



# Complete Agenda

Chief Executive's Department  
Swyddfa'r Cyngor  
CAERNARFON  
Gwynedd  
LL55 1SH

Meeting

**THE COUNCIL**

Date and Time

**1.00 pm, THURSDAY, 2ND MARCH, 2017**

**\* NOTE**

**This meeting will be webcast**

**<http://www.gwynedd.public-i.tv/core/portal/home>**

Location

**Siambur Dafydd Orwig, Council Offices, Caernarfon, Gwynedd, LL55 1SH**

Contact Point

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(DISTRIBUTED 23/02/17)

**Dilwyn Williams  
Chief Executive**

**[www.gwynedd.llyw.cymru](http://www.gwynedd.llyw.cymru)**

**THURSDAY, 23 FEBRUARY 2017**

Dear Councillor,

**MEETING OF GWYNEDD COUNCIL – THURSDAY, 2 MARCH 2017**

**YOU ARE HEREBY SUMMONED** to attend a meeting of **GWYNEDD COUNCIL** which will be held at **1.00 pm** on **THURSDAY, 2ND MARCH, 2017** in **SIAMBR DAFYDD ORWIG, COUNCIL OFFICES, CAERNARFON, GWYNEDD, LL55 1SH** to consider the matters mentioned in the following agenda.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Dafydd Iwan', written in a cursive style.

Prif Weithredwr/Chief Executive

The following rooms will be available for the political groups during the morning:-

Plaid Cymru - Siambr Dafydd Orwig  
Independent – Siambr Hywel Dda  
Llais Gwynedd – Ystafell Gwyrfai  
Liberal Democrats - Ystafell Peris  
Labour – Rear of Siambr Dafydd Orwig

# AGENDA

## 1. APOLOGIES

To receive any apologies for absence.

## 2. MINUTES

6 - 14

The Chairman shall propose that the minutes of the previous meeting of the Council held on 8<sup>th</sup> December, 2016 be signed as a true record. (attached)

## 3. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

## 4. THE CHAIRMAN'S ANNOUNCEMENTS

To receive any Chairman's announcements.

## 5. DECLARATION BY THE COUNCIL LEADER

To receive a declaration by the Council Leader.

## 6. CORRESPONDENCE, COMMUNICATIONS OR OTHER BUSINESS

To receive any correspondence, communications or other business brought forward at the request of the Chairman.

## 7. URGENT ITEMS

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

## 8. QUESTIONS

To consider any questions the appropriate notice for which have been given under Section 4.19 of the Constitution.

## 9. GWYNEDD COUNCIL PLAN 2017-18

15 - 84

To submit the report of the Council Leader (attached).

## 10. ANNUAL REVIEW - COUNCIL'S PAY POLICY 2017-18

85 - 94

To submit the report of the Cabinet Member for Resources (attached).

## 11. 2017/18 BUDGET AND 2017/18 - 2019/20 FINANCIAL STRATEGY

95 - 139

To submit the report of the Cabinet Member for Resources (attached).

- 12. TREASURY MANAGEMENT - TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION STRATEGY AND ANNUAL INVESTMENT STRATEGY FOR 2017-18** 140 - 165

To submit the report of the Cabinet Member for Resources (attached).

- 13. WALES INVESTMENT POOL - INTER-AUTHORITY AGREEMENT** 166 - 217

To submit the report of the Head of Finance and the Head of Legal Services (attached).

- 14. REVIEW OF THE SCRUTINY SYSTEM** 218 - 228

To submit the report of the Chair of the Audit Committee (attached).

- 15. COMMITTEES CALENDAR 2017-18** 229 - 231

To submit the report of the Head of Democratic Services (attached).

- 16. APPOINTING A LAY MEMBER TO THE AUDIT COMMITTEE** 232 - 233

To submit the report of the Head of Finance and the Monitoring Officer (attached).

- 17. WHITE PAPER - LOCAL GOVERNMENT - RESILIENCE AND RENEWAL** 234 - 239

To submit the report of the Council Leader (attached).

- 18. NORTH WALES POPULATION NEEDS ASSESSMENT REPORT** 240 - 291

To submit the report of the Cabinet Member for Children and Young People and the Cabinet Member for Adults, Health and Welfare (attached).

- 19. ANNUAL REPORT OF THE GWYNEDD CORPORATE PARENT PANEL 2016/17** 292 - 299

To consider the report of the Cabinet Member for Children and Young People (attached)

- 20. LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES REVIEW** 300 - 301

To consider the report of the Deputy Leader (attached).

- 21. NOTICES OF MOTION**

**(A) NOTICE OF MOTION BY COUNCILLOR LESLEY DAY**

In accordance with the Notice of Motion received under Section 4.20 of the Constitution, Councillor Lesley Day will propose as follows:-

**“Many parts of Gwynedd are suffering from problems caused by those who persist in disposing of household rubbish on the wrong day or on the wrong way. Recyclable waste is sent to landfill, overflowing bins are left out on pavements. Rats and seagulls scatter the waste further. Our hard working officers and refuse collectors work incredibly hard to deal with the mess but cannot cope with the scale of the problem. The result is hazardous to health and the environment. Ultimately there will be massive costs for the Council as we fail to reach our recycling targets. Yet the offenders get away with it. No one is fined or punished.**

**I call upon the Council to request the Cabinet Member for Environment to consider introducing effective sanctions as a matter of priority and that the matter should be reviewed by Scrutiny Committee by December 2017.”**

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## THE COUNCIL THURSDAY, 8 DECEMBER 2016

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**Present:** Councillor Eric Merfyn Jones (Chairman);  
Councillor Annwen Daniels (Vice-Chair)

**Councillors:** Craig ab Iago, Endaf Cooke, Anwen Davies, Lesley Day, Dyfed Edwards, Elwyn Edwards, Trevor Edwards, Thomas Ellis, Alan Jones Evans, Aled Evans, Dylan Fernley, Gweno Glyn, Simon Glyn, Gareth Wyn Griffith, Selwyn Griffiths, Alwyn Gruffydd, Annwen Hughes, Chris Hughes, John Brynmor Hughes, Louise Hughes, Sian Wyn Hughes, Jason Humphreys, Peredur Jenkins, Aeron M. Jones, Aled Wyn Jones, Anne Lloyd Jones, Brian Jones, Charles W. Jones, Dyfrig Jones, Elin Walker Jones, John Wynn Jones, Linda A. W. Jones, Sion Wyn Jones, Eryl Jones-Williams, Beth Lawton, Dilwyn Lloyd, Dafydd Meurig, Dilwyn Morgan, Linda Morgan, Dewi Owen, Edgar Wyn Owen, Michael Sol Owen, W. Roy Owen, Peter Read, Caerwyn Roberts, Gareth A. Roberts, John Pughe Roberts, W. Gareth Roberts, Mair Rowlands, Angela Russell, Dyfrig Siencyn, Mike Stevens, Gareth Thomas, Ioan Thomas, Hefin Underwood, Ann Williams, Eirwyn Williams, Elfed Williams, Gethin Glyn Williams, Hefin Williams, John Wyn Williams, Owain Williams, R. H. Wyn Williams, and Mandy Williams-Davies.

