiss the allegation. If it cannot, and further investigation is needed, the Committee must refer the matter to the DIP.

g) If the Committee decides that the matter requires no further action, then that will be an end to the allegation, and no record will be made on the relevant officers' personal file.

h) If the matter is to be referred to a DIP, the Committee will draw up the allegations that will form the basis of the remit of the DIP, and these will be communicated to both the DIP and the relevant officer in writing.

j) The COAC shall inform the Statutory Officer of its decision in writing.

11 Suspension

a) When carrying out its deliberations, the Committee will also consider whether suspension is appropriate. In disciplinary cases, suspension may be appropriate where the Statutory Officer's continuing presence at work might compromise the investigation or impair the efficient exercise of the authority's functions or where a repeat of the alleged offence could have serious consequences for the Authority.

b) In these circumstances, the overall suspension must be for a maximum period of two months from the date of the initial suspension, and the officer will continue to receive full pay for all of the period of suspension.

c) For calculation purposes, the suspension period will be deemed to commence on the date which is the day before the Committee decides to suspend and then count forward two calendar months from this date or, such earlier date as may have been imposed under paragraph 6.

d) If the Committee decides that suspension is appropriate, the reasons for the decision to suspend and the terms of any suspension will be communicated in writing to the Statutory Officer. In accordance with Regulation 9 of the Regulations, any suspension is subject to any direction of the DIP.

e) The authority is able to request that the DIP consider as to whether to authorise that the suspension may continue over the maximum two-month period, but no continuation of the suspension is permissible unless expressly authorised by the DIP.

f) The necessity for suspension should be reviewed by the Lead Officer at regular intervals and where possible lengthy periods of suspension are to be avoided. Consideration may also be given to home working as an alternative to suspension, but this is dependent on the allegation and the feasibility of such an arrangement.

g) Whilst suspension is a neutral act and is in no way an indication of guilt or pre-determination, in cases of potential gross misconduct the Statutory Officer should normally be suspended pending the investigation by the DIP

12 Designated Independent Person(“DIP”)

Where it appears to the COAC that an allegation of misconduct by the Statutory Officer should be further investigated, it must appoint a person "the designated independent person"the DIP") for the purposes of the standing order (or provisions to the like effect).

13 Appointing a DIP

In deciding whether to appoint a DIP, the COAC shall, in considering whether there is an allegation of misconduct against a Statutory Officer that requires further investigation, take into account the following factors:

(a) Is the allegation such that if it were proved it would lead to dismissal or other action which would be recorded on the officer’s personal file; and

(b) There is evidence in support of the allegation sufficient to require further investigation.

In the event that this test is satisfied, the COAC will proceed to appoint a DIP.

The authority will pay reasonable remuneration to a designated independent person appointed by the COAC and any costs incurred by, or in connection with, the discharge of functions under this regulation

14 The Designated Independent Person

The DIP who is appointed:

a) Must be such person as may be agreed between the authority and the Statutory Officer within 1 month of the date on which the requirement to appoint the designated independent person arose; or

b) Where there is no such agreement, must be such person as is nominated for the purpose by the Welsh Ministers.

15 What the DIP may do

1 The DIP may direct:

a) That the authority terminates any suspension of the Statutory Officer;

b) That any such suspension is to continue after the expiry of the two-month period referred to in 6;

c) That the terms on which any such suspension has taken place are to be varied in accordance with the direction; or

d) That no steps (whether by the relevant authority or any committee, sub-committee or officer acting on behalf of the relevant authority) by way of disciplinary action or further disciplinary action against the Statutory Officer, other than steps taken in the presence, or with the agreement, of the designated independent person, are to be taken before a report is made under sub-paragraph 4.

2 The DIP may inspect any documents relating to the conduct of the Statutory Officer which are in the possession of the relevant authority, or which the relevant authority has power to authorise the designated independent person to inspect;

3 The DIP may require any member or member of staff of the relevant authority to answer questions concerning the conduct of the Statutory Officer;

4 The DIP Must make a report to the authority–

a) Stating an opinion as to whether (and, if so, the extent to which) the evidence obtained supports any allegation of misconduct against the Statutory Officer; and

b) Recommending any disciplinary action which appears appropriate for the relevant authority to take against the Statutory Officer, and

c) Must no later than the time at which the report is made under sub-paragraph 4; send a copy of the report to the Statutory Officer.

5 The Statutory Officer and the authority must, after consulting the DIP, attempt to agree a timetable within which the designated independent person is to undertake the investigation.

6 Where there is no agreement under paragraph 5, the DIP must set a timetable as that person considers appropriate within which the investigation is to be undertaken.

7 The COAC must consider the report prepared by the DIP within one month of receipt of that report by the authority.

8 The procedure for receiving allegations of misconduct or capability or a breakdown in trust and confidence is set out below.

16 The Meeting of the Chief Officer Appointment Committee

1 The COAC will meet to consider the report and shall accept the recommendations of the DIP. If the DIP recommends no disciplinary action, the Committee is bound by that recommendation. If however the DIP recommends dismissal or some other disciplinary sanction, the decision as to whether to impose a lesser sanction than dismissal remains that of the COAC.