**Officers present:** Dilwyn Williams (Chief Executive), Iwan Trefor Jones (Corporate Director), Dafydd Edwards (Head of Finance Department), Geraint Owen (Head of Corporate Support Department), Sioned Williams (Head of Economy and Community Department), Iwan Evans (Head of Legal Services / Monitoring Officer), Rhun ap Iareth (Senior Solicitor - Services / Deputy Monitoring Officer), Arwel E. Jones (Senior Manager – Corporate Support), Dewi Morgan (Senior Manager - Revenue and Risk) and Eirian Roberts (Member Support Officer).

**Also Present:** Mr Arfon Jones, North Wales Police and Crime Commissioner (for item 8 on the agenda).

**Apologies:** Councillors Stephen Churchman, Jean Forsyth, Gwen Griffith, June Marshall, W. Tudor Owen, Nigel Pickavance and Gruffydd Williams.

### 1. MINUTES

The Chair signed the minutes of the previous meeting of the Council held on 6 October, 2016, as a true record.

### 2. DECLARATION OF PERSONAL INTEREST

Members had received a briefing note from the Monitoring Officer in advance regarding the following matters:

- Council Tax Premium on Empty Properties and Second Homes (item 10 on the agenda)
- Council Tax Reduction Scheme 2017/18 (item 11 on the agenda)

The following members declared a personal interest in item 10 on the agenda – Council Tax Premium on Empty Properties and Second Homes, for the reasons noted:

- Councillor Gweno Glyn - because her brother-in-law owned a second home in Gwynedd.
- Councillor Aled Wyn Jones - because a close family connection had a second home in the county.
- Councillor Angela Russell - because she worked for people who owned summer houses.

- Councillor R. H. Wyn Williams - because he had an empty property and family that owned a summer house.
- Councillor Dyfrig Siencyn - because he owned an empty property.
- Councillor Mandy Williams-Davies - because her husband owned an empty property via an inheritance.
- Councillor Gethin Glyn Williams - because close members of the family owned holiday homes.
- Councillor Linda Morgan - because she made changeovers between tourists in the house next door to her, which was holiday accommodation.
- Councillor Annwen Hughes - because she had a holiday home.
- Councillor Caerwyn Roberts - because he and his wife owned a converted barn and let out the accommodation for tourists.
- Councillor Peredur Jenkins - because he owned two houses.

The members were of the opinion that they were prejudicial interests, and they withdrew from the meeting during the discussion on the item.

Rhun ap Gareth (Senior Solicitor – Services / Deputy Monitoring Officer) noted a personal interest in item 10 on the agenda – Council Tax Premium on Empty Properties and Second Homes, because his sister owned a second home in the county.

The staff member was of the opinion that it was a prejudicial interest, and he withdrew from the meeting during the discussion on the item.

### **3. CHAIR'S ANNOUNCEMENTS**

Mr Arfon Jones, North Wales Police and Crime Commissioner, was welcomed to the meeting to give a presentation to the members and he was congratulated on being elected for the post.

Best wishes for a full and speedy recovery were extended to the Councillor Tudor Owen following a recent operation.

Councillor Peter Read was welcomed back following his recent ill-health.

Councillor Gweno Glyn was wished well on her recent wedding.

The following were congratulated:-

- Gwynedd Consultancy for being part of an award throughout Britain for the field of building control. The project, that was associated with Harlech Castle visitor centre, came top in the category for the best inclusive building. The award acknowledged the Council officers' work and the close collaboration with Cadw and the contractors that were part of the work.
- The Pwllheli National Sailing Academy and Event Centre in Pwllheli for securing another national award of importance in receiving the Royal Town Planning Institute's (RTPI) Wales Planning Award 2016. Plas Heli had secured an award by being the best on a number of other plans of importance in the Wales awards, and now the project would be going forward to represent Wales in Planning awards throughout the United Kingdom.
- Four companies from Gwynedd, namely Llechwedd, Greenwood Forest Park, Graig Wen Camping Company and Zip World for winning an award in a specific category in an awards event arranged by North Wales Tourism recently.
- A very successful Gŵyl Gerdd Dant was held in Plas Heli, Pwllheli, recently.
- Ifan Richards from Rhydymain near Dolgellau, the winner of the S4C outdoor programme, 'Ar y Dibyn'.

- Dinas Mawddwy Young Farmers on their success in the Meirionnydd County Eisteddfod recently.

Reference was made to a short video clip on local purchase that was shown immediately before this meeting at the request of the Cabinet Member for Economy and Community. It was noted that the previous Saturday, 5 December, was Small Business Saturday and everyone was reminded that everyone was to make a contribution and to support local businesses.

It was noted that the Chair had assisted to sponsor a Charity Concert with Gwyn Hughes Jones, Côr Cofnod, Gwyneth Glyn and others in Cricieth Memorial Hall on Friday, 9 December, with the proceeds going towards RNLI and Crimebeat Gwynedd.

#### **4. QUESTIONS**

##### **(1) Question from Councillor Sion Jones**

As the original question received from the member quoted the incorrect figures from the press, the following question was asked instead:

"Is it possible for the Cabinet Member to consider a new strategy for car parks in Gwynedd for the future and to consider the businesses here in Gwynedd, that are eager to introduce free parking during the day in a bid to attract more business?"

##### **Answer from Councillor Dafydd Meurig, Cabinet Member for Planning and Regulatory**

*(The Cabinet Member's written response to the original question was distributed to the members in advance).*

"Obviously, I have had a different question to the question asked by you originally. One thing about incorrect figures is where someone gets incorrect figures in reality. If someone has taken them from the newspaper, then the message there is about not believing everything you read in the newspapers. It is a matter of picking up the phone to check whether the figures are correct or not. But to answer the question that was on the paper, we have created an income of £390,000 from parking fines, which is not £1.4m. I don't know if the member has had an opportunity to read the Auditor General for Wales report on tax and creating income in local governments that was published around 3-4 weeks ago, but the Auditor praised and encouraged councils to think strategically about how they fundraise and that it is something that the Regulatory Department had been doing in the field of car parks. Compared to the rest of Wales, we are definitely not at the top. The council that makes most income from car parks charges something like £7m in a year compared to £1.6m here. Wales is behind in terms of car parking fees compared to Scotland. The parking income for every 1000 in the population in Wales is £17.31 compared to Scotland, where it is £19.22 and £39.65 in England. Therefore, I would not agree that we have been overcharging our parking fee income."

##### **A supplementary question by Councillor Sion Jones**

"Would the Cabinet Member consider forming a steering group to look at what impact offering free parking for an hour or two every day would have on promoting businesses here in Gwynedd?"