2 The relevant officer or his or her representative will be permitted to address the COAC prior to it carrying out its deliberations. However, under normal circumstances, no evidence will be permitted to be called.

3 There may however be circumstances where new evidence has emerged since the investigation which should be admitted in the interests of fairness. It is anticipated that such circumstances should be rare and the COAC will give full consideration to any representations that new evidence ought to be admitted.

4 The COAC will then deliberate and decide on what disciplinary action to take, if any and this will then be communicated to the parties at the meeting if practicable, but in any event in writing setting out the reasons for the decision and informing the relevant officer of their right to appeal.

B. Process for Chief Officers other than the Statutory Officers

17 General

1. Procedures are set out below for use in cases relating to discipline, and any proposal to dismiss based on a breakdown in trust and confidence.

2. Any decisions in these matters must be in accordance with the requirements of the law in respect of the rules of natural justice and the relevant Standing Order Regulations in force at the time.

3. Any disciplinary procedures should be handled as quickly as possible, but this must be measured against the need to investigate the case fully and to give the Chief Officer an opportunity to reply fully to the complaints.

18 Suspension due to alleged misconduct

The action to which this paragraph applies is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action; provided such suspension is on full pay and terminates no later than the expiry of two months beginning on the day on which the suspension takes effect. The decision to suspend will be made by the Line Manager

19 The Chief Officers Employment Committee Investiagion

1 If the Chief Executive (or their nominated representatives) consider there to be sufficient evidence to refer the matter to the COAC , this should be done via Democratic Services in consultation with the Human Resources Advisory Service Manager.

2 The decision to instigate a disciplinary investigation shall be for the Chief Executive or, Corporate Director if the Chief Executive is conflicted or otherwise unable to undertake the function.

3. The Chief Executive or the Corporate Director (in accordance with para 3) will determine the investigation procedure in consultation with the Human Resources Advisory Service Manager. Suitably qualified independent investigators may be commissioned to undertake an investigation

4. A confidential report outlining the allegations together with any documentary or other supporting evidence to support the referral must be provided in advance. This report must also be provided to the Chief Officer who is the subject of the referral, along with a copy of this policy and procedure.

20 The Investigation Meeting

1 The relevant officer will be permitted to respond both in writing and verbally at the Investigation Committee Meeting save that the remit of the Committee is inquisitorial in nature and no cross examination will be permitted at the Meeting.

2 The relevant officer will be entitled to be represented by his or her trade union representative or a single nominated companion as described by Paragraph 10 of the Employment Relations Act 1999.

3 The Committee will be advised by a legal officer at all times.

4 The procedure for the Committee Meeting will be as follows: -

(a) The Chief Executive (or their nominated representative) will outline the allegation and introduce any evidence that the Authority wishes to rely on in support;

(b) Any witnesses for the authority including any investigator appointed by the Chief Executive will give their evidence and questions will be permitted;
(c) the Chief Officer or his representative will present their defence;
(d) Any witnesses for the Chief Officer will give their evidence and questions will be permitted;
(e) The Committee will then adjourn to deliberate and decide whether there is a case that merits further investigation;
(f) The Committee will re-convene to deliver their decision to the relevant officer. The Committee will assess any evidence provided in support of the allegations and anything said in defence. The Committee will then decide whether it is in a position to dismiss the allegation.

5 If the Committee decides that the matter is dismissed, then that will be an end to the allegation, and no record will be made on the relevant officers' personal file.

6 The COAC will then deliberate and decide on what disciplinary action to take, if any and this will then be communicated to the parties at the meeting if practicable, but in any event in writing within 10 working days of the meeting setting out the reasons for the decision and informing the relevant officer of their right to appeal.

21 Chief Officers Right of Appeal

1 The relevant officer will have the right of appeal against the decision of the COAC. Such appeal will be in writing and will comprehensively set out the ground/s of appeal. This is to be delivered to the Human Resources Advisory Service Manager within 10 working days of the date that the written decision is communicated to them.

2 The appeal will take the form of a review of the previous decision and will be considered by the following bodies in accordance with the 2006 Regulations as amended:

a) In respect of the Chief Executive the appeal will be to the Council. In which event, any members who have had any previous involvement in the process either as witnesses or as members of the Chief Officer Disciplinary Committee will be required to refrain from attending;

b) In respect of all other Officers, the appeal will be to the Chief Officer Appeals Committee (COAC);

c) The relevant officer or his or her nominated representative will be permitted to address Council/the COAC, but will not be permitted to adduce new evidence other than in accordance with the considerations referred to in paragraph 16.3;

d) The COAC/Council will then deliberate and decide on what action to take, if any, and this will then be communicated to the parties at the meeting if practicable, but in any event in writing setting out the reasons for the decision;

e) The decision of the COAC/Council is final and there is no further right of appeal;

f) No grievance will be entertained in relation to this procedure, or any decisions taken by the Committees.

Appendix 2

SECTION 11

11. Officers

11.1 Management Structure

11.1.1 General

The Full Council may engage such staff (referred to as Officers) as it considers necessary to carry out its functions.