##### **Answer from Councillor Dafydd Meurig, Cabinet Member for Planning and Regulatory**

"By all means. Parking fees is a financial matter, which is a matter for the full Council, and we are talking about an income of £1.6m. The only place we could spend that is on maintaining our highways and if we take those fees down to nothing, that £1.6m would need to be sought somewhere else, of course. I'm sure that we remember that, a few months ago, we made a decision in this Council about our priorities and you will remember the long list of cuts that were in front of us and, if you look at this £1.6m, if we charge nothing at all on car parks, the next on the list, I believe, was closing Neuadd Dwyfor. And if we go further down the list, for £1.6m, there are around 11-12 places we would have to cut. Number 59 was closing three leisure centres. Number 65 was abolishing four social worker jobs. Number 72 was closing Barmouth Bridge. Number 76 was abolishing the mobile library. Number 78 was closing Pont yr Aber. Therefore, we would have to go that far to look for the gap of £1.6m. This would be a matter for the Council in its financial discussions, but if there is a piece of work to do to look at what impact free parking would have on the county, I would see no objection to look into that."

**(2) Question from Councillor Elfed Williams**

"With Gwynedd Youth Clubs having a moratorium of one year, is it possible to do the same with the County's Libraries?"

**Answer from Councillor Ioan Thomas, Cabinet Member for Housing, Customer Care and Libraries, Deprivation and Equality**

*(The Cabinet Member's written response was distributed to the members in advance).*

"The Economy and Community Department is responsible for the Library Service and the Youth Service. Councillor Mair Rowlands is responsible for the Youth Service. It is fair to say that both fields are on a different timetable with different financial implications. The first part of the written response discusses where we are with the libraries, and the second part discusses where we are with the Youth Service. To conclude, there are no financial implications for Gwynedd Council not to change the youth service pattern in 2017. But any delay to the work programme of the Libraries Service would lead to an additional financial deficit that the Council would have to fund. And consider the list that Councillor Dafydd Meurig was discussing earlier."

**5. A PRESENTATION FROM THE NORTH WALES POLICE AND CRIME COMMISSIONER**

A presentation was given by Mr Arfon Jones, North Wales Police and Crime Commissioner, outlining his background, his role and his responsibilities. He explained that he was responsible for the strategy, rather than the operational side of policing, and he drew specific attention to new aspects of policing, such as dealing with cyber crimes, child sexual exploitation and modern slavery.

The Commissioner answered questions and observations by the members in relation to:

- The Commissioner's call for starting discussions on decriminalising drugs based on the fact that regulating drugs would take them off the illegal market and would mean that the people addicted to drugs would be treated as health matters, rather than criminals.
- The need to protect the number of police officers and police presence in the countryside.
- The importance of safeguarding Police Community Support Officers.

- The importance of collaborating regionally to ensure that everything would be done to safeguard children and vulnerable people from committing crimes on-line and sexual exploitation, etc.
- The role and the ambition of the Commissioner in terms of the Welsh language.
- The national recruiting system, the Policing College's lack of Welshness and the need to act pro-actively to ensure that Welsh speakers would be recruited to the police.
- Environmental crimes, e.g. graffiti and fly tipping and the need for more collaboration in the enforcement field.
- Strike a balance between the new aspects of policing, such as cyber crimes, and more traditional crimes.
- The feasibility of decentralisation of the Police Service and the Justice Service.
- 2017-2018 Budget and the police's precept.

Mr Arfon Jones was thanked for his presentation and for answering the member's questions.

**6. A PRESENTATION ON THE COUNCIL'S FINANCIAL POSITION AND PROGRESS MADE WITH ACHIEVING THE CUTS OF THE GWYNEDD CHALLENGE**

The Cabinet Member for Resources gave a general overview of the 2017/18 - 2019/20 Financial Strategy and the Head of Finance Department elaborated that the recent situation regarding savings that had been implemented / planned per department and cross-department.

To summarise, it was noted:

- That there was a need to understand the scale of the financial challenge in the context of £51.5 million in savings and cuts that the Council would have realised between 2010/11 and 2019/20.
- That the vast majority of the savings planned had been harvested, or on the way to being implemented in a timely way.
- That the Cabinet monitored progress with all of the savings and cuts plans and that the Cabinet Members reported on savings plans in their portfolios approximately every two months.
- That there was a need to implement the plans agreed on in March 2016 whilst also identifying and realising additional efficiency savings of approximately £0.7m in 2017/18.
- That due to prudential work last year, the Council would be able to avoid making a decision on additional cuts in the 2017/18 financial cycle.

It was noted that there would be an opportunity for members to discuss the details of the budget in full in a series of finance seminars early in the new year.

The Cabinet Member and the Head of Finance Department responded to general questions by members regarding:

- Invest to Save plans
- The use of the underspend under the control of £500,000, that derived mainly from parking fees.
- Discussions with individual community councils that had demonstrated a desire to collaborate with this Council on some services, e.g. cleaning public toilets.
- Concern that cuts in the primary sector could affect the standards of children's education as they moved up to secondary.

The Cabinet Member and the Head of Finance Department were thanked for their presentation.

## 7. COUNCIL TAX PREMIUM ON EMPTY PROPERTIES AND SECOND HOMES

The Leader submitted a report which requested:

- Formal confirmation for 2017/18 of previous decisions not to allow any discounts for second homes and to disallow discounts on empty properties.
- Formal confirmation for 2018/19 not to allow any discounts for second homes and to disallow discounts on empty properties, and asked the Council to decide whether additional Council Tax would be charged on these properties.

The Cabinet's recommendations to the Council (paragraph 7 of the report) that included a recommendation to charge a premium of 50% on second homes and empty properties for the 2018/19 financial year.

An amendment was proposed and seconded to accept the Cabinet's recommendations with an additional clause noting that the Council's intention would be to use a percentage of the money received from charging a premium to provide housing for the young people of our communities.

During the discussion, a number of members expressed their support to the recommendations, and the following observations were noted:

- The importance of maximising income and bringing empty houses back into use.
- Concern that the legislative context allowed people to convert empty houses into self catering units paying business rates and the need for more policing and continue to lobby Welsh Government on that.
- There was a need to ensure that the Council would not shoulder the cost of collecting waste from properties that had been converted into business houses.
- This Council was eager to contribute towards Welsh Government's aim of creating 20,000 affordable housing.
- People who owned houses but could not afford to refurbish them to let out should not be punished.
- There were 2000 people on the waiting list for housing in Gwynedd and many more than needed a house, but saw no purpose in even going on the list.
- It was not believed that there was any evidence to show that introducing a premium would have an impact on the tourism industry, and that a positive message needed to be reinforced that Gwynedd was a good place for tourists.
- If tourists would not wish to pay the additional tax, maybe they could consider staying in hotels or supporting local B&Bs.
- An arms length company could be established to buy houses on the open market in order to let them out to local people.
- A group should be formed, through the relevant scrutiny committee and Cabinet Members, to give consideration over the next year to what was wished to be achieved and how best to do that, not only in the housing field, but in the economy field and other services as well.
- Economic imbalance was at the core of all of this and that, by now, the Council had an opportunity to use its taxation power to do the right thing about the situation.

Some members noted that they would be supportive of charging a 100% premium and there was also a call for introducing legislation that required planning permission to be obtained to convert a house into a summer house.

Other members noted that the owners of holiday homes contributed to the local economy and they had concerns that charging any premiums on second homes could create the impression that the Council did not welcome tourists to the county.

A registered vote was called for on the amendment and over a quarter of members voted in favour of that.

In accordance with Procedural Rules, the following vote was recorded on the amendment noted below:

**In favour of the amendment: (45)** Councillors - Craig ab Iago, Annwen Daniels, Anwen Davies, Lesley Day, Dyfed Edwards, Elwyn Edwards, Trevor Edwards, Thomas Ellis, Alan Jones Evans, Aled Evans, Dylan Fernley, Simon Glyn, Gareth Wyn Griffith, Selwyn Griffiths, Alwyn Gruffydd, Chris Hughes, John Brynmor Hughes, Jason Humphreys, Aeron M. Jones, Anne Lloyd Jones, Charles W. Jones, Dyfrig Jones, Elin Walker Jones, Eric Merfyn Jones, John Wynn Jones, Dilwyn Lloyd, Dafydd Meurig, Dilwyn Morgan, Edgar Wyn Owen, Michael Sol owen, W. Roy Owen, Gareth A. Roberts, John Pughe Roberts, W. Gareth Roberts, Mair Rowlands, Gareth Thomas, Glyn Thomas, Ioan Thomas, Hefin Underwood, Ann Williams, Eirwyn Williams, Elfed Williams, Hefin Williams, John Wyn Williams and Owain Williams.

**Abstentions: (3)** Councillors: Eryl Jones-Williams, Beth Lawton and Dewi Owen.

**Against: (1)** Councillor Mike Stevens.

**RESOLVED**

**(a) For the 2017/18 Financial Year:**

- (1) That Gwynedd Council allows NO discount under Section 12 of the Local Government Finance Act 1992 to the two classes of second homes (classes A and B), as defined in the Council Tax (Prescribed Class of Dwellings) (Wales) Regulation 1998.**
- (2) That Gwynedd Council allows NO discount in 2017/18 in respect of empty homes (class C).**

**(b) For the 2018/19 Financial Year:**

- (3) That Gwynedd Council allows NO discount on class A second homes for 2018/19, in accordance with Section 12 of the Local Government Finance Act 1992.**
- (4) That Gwynedd Council allows NO discount and RAISES A PREMIUM OF 50% on class B second homes for class B second homes for 2018/19, in accordance with Section 12B of the Local Government Finance Act 1992.**
- (5) That Gwynedd Council allows NO discount and RAISES A PREMIUM OF 50% on homes that have been empty for 12 months or more for 2018/19, in accordance with Section 12A of the Local Government Finance Act 1992.**
- (6) That the Council's intention would be to use a percentage of the money received from charging a premium to provide housing for the young people of our communities.**

**8. COUNCIL TAX REDUCTION SCHEME 2017/18**

Submitted - the report of the Cabinet Member for Housing, Customer Care and Libraries, Deprivation and Equality asking the Council to confirm the continuation of the current Local Scheme for providing assistance towards paying Council Tax for the year commencing 1 April 2016.

**RESOLVED**

- (a) To continue to implement the Council's Local Scheme for the year commencing 1 April 2017 as it was in 2016/17. Therefore the following conditions (i - iii below) regarding the continuation of the discretionary elements will apply:
- (i) To implement a 100% disregard for war disablement pensions, and war widow pensions for both pensioners and working age claimants.
  - (ii) Not to increase the extended reduction periods for pensioners and working age claimants from the standard four weeks in the Prescribed Scheme.
  - (iii) Not to increase the backdate period for pensioners and working age claimants from the standard three months contained within the Prescribed Scheme.
- (b) Where appropriate, to delegate powers to the Head of Finance Department, in consultation with the Cabinet Member for Housing, Customer Care and Libraries, Deprivation and Equality, to make minor amendments to the scheme for 2017/18, on the condition that it will not change the substance of the scheme.

#### 9. REVISION TO OFFICERS' SCHEME OF DELEGATION AND FINANCIAL PROCEDURE RULES

The Monitoring Officer submitted a report notifying the Council members of changes made to the Constitution Officers Delegation Plan and asked the Council to adopt an amendment to the Council's Financial Procedural Rules.

The Monitoring Officer further noted, since preparing the report, that the Audit Committee, at its meeting on 1 December, had recommended the amendment to the Council's Financial Rules.

#### RESOLVED

- (a) Delete the first part of paragraph 16.6.37 from the Council's Financial Procedural Rules so that the paragraph reads as follows:

*"The Chief Officer would have the right to use capital receipts which is within the department's control where the value of that use is up to £50,000 in accordance with the rules regarding conveyances in Part 3. The approval of the Cabinet is needed for such use where the sum is over £50,000."*

- (b) To note the amendments to the Delegation Scheme for Officers in Section 3 of the Constitution which reflects:

- Transferring responsibilities from the Head of Adults, Health and Well-being Department to the Head of Corporate Support Department following internal reorganisation.
- The arrival of statutory changes introduced by the Social Services and Well-being (Wales) Act 2014.

#### 10. ARRANGEMENTS FOR LOCAL GOVERNMENT ELECTIONS 2017

The Deputy Leader presented a report raising the Council members' awareness of the arrangements that were being developed for the Local Government Elections in May 2017.

He gave the members' an opportunity to watch a short video that was posted on the Council's website to encourage individuals to stand as an Elected Member.

During the discussion:

- The new arrangements to provide electronic on-line training was welcomed.
- The importance of giving information to potential applicants about the expectations that would be put on them if they were elected as members was emphasised.

Any councillor that was considering retiring in May was invited to consider sharing their experience with new applicants.

**RESOLVED to accept the contents of the report.**

The Chair wished everyone a Merry Christmas and a Happy New Year; to members, staff and the county's residents.