11.1.2 Chief Executive, Monitoring Officer, Chief Finance Officer and Head of Democratic Services

The Council will designate the following posts as shown:

Post	Designation
Chief Executive	Chief Executive
Head of Legal Services	Monitoring Officer
Head of Finance	Chief Finance Officer
Head of Strategy and Improvement	Head of Democratic Services

Such posts will have the functions described in Sections 11.2 to 11.5.

11.1.3 In this Section reference to "Chief Officer" means ~~a Chief Officer within the meaning of the Local Authorities (Standing Orders)(Wales) Regulations 2006.~~ an officer listed in 11.1.2 above, Corporate Directors and Heads of Department.

11.2 Functions of the Chief Executive

11.2.1 Discharge of Functions by the Council

(a) Section 4 of the Local Government and Housing Act 1989 imposes a duty on authorities to designate one of their officers as Chief Executive. The Chief Executive will report to Full Council on the manner in which the discharge of the Council's functions is co-ordinated, the number and grade of staff required for the discharge of functions, the organisation of the authority's staff and the appointment and proper management of the authority's staff.

(b) The Chief Executive must keep the following matters under review:

(i) the manner in which the exercise by the Council of its different functions is co-ordinated;

(ii) the council's arrangements in relation to—

(A) financial planning,

(B) asset management, and

(C) risk management;

(iii) the number and grades of staff required by the Council for the exercise of its functions;

(iv) the organisation of the Council's staff;

(v) the appointment of the Council's staff; and

(vi) the arrangements for the management of the Council's staff (including arrangements for training and development).

11.2.2 If the Chief Executive considers it appropriate to do so, they must make a report to the Full Council setting out their approach to these matters. As soon as possible after preparing a report, the Chief Executive must arrange for a report to be sent to each Member of the Council.

11.2.3 Acting as one of the Council's Representatives on the Public Services Board

The Chief Executive shall be one of the Council's two representatives at meetings of the Public Services Board.

11.2.4 Restrictions on Functions

The Chief Executive may not be the Monitoring Officer or the Head of Democratic Services but may hold the post of Chief Finance Officer if a qualified accountant.

11.3 Functions of the Monitoring Officer

These are set out in section 5 of the Local Government and Housing Act 1989 as amended.

11.3.1 Maintaining the Constitution

The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is widely available for consultation by Members, staff and the public.

11.3.2 Ensuring Lawfulness and Fairness of Decision Making

After consulting with the Chief Executive and Chief Finance Officer, the Monitoring Officer will report to the Full Council or to the Cabinet in relation to any Function if he or she considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

11.3.3 Supporting the Standards Committee

The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Committee.

11.3.4 Receiving Reports

The Monitoring Officer will receive and act on reports made by the Public Services Ombudsman for Wales and decisions of the case tribunals.

11.3.5 Conducting Investigations

The Monitoring Officer will conduct investigations into matters referred by the Public Services Ombudsman for Wales and make reports or recommendations in respect of them to the Standards Committee.

11.3.6 Advising whether decisions of the Cabinet are within the Budget and Policy Framework

The Monitoring Officer will, in conjunction with the Chief Finance Officer, advise whether decisions of the Cabinet – are in accordance with the Budget and Policy Framework.

11.3.7 Providing Advice

The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and Budget and Policy Framework issues to the Councillors.

11.3.8 Restrictions on Posts

The Monitoring Officer cannot be the Chief Finance Officer or the Chief Executive.

11.4 Functions of the Chief Finance Officer

These are set out in section 151 of the Local Government Act 1972.

11.4.1 Ensuring Lawfulness and Financial Prudence of Decision Making

After consulting with the Chief Executive and the Monitoring Officer, the Chief Finance Officer will report to the Full Council or to the Cabinet in relation to an Executive Function and the Council's external auditor if he or she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.

11.4.2 Administration of Financial Affairs

The Chief Finance Officer will have responsibility for the administration of the financial affairs of the Council.

11.4.3 Contributing to Corporate Management

The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.

11.4.4 Providing Advice

The Chief Finance Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and Budget and Policy Framework issues to all Councillors and will support and advise Councillors and Officers in their respective roles.

11.4.5 Give Financial Information

The Chief Finance Officer will provide financial information to the media, members of the public and the community.

11.4.6 Advising whether Decisions of the Cabinet are within the Budget and Policy Framework

The Chief Finance Officer will, in conjunction with the Monitoring Officer, advise whether decisions of the Cabinet are in accordance with the Budget and Policy Framework.

11.4.7 Restrictions on Posts

(a) The Chief Finance Officer cannot be the Monitoring Officer or the Head of Democratic Services.

(b) The Chief Finance Officer must be a member of one or more of the following professional bodies: -

(i) the Institute of Chartered Accountants in England and Wales;

(ii) the Chartered Association of Certified Accountants;

(iii) the Chartered Institute of Public Finance and Accountancy;

(iv) the Chartered Institute of Management Accountants; or

(v) any other body of accountants established in the United Kingdom and for the time being approved by the Welsh Ministers for this purpose.