The meeting commenced at 1.00 pm and concluded at 4.00 pm

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**CHAIRMAN**

<b>MEETING</b>	<b>Council</b>
<b>DATE</b>	<b>2 March 2017</b>
<b>TITLE</b>	<b>Council Plan 2017/18</b>
<b>PURPOSE</b>	<b>To approve the Council Plan</b>
<b>AUTHOR</b>	<b>Councillor Dyfed Edwards</b>
<b>CONTACT OFFICER</b>	<b>Hawis Jones, Strategic Planning Performance and Projects Manager</b>

## **1. Introduction**

- 1.1 In May 2013, the Council adopted its Strategic Plan for 2013-17 and the plan submitted here for 2017/18 is a one-year extension of that plan. The main purpose of the plan is to set out the Council's vision, and it is reviewed on an annual basis. This is the Council's Improvement Plan.
- 1.2 In reviewing the plan this year, we have looked at where we have reached following four years of implementing the 2013-17 Strategic Plan and considered what needs to be achieved in 2017/18. In addition to being an extension to the previous plan, the 2017/18 Plan will also bridge the period between the Gwynedd Council Strategic Plan 2013-17 and the new plan which will be prepared and adopted by the Council which will be elected in May 2017.
- 1.3 In order to review the plan properly, we needed to consider what had changed since last year, and to examine the social, economic, environmental and cultural issues which influence the Council, and which are likely to influence the people of Gwynedd in the future. Also, the Well-being of Future Generations Act came into force in April 2016 and this plan will show how we are changing our working methods to reflect this. Our Well-being Statement and our Well-being Objectives are included in the plan.
- 1.4 The plan has been prepared to meet the requirements of the act, but it will be published before the Gwynedd and Anglesey Public Service Board's Well-being Assessment is published, and therefore it does not incorporate the results of that assessment. By next year, we will have considered the Well-being Assessment and its results are expected to influence the content of the plan from 2018/19 onwards.
- 1.5 In order to continue to meet the needs of the people of Gwynedd despite the fact that the finance available is significantly reduced, we are working towards the vision of the well-being act. The services provided by the Council achieve our well-being objectives which together meet the well-being goals of the act. The Council's plans for improvement also strengthen our ability to achieve the well-being objectives.

1.6 The plan has also been prepared in a period of change, and follows the approval of a series of cuts to the value of £4.9 million based on the response of the public and businesses to the Gwynedd Challenge consultation. We have been working on delivering the cuts in 2016/17 and there will be others to implement in 2017/18.

## 2.0 Changes since the 2013-17 plan

Some projects (or the Improvement Plans as they are named in this plan) have come to an end:

- **Ysgol Hafod Lon** – work completed
- **Restucturing the Adults, Health and Well-being Department** – work completed
- **Internal Provision** – work completed
- **Implementing a performance framework** – work completed
- **Improving access to employment for the county's people and responding to barriers** – work is continuing as part of the **Working together against Poverty** plan

The **Bangor Project** appears as new in the Children and Young People improvement plans.

## 3.0 Resources

3.1 Some improvement plans need additional finances in order to continue to achieve their commitments. These are:

<b>Improvement Pan (Project)</b>	<b>Resource Commitment (£)</b>
Early Intervention/Preventative Programme for groups of vulnerable children and young people in Gwynedd	40,000
Young people using the Welsh language socially	40,000
High value and quality jobs	117,000
Working together against poverty	155,000
Rural Gwynedd Development Scheme	23,000
High-profile and strategic events	42,000

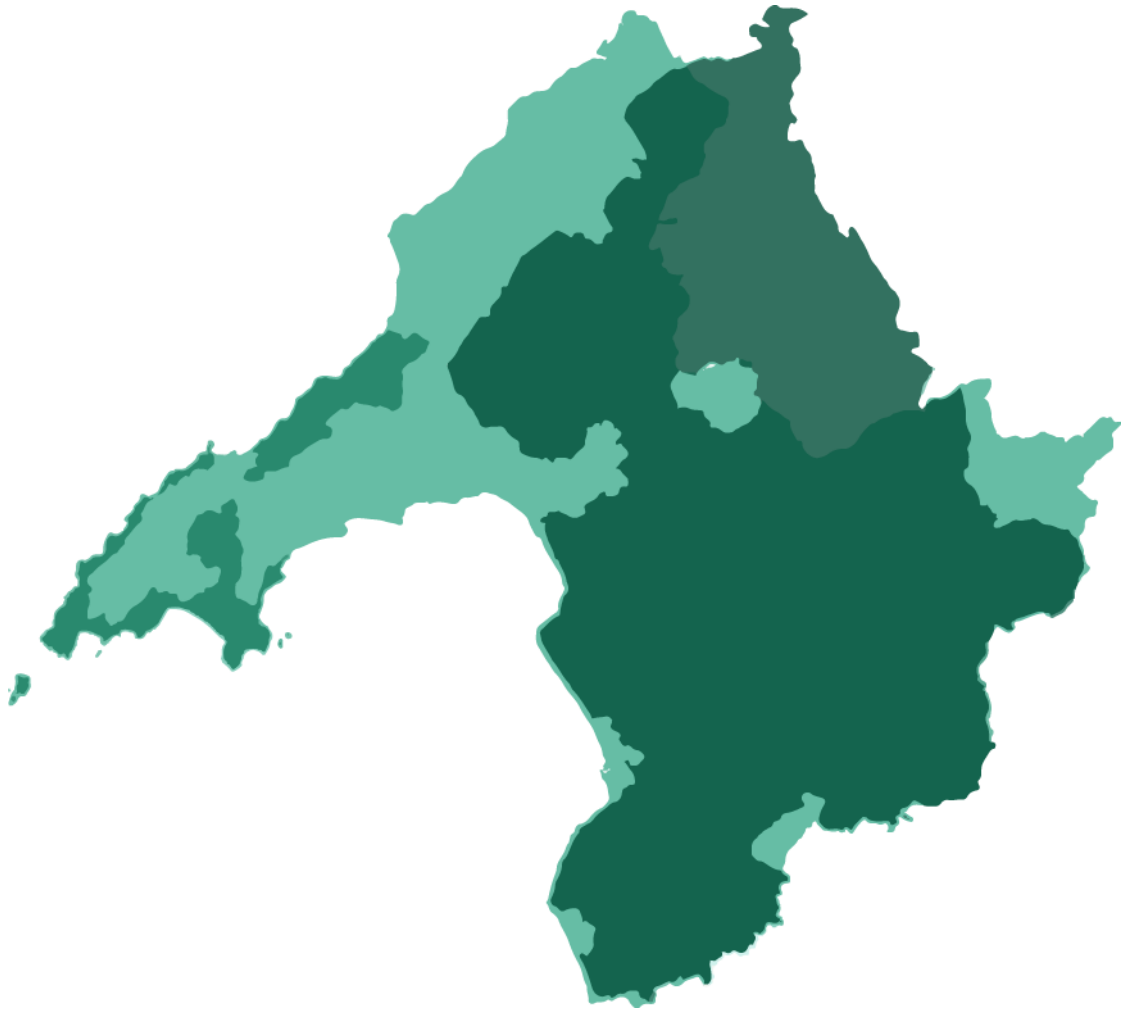
3.2 We propose that these are approved in the plan, conditional to agreement by the Cabinet to finance, following the consideration of each individual project. There is an expectation for this to take place as soon as possible.

#### **4.0 Equality**

There is a statutory requirement to prepare and consider the findings of the equality impact assessment in accordance with the requirements of the Equality Act 2010 as enacted in Wales. The assessment is attached in Appendix 2. The assessment does not discover any impact which would justify deviating from the recommendation and elements are seen which would have a positive effect.

#### **5.0 Recommendation**

The Council is invited to adopt the Council Plan 2017/18.



# 2017/18 Plan

Gwynedd Council

**Further information**

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The measures can be found in **Appendix I**, which accompanies this document.