11.5 Functions of the Head of Democratic Services

These are set out in section 9 of The Measure. The functions of the Head of Democratic Services are:

11.5.1 to provide support and advice to the authority in relation to its meetings, subject to paragraph 11.5.10;

11.5.2 to provide support and advice to committees of the authority (other than the committees mentioned in paragraph 11.5.5) and the members of those committees, subject to paragraph 11.5.10;

11.5.3 to provide support and advice to any joint committee which a local authority is responsible for organising and the members of that committee, subject to paragraph 11.5.10;

11.5.4 to promote the role of the authority's Scrutiny Committees ;

11.5.5 to provide support and advice to:

(a) the authority's Scrutiny Committees and the members of those Scrutiny Committees; and

(b) the authority's Democratic Services Committee and the members of that committee;

(c) to provide support and advice in relation to the functions of the authority's Scrutiny Committees to each of the following:

(i) members of the authority;

(ii) members of the executive of the authority;

(iii) officers of the authority;

11.5.6 to provide support and advice to each member of the authority in carrying out the role of member of the authority, subject to paragraph 11.5.11;

11.5.7 to make reports and recommendations in respect of any of the following:

(a) the number and grades of staff required to discharge democratic services functions;

(b) the appointment of staff to discharge democratic services functions;

(c) the organisation and proper management of staff discharging democratic services functions;

11.5.8 such other functions as may be prescribed by law.

11.5.9 Restrictions on Posts

The Head of Democratic Services cannot be the Chief Executive or the Chief Finance Officer.

11.5.10 The function of providing advice about whether or how the authority's functions should be, or should have been exercised, only applies to advice concerning the functions of the Scrutiny Committees and Democratic Services Committee.

11.5.11 Advice to a Member does not include advice in connection with their role as an executive Member and does not include advice about a matter being or to be considered at a meeting (other than a meeting of an Scrutiny Committees or Democratic Services Committee.

11.6 Duty to Provide Sufficient Resources to the Chief Executive, Monitoring Officer, Chief Finance Officer and Head of Democratic Services

The Council will provide the Chief Executive, the Monitoring Officer, the Chief Finance Officer and the Head of Democratic Services with such Officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

11.7 Conduct

Officers will comply with the Officers' Code of Conduct and the Protocol on Officer/Member Relations set out in Sections 20 and 21 of this Constitution.

11.8 Employment

The recruitment, selection and dismissal of Officers will comply with the Officer Employment Rules set out below.

11.9 Remuneration of Chief Officers

The Full Council will determine the level and any change in the level of the remuneration to be paid to Chief Officers. Remuneration is defined in accordance with Section 43(3) of the Localism Act 2006.

11.10 Officer Employment Procedure Rules

11.10.1 Recruitment and Appointment

(a) Declarations

(i) The Council has drawn up procedures which include a requirement that any candidate for an appointment as an Officer must state in writing whether they have any relationship with any councillor or Officer of the Council.

(ii) No candidate so related to a Councillor or a senior Officer will be appointed without the authority of the relevant Chief Officer or an Officer nominated by him.

(b) Seeking Support for Appointment

(i) The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.

(ii) No Councillor or employee of the Council will seek support for any person for any appointment with the Council.

11.10.2 Recruitment of Chief Officers

Where the Council proposes to appoint a Chief Officer (within the meaning of the Local Authorities (Standing Orders) (Wales) Regulations 2006) and, subject to the requirement in (b)(ii) below it is not proposed that the appointment be made exclusively from among their existing Officers, the Council will:

(a) draw up a statement including the following:

(i) the duties of the Officer concerned; and

(ii) any qualifications or qualities to be sought in the person to be appointed;

(b) (i) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and

(ii) in cases where the annual remuneration for the post is £100,000 or more the post must be publicly advertised save where the appointment is for a fixed term of no more than 12 months.

(c) make arrangements for a copy of the procedures mentioned in paragraph (a) to be sent to any person on request.

(d) The steps mentioned in paragraph (a) to (c) shall be delegated to the Chief Executive.

(e) Where a post has been advertised as provided in paragraph (b), the relevant authority must either:

(i) interview all qualified applicants for the post, or

(ii) select a short list of such qualified applicants and interview those included on the short list.

(f) Where no qualified person has applied, or if the Council decide to re-advertise the appointment, the Council may make further arrangements for advertisement in accordance with paragraph (b).

(g) The steps mentioned in paragraph (e) and (f) shall be delegated to the relevant committee in accordance with the Council's Delegation Scheme for Committees and Sub-committees.

(h) Where the duties of a chief officer include the discharge of functions of two or more relevant authorities in pursuance of section 101(5) of the Local Government Act 1972:

(i) the steps taken under paragraph (a)(b) or (c) above may be taken by a joint committee of those relevant authorities, a sub-committee of that committee, or a chief officer of any of the relevant authorities concerned; and

(ii) any chief officer may be appointed by such a joint committee, a subcommittee of that committee or a committee or sub-committee of any of those relevant authorities.