## The Leader's Foreword

Our review of the Gwynedd Council Strategic Plan 2013-17 this year is different from the usual in the sense that it extends the current plan for a year in order to bring the work to a close and therefore to pave the way for the new Council to create a plan following this year's May elections. We have therefore noted what has been achieved and completed and have put plans in place for those projects which need to be extended for a further year. As in the past we try and place our emphasis on projects which really need to be implemented in order to create change for the better. Projects which make the best use of resources and projects which continue to promote the New Gwynedd. But work which creates long term and sustainable change, not a list of short term wishes.

We have encountered challenges and achievements throughout the journey, and have learnt a great deal. Whatever the context, we are determined to keep hold of our ambition of creating the new Gwynedd which will create tomorrow's legacy. It is our actions and decisions today which will set the opportunities for the next generation. That responsibility means responding in a positive and determined way, working in partnership locally and nationally.

This is the last time that I will be presenting the work of the Gwynedd Strategic Plan since I have already announced my intention to stand down as a member and the Leader of Gwynedd Council in May this year. It has been a privilege to be associated with this important work and an honour to work with members and officers who do so much to contribute towards the work of the Council and towards this special county. But the journey continues and others will come to lead and to play their part with new energy and a fresh view of the world. It is in this way that we continue to build our Gwynedd Tomorrow.



*Dyfed Edwards*

**Dyfed Edwards, The Council Leader**

## Profile of Gwynedd

**6.9**  
million



visitors

creating  
revenue  
worth

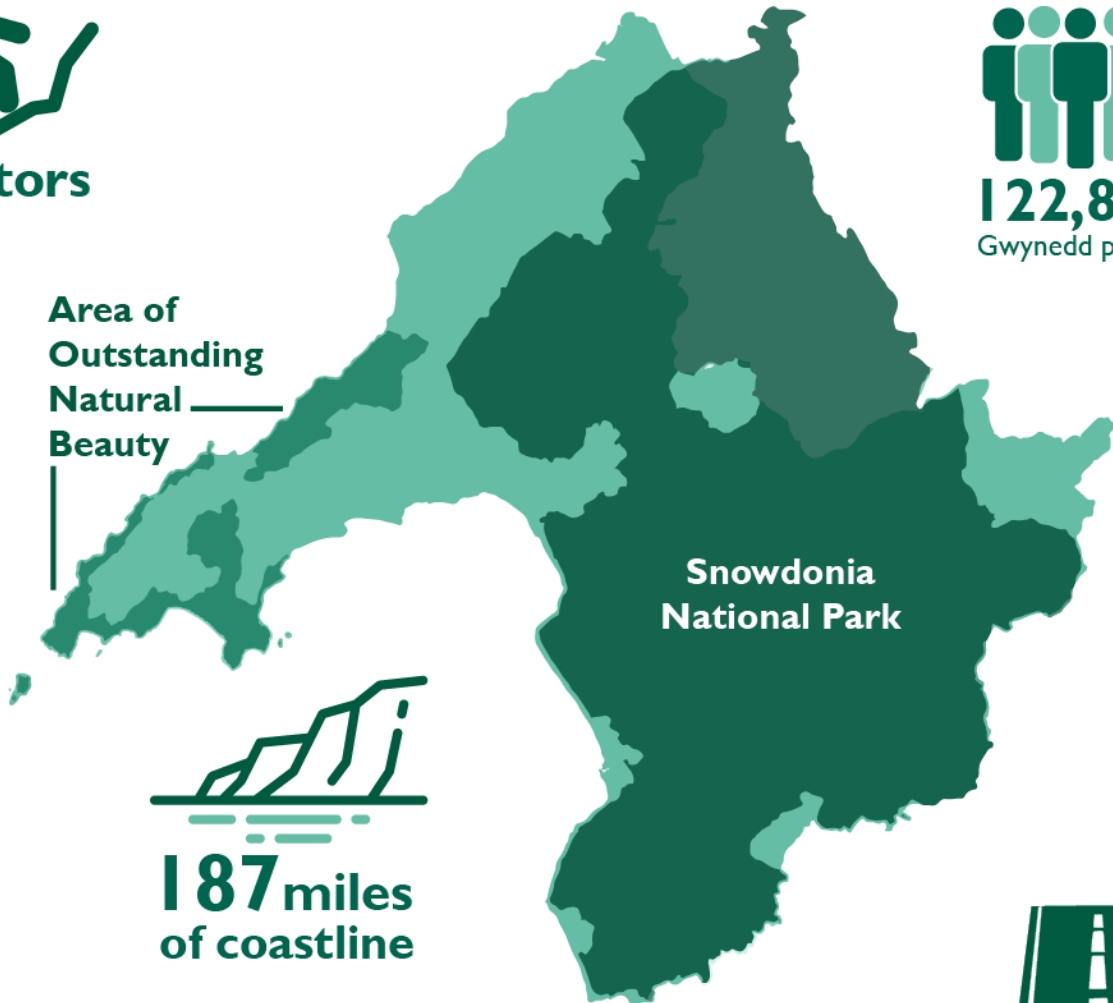
**{£964}**  
million

**65%**  
Welsh



**122,864**  
Gwynedd people

Area of  
Outstanding  
Natural  
Beauty



**187** miles  
of coastline

**about 61,000**  
dwellings

Median  
income

**£23,988**



**£143k**

Median  
House  
Price



**1,821**  
miles of  
highways

# Introduction

The purpose of this plan is to inform the people of Gwynedd about what the Council is doing and intends to do over the course of 2017/18. This year's plan will be a year's extension to the Gwynedd Council Strategic Plan 2013-17.

When reviewing the plan, we have looked at where we have reached following four years of implementing the Strategic Plan 2013-17 and considered what needs to be delivered in 2017/18. As well as being an extension to the previous plan, the 2017/18 Plan will also bridge the period between the Gwynedd Council Strategic Plan 2013-17 and the new plan which will be prepared and adopted by the newly elected Council in May 2017.

This year's plan has been reviewed and prepared in a period of change and follows the approval of cuts to the value of £4.9million based on the response of the public and businesses to the Gwynedd Challenge consultation. We have been working on delivering the cuts in 2016/17 and there will be others to implement in 2017/18. We continue to face a constant financial challenge due to the reduction in the funding received from Central Government and we are trying to secure those savings in ways that will have the least possible impact on the people of Gwynedd.

In order to review the plan properly, we needed to consider what had changed since last year, and to examine the social, economic, environmental and policy issues which influence the Council, and which are likely to influence the people of Gwynedd in the future. Also, the Well-being of Future Generations Act came into force in April 2016 and this plan will show how we are changing our working methods to reflect this.

The plan is the product of work undertaken to seek the opinion of the people of Gwynedd regarding the Gwynedd Challenge, namely the challenge which has been set for us as a Council to continue doing our best for the people of Gwynedd despite the fact that we have fewer resources than ever and that the demand for our services continues to increase. Our key partners have also been a part of creating the plan, such as the Health Board, Third Sector representatives, Hunaniaith, businesses and the further and higher education sector.