11.10.3 Appointment of Chief Executive

The Full Council will approve the appointment of the Chief Executive, following the recommendation of such appointment by a committee or sub-committee of the Council. That committee or sub-committee must include at least one Member of the Cabinet.

11.10.4 Appointments and Dismissals of Chief Officers

(a) In this paragraph:

"the Committee"	means the Chief Officers' Appointments Committee; and
"the Proper Officer"	means the Head of Democratic Services.

(b) The appointment and dismissal of the Chief Executive and Chief Officers is the responsibility of the Committee.

(c) At least one Member of the Cabinet must be a Member of the Committee and not more than half the Members of that Committee should be Members of the Cabinet (Schedule 3 of the Local Authorities (Standing Orders) (Wales) Regulations 2006).

(d) Where the Committee is proposing to appoint or dismiss the Chief Executive, the Full Council must approve that appointment before the offer of appointment is made or must approve that dismissal before notice of dismissal is given.

11.10.5 Other Officers

(a) Appointment and dismissal of Officers below Chief Officer is the responsibility of the Chief Executive or his nominee, and may not be undertaken by councillors.

(b) Councillors will not be involved in disciplinary action against any Officer below Chief Officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct or where the Council's disciplinary, capability and related procedures, as adopted from time to time, allow a right of appeal to Members.

(c) Paragraphs (a) and (b) will not apply to:

(i) the officer designated as the Chief Executive;

ii) a statutory chief officer within the meaning of section 2(6) of the 1989 Act 2 (politically restricted posts);

(iii) a non-statutory chief officer within the meaning of section 2(7) of the 1989 Act;

~~(iv) a deputy chief officer within the meaning of section 2(8) of the 1989 Act;~~

(v) the monitoring officer;

(vi) the head of democratic services;

(vii) a person appointed in pursuance of section 9 of the 1989 Act 3 (assistants for political groups); or

(viii) a person to whom regulations made under section 35(4) and (5) (provision with respect to the appointment, discipline, suspension and dismissal of teachers and other staff of schools employed by the local authority) of the Education Act 2002 apply.

11.10.6 Appointment of assistants to political groups

(a) Political group assistants will be appointed in accordance with the wishes of that political group.

(b) The Head of Democratic Services will be invited to observe any interview for the appointment of a political group assistant.

11.10.7 Disciplinary Action

(a) In this paragraph "disciplinary action" includes proposed dismissal for any reason other than redundancy, permanent ill health or failure to renew a fixed term contract, planned retirement and early retirement and unsatisfactory probationary periods.

(b) Written Procedures

(i) Disciplinary action against the Chief Executive, the Monitoring Officer the Chief Finance Officer and the Head of Democratic Services will be taken in accordance with the Council's Chief Officer Procedures in Schedule 1.(this includes an officer who was employed in one of the above posts at the time of the alleged misconduct, but at the time of the proposed disciplinary action is no longer in that post)

~~(i) If I it becomes apparent that an allegation of misconduct which could lead to disciplinary action has been made against an officer listed in (s) above then the Council will appoint an Investigation Committee to investigate the allegations in accordance with Regulation 9 of the Local Authorities (Standing Orders) (Wales) Regulations 2006.~~

(ii) Disciplinary action against all other Chief Officers will be taken in accordance with the Council's Chief Officer Procedures in Schedule 1. ~~Local Conditions of Service.~~

(iii) Disciplinary action against all other Chief Officers will be taken in accordance with Local Conditions of Service.

~~**(c) Independent Person**~~

~~No disciplinary action may be taken under paragraph (b) above except in accordance with a recommendation in a report made by a designated independent person under Rule 9 of the Local Authorities (Standing Orders)(Wales) Regulations 2006.~~

~~**(d) Suspension**~~

~~An Officer named in (b) above may be suspended whilst an investigation takes place into alleged misconduct. The suspension will be on full pay and the suspension period shall not exceed two months from the date it comes into effect.~~

11.10.8 Appeals

None of the above shall prevent a Councillor serving as a Member of an appeals committee or body established to consider an appeal by:

(a) any person against any decision relating to the appointment of that person as a Member of staff of the authority; or

(b) a Member of staff of the authority against any decision relating to the dismissal of, or taking disciplinary action against, that Member of staff unless the dismissal relates to a capability issue, misconduct, some other substantial reason, some other statutory enactment or planned retirement where the Member of staff has less than six months' notice. In these instances the appeal shall be conducted by a senior Officer.

Appendix 3

Section 9

The Chief Officers Appeals Committee

The Council will appoint an Employment Appeals Committee to discharge the functions described in Section 13 of this Constitution.

The Committee shall comprise of 7 Councillor Members and at least one will be a Cabinet member but the majority of shall be members who are not member of the Cabinet or teh Chief Officers Appointmnet Committee.

Section 13 Part 1

Chief Officers Appeals Committee

- Details of the composition if this committee can be found in Section 9 of the Constitution.
- The table below lists the specific functions that have been delegated to the committee. The third column notes whether or not the function has been delegated onwards to a principal officer. Further details on the rights of the principal officer, including any restriction on the right to act are to be found in the Scheme of Delegation to Officers in Appendix 3 to Section 13 of the Constitution.

Function	**Provision of Act or Statutory Instrument**	**Delegation** *(subject to any restrictions in the Scheme for Delegation to Officers)*
To decide on appeals Chief Officers as defined in Section 11 of the Constitution against disciplinary action taken against them .	Local Authorities (Standing Orders) (Wales) Regulations 2006	

MEETING	Governance and Audit Committee
DATE	26 November 2026
TITLE	Audit Wales Reports
PURPOSE	Provide an update to the Committee on reports recently published by Audit Wales – 'Value for money of the Arosfan pilot scheme arrangements'
RECOMMENDATION	Members are asked to accept the reports.
AUTHOR	Lora Williams, Audit Lead, Audit Wales Dewi W. Jones, Council Business Support Service Manager

1. BACKGROUND

1.1. The Audit and Governance Committee has a role to review and assess the risk management, internal control, performance management and corporate governance arrangements of the Council and as part of this role there is an expectation to consider the reports of external review bodies such as Audit Wales, Estyn and Care Inspectorate Wales (CIW).

1.2. As well as actively considering reports the committee are expected to assure themselves that there are arrangements in place to monitor and evaluate progress against any recommendations contained in them.

1.3. A copy of the national report published by Audit Wales on 'Value for money of the Arosfan pilot scheme arrangements ' is included as **Appendix 1.** An organisational response document is included in **Appendix 2** which outlines what we as a Council propose to do in response to the recommendations within the report. Gareth Jones, **Assistant Head of Department Environment** will attend the meeting to respond to any questions regarding the Arosfan pilot scheme, while **Meinir Owen, Senior Projects Practitioner**, will attend to answer any questions on the organisational response if required.

Archwilio Cymru
Audit Wales

Value for money of the Arosfan pilot scheme arrangements

Cyngor Gwynedd

August 2026

We have prepared and published this report under section 17 of the Public Audit (Wales) Act 2004 (Act 2004) to help enable the Auditor General to be satisfied (or not) that the Council has established appropriate arrangements to ensure value for money in terms of using its resources; and section 15 of the Well-being of Future Generations (Wales) Act 2015 to help enable the Auditor General to assess the extent to which the Council operates in accordance with the sustainable development principle when taking steps to achieve its well-being objectives.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Audit Wales follows the international performance audit standards issued by the International Organisation of Supreme Audit Institutions (INTOSAI).

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Audit snapshot

What we looked at

1 We looked at the arrangements Cyngor Gwynedd (the Council) had to plan, deliver and review a pilot scheme to provide parking sites for motorhomes. These sites are called Arosfan. We were keen to examine the extent to which these arrangements ensured value for money. Value for money means more than getting work done at the cheapest price; it also means providing a quality service in an effective manner. That is, a combination of economy, efficiency and effectiveness. This is what we assessed in relation to the Council's arrangements in carrying out the Arosfan motorhome car park scheme.

Why this is important

2 Local authorities spend a lot of money on capital and revenue schemes in achieving their well-being objectives, statutory duties and other strategic commitments.

3 Rising costs because of inflation and other factors, hand in hand with uncertainty about sources of income, mean that local authorities need to ensure that every spending project counts. It is essential for local authorities to have appropriate arrangements in place to ensure value for money when spending on projects.

4 For a number of years, the Council had been spending time and resources responding to an increasing number of complaints about anti-social behaviour from motorhome users in the area, including illegal parking. In 2020, an unprecedented number of people came to Gwynedd on holiday. This led to problems which included people's use of motorhomes. The Council's Cabinet requested officers to investigate options that could contribute to a more sustainable use of this holiday medium.

5 Notable practices that can testify to the success of the arrangements can be of help to other bodies as well as providing reassurance to the Council and the public.

What we have found

6 The Council has responded proactively to try and resolve a contentious local problem. The Council experienced various obstacles which meant that the pilot became operational at a later date and higher cost than expected. Following the delay, the Council has not carried out an evaluation so far. As a result, there is no certainty about the results or value for money of the arrangements to carry out the innovative Arosfan pilot.

What we recommend

7 We have made one recommendation to the Council in relation to project management arrangements. The Council should apply the recommendation in a way that is proportionate to the size of future projects.

Our findings

The Council completed the Arosfan pilot at a greater cost, on a smaller scale and later than expected

8 The project was not completed within budget, and the sites opened later than planned. In a 2021 Cabinet paper, the indicative cost for establishing six sites was £100,000, with a maximum of six sites planned. In a 2022 application for Welsh Government grant funding, the Council estimated the cost for six sites at £340,000, to be spent by the end of March 2023. By 2026, the Council had spent £364,562 on four motorhome parking sites.

9 The project was not completed on time either. April 2023 was the target date for opening the first site. It was noted in the November 2021 Cabinet report that that forum would receive a further report in three years' time, namely 2024. The Cabinet did not receive a report at that time even though the first site became operational in October 2023.