Our Well-being Statement and our Well-being Objectives (which are also Improvement Objectives) have been noted in our chapters on the **Well-being of the People of Gwynedd**.

The chapter on **Delivering the Plan** notes how our governance arrangements will work in order to deliver our well-being objectives and how we will review our actions in order to deliver those objectives.

## Improvement Plans

The following improvement plans contained in the Gwynedd Strategic Plan 2016/17 were completed:

- **Ysgol Hafod Lon** - work completed
- **Restructuring the Adults, Health and Well-being Department** – work completed
- **Internal Provision** – work completed
- **Implementing a Performance Framework** - work completed

In addition, the following project has been moved:

- **Improving access to employment for the county's people and responding to barriers** – work is continuing as part of the **Working together against poverty** plan

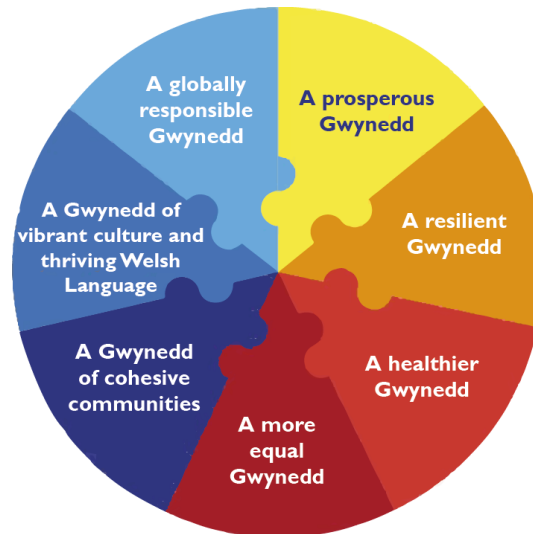
## Measures

Our measures have also been adapted in order to reflect the emphasis that we place on improving the circumstances of the people of Gwynedd. See our measures in **Appendix I**.

# The Well-being of the People of Gwynedd

## Background and context

This part of the plan is a **statement about our well-being objectives**. It explains why we consider that the Council's services and our associated well-being objectives contribute to achieving the **well-being aims** as noted below.



The plan has been prepared to meet the requirements of the act, but it will be published before the Gwynedd and Anglesey Public Services Board's Well-being Assessment is published and, therefore, it does not incorporate the results of that assessment. By next year, we will have considered the Well-being Assessment and its results will be expected to influence the content of the plan from 2018/19 onwards.

The people of Gwynedd have been contributing to the work of the Public Services Board that has been assessing the economic, social, environmental and cultural state of both counties. The information packs for the Gwynedd and Anglesey areas were published in autumn 2016 and they have been used as the basis of discussions that will result in the publishing of the Board's Well-being Assessment and its Well-being Plan. Through their contributions, the people of Gwynedd have been saying what's important to them regarding their areas and have been part of planning for their future.

As well as showing how we have gone about setting our well-being objectives and how we need to incorporate the well-being of future generations in our everyday work, the plan will show why the act's five sustainable development principles are core to our services:

### The act's five sustainable development principles or the Five Ways of working

Long term



Prevention



Integrate



Collaboration



Involvement



Our services already operate in a way which follows the sustainable development principle while adopting a long-term and collaborative approach and working in partnership and including organisations, individuals and communities. In addition, we work in a preventative way where possible when responding to current needs and reducing dependency e.g. in the field of Additional Learning Needs. Having said that, the emergence of the Well-being of Future Generations Act and the Social Services and Well-being Act has offered us as a Council an opportunity to take stock of what we are already doing to work in a sustainable way and to set ourselves an ambition for the coming period.

Any financial decisions will consider carefully our ability to deliver what we have promised in this plan and we will review what we are doing continuously in order to ensure that the future well-being of the people of Gwynedd is central to the way that we plan and deliver our services. Without such a plan to address the situation and to prepare for the future well-being of the people of Gwynedd, it's possible that key services will cease to exist.

## Well-being Aims in Gwynedd

This part of the well-being statement shows what we are already doing in order to contribute to delivering the Well-being of Future Generations Act's well-being aims here in Gwynedd. In order to continue to meet the needs of the people of Gwynedd despite the fact that the money available is reducing significantly, we have demonstrated that we are working to the vision of the well-being act as follows:





# A prosperous Gwynedd

We are working through several of the Council's services to create a prosperous Gwynedd, starting by developing a skilled and educated population.

Our aim is to ensure that every pupil, in every school, possesses the necessary skills to succeed in life and to gain the qualifications that will enable them to play a full part in the world of work and society thereafter. These skills will be crucial to enable our young people to face future challenges and prosper locally.

Another aim we have is to be ambitious for every looked-after child. As ambitious as if they were our own child.

We appreciate the importance of an economy that generates wealth for local residents and offers good employment opportunities. We are focusing on creating the conditions that will allow businesses to create and maintain high-value jobs within sectors such as energy, manufacturing, construction and the creative and digital industries and also on supporting the sectors, such as tourism which enable our rural areas to increase the value of their activity and the employment they offer by promoting innovation and technology.

During 2017/18 we will escalate our efforts to keep benefits in the local economy by adapting our internal arrangements and the advice and support provided to local businesses to enable them to compete for tenders. The Council and the North Wales Economic Ambition Board are working together to support the businesses of Gwynedd to succeed when tendering for work and to keep the benefits from the public and private sector contracts local. An important part of this is improving the Council's arrangements to provide information to businesses and engage with them.

Another way of keeping benefits local is through collaborating with partners to encourage local residents to support local businesses, and to secure the maximum economic benefits from the natural and cultural characteristics of Gwynedd for key industries such as tourism. We are also eager to support, in any way possible, any community council or organisation to maintain services that are important to communities and the regeneration and social enterprises service helps make this happen.

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## Well-being Objectives

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**Ensure that every pupil has the necessary skills to succeed**

**Create the conditions for enterprises to prosper across Gwynedd**

**Create the conditions for businesses to create and sustain high-value jobs**

---



# A resilient Gwynedd

In order to contribute to the aim of being a nation which maintains and enhances the natural environment and biodiversity, we acknowledge that the protection, safeguarding and enhancement of the environment is of critical importance and is a key characteristic of sustainable development.

We will build on the increase in recycling by residents and businesses in order to improve our recycling performance again this year.

We have anticipated the importance of taking action on climate change as well as recognised the limits on the global environment. Gwynedd Consultancy (YGC) works with our local and regional partners to implement the duties of the Flood and Water Management Act 2010 as well as working to reduce flood risk to Gwynedd communities.

Our aim is to ensure that we comply with the Council's duties to protect our Biodiversity in Gwynedd by considering European legislation on protecting Biodiversity including the Environment (Wales) Act 2016, with the aim of promoting wildlife while keeping our towns and villages tidy and safe. We protect and seek to manage the quality of the Llŷn Area of Outstanding Natural Beauty (AONB) within the available resources.