10 As a result, there is very limited assurance of two important elements of value for money, namely economy and efficiency.[1]

11 Although the Council has established arrangements to review the value for money of Arosfan sites at the start of the project, the Council has not carried out an evaluation or carried out an exercise of lessons learned so far.

12 When carrying out the work, the Council drew up a comprehensive four-stage Evaluation Plan to show how it will measure success in terms of results and other indicators. To be carried out at the end of the pilot period, the evaluation was meant to include

- user satisfaction questionnaire;

[1] Under the Public Audit (Wales) Act 2004 the Auditor General for Wales must be satisfied that local councils are putting in place appropriate arrangements to ensure efficiency, effectiveness and that they are economical (value for money) when using their resources.

- community and business questionnaire;
- income performance data; and
- complaints and fines data.

13 We were told that the Council will carry out this evaluation following autumn 2026 as all Arosfan sites weren't fully opened until May of that year. The Council reports on usage figures and is satisfied with the feedback it receives through the contact form on its website. Despite this, there can be no certainty as to whether the project has fully achieved the intended results and benefits to date. An evaluation was not carried out on a smaller scale to learn lessons either, even though one Arosfan site has opened since 2023.

14 Without carrying out an evaluation, the Council cannot be assured that it:

- benefits fully from lessons learned;
- avoids repeating mistakes; nor
- that its arrangements provide value for money.

15 Considering that the scheme was a pilot to assist the Council to decide whether it wishes to continue, expand or do away with the sites, carrying out an evaluation is important.

The Council thoroughly researched the options for motor home sites

16 The Council thoroughly investigated the subject of motor home car parks. This was presented as a strong basis for recommending that the Cabinet approve an innovative pilot to help the Council tackle a contentious problem.

17 For example, the research refers to legislative requirements and international practices in the field. The Council considered the needs of service users and the other important stakeholders, members of the affected communities and local business owners. The Council received an extremely high number of responses to the questionnaires which provided solid evidence of the demand and concerns.

18 The Council used its analysis of the responses to draw up the priorities in a detailed scoring matrix. This was used to create a shortlist of proposed sites to host the pilot. The matrix filtered sites through an initial assessment and then considered factors including:

- distance from public transport;
- distance from a dwelling;
- water and sewerage connection;
- distance from a location of interest to visitors and walking/cycling routes; and
- a possible adverse effect on views.

19 The research document did not specify how the project would fit in with the Council's well-being objectives or any other strategic goals. However, the pilot was incorporated as one of the Council's Plan projects later in 2023 to contribute towards achieving the Prosperous Gwynedd objective.

20 Thorough research, as seen here, is important in a value-for-money context in order to avoid introducing flawed policies.

The Council did not use all the recognised project management arrangements when carrying out the Arosfan pilot

21 There were gaps in the Council's arrangements to manage the Arosfan project. The Council had not drawn up the following standard project management conventions for carrying out and completing the work:

- a detailed timetable with time targets for the different components; nor
- a communication plan.

22 It was noted that the sites' water infrastructure was the main obstacle to completing the work by the target date.

23 Although the Council drew up a basic risk register to support the application for grant money, it was not updated. Furthermore, the register did not refer to the risks which mainly led to the delay to the project.

24 It is good practice for public authorities to draw on the above recognised project management methods. These can help the Council identify and respond promptly when key steps slip and expenditure increases. It's also a means of identifying all risks in advance, dealing with them formally and is likely to contribute to gaining assurance of value for money.

25 The project was overseen by a predetermined governance procedure. A cross-departmental Project Board was created to discuss the pilot's progress, chaired by the Assistant Head of Department. The group continues to meet monthly. The Board reported to the Council's Significant Projects Group on one occasion. Since being included as one of the 2023-28 Council Plan projects, the Education and Economy Scrutiny Committee receives updates on the pilot's usage figures. Despite this, there was no opportunity for the Council's scrutiny function to scrutinise the scheme in advance.

26 An appropriate level of initial scrutiny can assist the Council to identify financial and practical risks earlier by involving more people with different perspectives. It is reasonable to determine more supervision and checks when a project is of a pilot nature, to give assurance of value for money that resources are used in a way that helps the Council achieve its objectives.

Recommendations

27 Note that this recommendation is for the Council's general project management arrangements and that they should be applied in a way that is proportionate to the project in question.

R1 In order to increase the likelihood of successfully carrying out a project or a pilot of a project, the Council should use project management arrangements that are proportionate to the size of the work (**paragraphs 21-26**). These should include the following features as a minimum:

- risk register;
- communication plan;
- detailed budget; and
- detailed timetable.

Appendices

1 About our work

Scope of the audit

The audit dealt with the arrangements the Council had in place to plan, carry out and review its Arosfan project. The audit assessed the extent to which the Council's arrangements ensured value for money during each of these stages. Audit Wales considered evidence in relation to the arrangements in place for this project only. However, Audit Wales may comment on corporate arrangements where appropriate. The fieldwork was carried out during May 2026.

Audit questions and criteria

Questions

- Did the Council's arrangements to plan the project ensure value for money?
- Did the Council's arrangements to carry out the project ensure value for money?
- Did the Council's arrangements to review the project ensure value for money?

Criteria

Audit Wales used criteria in carrying out this audit. They are involved in planning, delivery and review arrangements. A number is known as what is expected according to good project management practice in CIPFA's view.

Methods

The audit used the following methods:

- Documents shared with us were reviewed; and

- We interviewed key officers (three interviews).

About us

The Auditor General for Wales is independent of the Welsh Government and the Senedd. The Auditor General's role is to examine and report on the accounts of the Welsh Government, the NHS in Wales and other related public bodies, together with those of councils and other local government bodies. The Auditor General also reports on these organisations' use of resources and suggests ways they can improve.

The Auditor General carries out their work with the help of staff and other resources from the Wales Audit Office, which is a body set up to support, advise and monitor the Auditor General's work.

Audit Wales is the umbrella term used for both the Auditor General for Wales and the Wales Audit Office. These are separate legal entities with the distinct roles outlined above. Audit Wales itself is not a legal entity.



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Management response form

Archwilio Cymru
Audit Wales

Audit Wales use only	
Audited body	Cyngor Gwynedd
Audit name	Value for money of the Arosfan pilot scheme arrangements
Issue date	25 August 2026

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
R1	In order to increase the likelihood of successfully carrying out a project or a pilot of a project, the Council should use project management arrangements that are proportionate to the size of the work (paragraphs 21-26). These should include the following features as a minimum: • risk register; • communication plan; • detailed budget; and	Corporate project management arrangements are in place at Cyngor Gwynedd (including guidance on a risk register, a communication plan, a detailed budget and a project plan / detailed timetable), and corporate training is available to staff, who can register through the usual Learning and Development arrangements.	Ongoing	Senior Projects Practitioner	

Ref	Recommendation	Commentary on planned actions	Completion date for planned actions	Responsible officer (title)	Audit Wales only
	• detailed timetable.	Awareness-raising campaigns to promote the training will be run through the 'Gair Wythnosol' staff bulletin. In addition, a dedicated intranet page will be created to promote the arrangements and share the Council's project management templates and good practice.	Ongoing December 2026		

v1.0

Governance and Audit Committee Forward Programme to October 2027

4 February 2027

Implementation of Committee Decisions
Asset Management Plan
Internal Audit Output
Internal Audit Plan 2026/27
Medium Term Financial Plan
Half Year Risk Report
Revenue Budget 2026/27 – End of November 2026 Review
Capital Programme 2026/27 – End of November 2026 Review
Savings Overview: Progress Report on Realisation of Savings Plans
Treasury Management Quarterly Update
Savings 2027/28
Capital Strategy 2027/28 (including Investment and Borrowing Strategies)
Budget 2027/28
Council Tax Collection Rates
Audit Wales Reports and Organisational Response
Recommendations and Improvement Proposals of External Audit Reports
The Committee's Forward Programme

15 April 2027

Implementation of Committee Decisions
Review of the Committee's Self-Assessment Work Programme
Half Year Risk Report
Internal Audit Products
Head of Internal Audit Annual Report 2026/27
Internal Audit Charter
Internal Audit Plan 2027/28
Audit Wales Reports and Institutional Response
The Committee's Forward Programme

May 2027

Election of Chair
Election of Vice-Chair
Implementation of Committee Decisions
Governance and Audit Committee Annual Report 2026/27
Cyngor Gwynedd's Risk Management Arrangements
Gwynedd Harbours Draft Accounts for the Year ended 31 March 2027
Final Accounts 2026/27 – Revenue Outturn
Capital Programme 2026/27 – End of Year Review (position 31 March 2026)
Treasury Management Quarterly Report
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Head of Internal Audit Annual Report 2026/27
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Audit Wales Reports and Organisational Response
The Committee's Forward Programme

July 2027

Implementation of Committee Decisions
The Committee's Development Programme
Statement of Cyngor Gwynedd's Accounts for the Year Ended 31 March 2027 (Subject to Audit)
Cyngor Gwynedd's Annual Governance Statement for 2026/27
Treasury Management 2026/27
The Council's Complaints Handling Arrangements
Audit Wales Reports and Organisational Response
Cyngor Gwynedd Self-Assessment 2026/27
Recommendations and Improvement Proposals of External Audit Reports
The Committee's Forward Programme

September 2027

Implementation of Committee Decisions
Statement of Cyngor Gwynedd's Accounts for the Year Ended 31 March 2027 and the related audit
Gwynedd Harbours Final Accounts for the Year ended 31 March 2027 *(if required)*
Cyngor Gwynedd's Annual Performance Report and Self-Assessment 2026/27
Medium Term Financial Plan
Half Year Risk Report
Treasury Management Quarterly Update
The Council's Complaints Handling Arrangements
Audit Wales Reports and Organisational Response
The Committee's Forward Programme

October 2027

Implementation of Committee Decisions
Revenue Budget 2027/28 –End of August 2027 Review
Capital Programme 2027/28 –End August 2027 Review
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Treasury Management 2027/28 Mid-Year Review
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