We also ensure that we facilitate and manage sustainable developments in the interests of our communities, the economy and the environment within the Gwynedd planning authority area.

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## Well-being Objectives

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**Increase recycling**

**Reduce flood risk**

**Promote wildlife**

**Keep towns and villages tidy and safe**

**Protect and manage the quality of the Llŷn Area of Outstanding Natural Beauty**

**Facilitate and manage sustainable developments**

---





# A healthier Gwynedd

A healthier Wales is a society where people's physical and mental well-being is as good as possible. The health trends of the residents of Gwynedd are a little better than the national average; however, with the levels of obesity amongst four-year-olds in Gwynedd among the highest in Wales, it is crucial that Gwynedd Council and partners respond to this and create the conditions to promote healthy living. In the field of education we ensure that pupils with emotional and behavioural needs are fully included within Gwynedd schools.

One of our priorities is to ensure that children and young people are protected from harm, experience stability in their lives and have the best opportunities in terms of their health and well-being. The stability of the lives of looked-after children is crucial for their development. If they are safe and stable, it is possible to respond to the needs of our looked-after children to improve their health and well-being.

Our services for adults promote well-being in individuals' care and assistance plans in addition to identifying opportunities to develop preventative services in communities through partnerships and joint working.

One of our areas of work to improve the health of the residents of Gwynedd is to inspire, support and enable Gwynedd's residents to be active and lead healthy lives. This is done by ensuring that appropriate leisure facilities are available for the residents of Gwynedd across the county and by working with partners locally, regionally and nationally. For example, the Exercise Referral service is a specialist service with a range of activities to help reduce the impact of conditions that prevent the residents of Gwynedd from exercising and improving their health. The Council also supports activities that use art and heritage to develop health and well-being.

A core part of our everyday work is to safeguard Public Health by ensuring that businesses in Gwynedd meet food hygiene, food standards and health and safety in the workplace requirements.

In our work in the field of pollution, we protect the health and well-being of the public from unsafe practices by ensuring that businesses or individuals do not pollute the air, land and waterways with substances or unpleasant noise.

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## Well-being Objectives

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**Ensure that pupils with emotional and behavioural needs are fully included within Gwynedd schools**

**Ensure that children and young people are stable and are protected from harm**

**Enable the residents of Gwynedd to be energetic and live healthy lives**

**Safeguarding the health and well-being of the public**

**Provide the right assistance to individuals at the right time**

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## A more equal Gwynedd

As part of building a society which enables people to fulfil their potential whatever their background and circumstances, our aim is to improve the outcomes for every child and young person by ensuring that every pupil is given the most appropriate support in order to allow them to make progress in accordance with their ability. Some young people in Gwynedd need more support than others because of their circumstances and experiences when growing up, and the Council supports vulnerable young people to overcome those obstacles. The Council's services for its youth provide an opportunity for them to socialise, to take part in activities and to continue to learn and develop new skills outside of school. Another example in this field is the *Gyda'n Gilydd* Service that works with children and families to ensure that the problems they face do not become more severe and complex.

Also, the Council has the ability to do as much as it can in order to provide practical support for people who are in difficult financial circumstances. For example, we ensure that we process Housing Benefits and Council Tax Reduction Scheme applications promptly and accurately, in order to assist the citizens of Gwynedd to pay their rents and Council Tax bills.

As we collect taxes promptly and efficiently, we also try to be flexible and sympathetic to individuals' circumstances. We will promote any exceptions and discounts, any assistance through the council tax reduction scheme, encourage payment arrangements and agreements and will urge individuals to seek advice on personal finances and broader debt advice.

We provide services for the people of Gwynedd that will help to create resilient communities, support the inclusion of people in their communities and tackle poverty. We ensure access to information, support and facilities for residents to develop their skills and reach their full potential. This is done through a network of libraries across the county and through programmes such as OPUS (which works with individuals with learning disabilities or mental health problems who are over 25 and economically inactive to have access to sustainable employment), and TRAC (which supports young people who have disengaged from education or who are not in education, employment or training) and Communities First. In order to create attractive communities, we also promote access to the arts and we protect and celebrate our culture and heritage.

Our community transport service is responsible for providing travel opportunities in areas where there is no conventional transport provision and for people who cannot or who find it hard to use conventional public transport.

Another aim of ours is to ensure that construction work reaches the appropriate standards, ensuring that buildings provide facilities for the disabled as well as being safe, sustainable and energy-efficient.

2017/18 will be the second year of the Council's Equality Strategic Plan and the principle of placing the well-being of all people in Gwynedd centrally is also relevant here. We believe that the best way of promoting equality is to listen to the opinion and experience of all cohorts of society when

planning and maintaining our services. Put simply, that we place all people in Gwynedd at the centre of everything we do.

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## Well-being Objectives

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**Prevent the escalation of people's needs**

**Support people in difficult financial circumstances**

**Tackle poverty**

**Provide travel opportunities for everyone across the county**

**Ensure that construction work is safe, sustainable and energy-efficient**

**Strengthening and regenerating communities**

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## A Gwynedd of cohesive communities

In order to ensure attractive, viable and safe communities that have good links, we will continue with the work of safeguarding communities. Social enterprises and communities play an important part in this and we will support and encourage them to develop through our regeneration services. We promote the well-being and safety of pupils and support them by providing a range of ancillary services.

It is imperative to ensure that children and young people are protected from harm, and we investigate allegations of abuse in accordance with the Child Protection Guidelines and we also aim to protect vulnerable adults.

Another important element of the Council's work to contribute to this aim is happening in the Community Safety field by working with other agencies, including the Police, the Fire and Rescue Service, Probation Wales and the Betsi Cadwaladr University Health Board to tackle and reduce crime and disorder for the safety and well-being of communities in Gwynedd and Anglesey.

The Council's services for its youth promotes citizenship amongst young people and supports them to play a full part in society.

Another of the Council's work areas which contributes to reaching this aim is maintaining public footpaths, other paths and sites that are important to the communities and people of Gwynedd, as well as maintaining playing fields to ensure that they are safe for children and young people to enjoy them. The Council also attempts to ensure resources of a safe standard in our rural parks, harbours, marinas and on the beaches of Gwynedd in order to create attractions for local people and visitors.

We also support event organisers to create vibrancy within communities across the county.

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## Well-being Objectives

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**Safeguard children and adults from harm**

**Collaborate with partners to reduce crime and disorder**

**Maintain public footpaths and playing fields**

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## A Gwynedd of vibrant culture and thriving Welsh Language

The Council wishes to see a situation where Gwynedd continues to be a stronghold for the Welsh language, and that it is an everyday language that is heard and spoken naturally by children, young people and adults across the county.

We lead on innovative work across North Wales and nationally, in relation to the Welsh language by promoting the Language Charter in order to contribute to reaching this aim of protecting culture, heritage and the Welsh language.

As well as providing a library service for the people of Gwynedd, we also encourage people to participate in the arts, sport and leisure activities while giving the Welsh language a prominent place. Much of our work in the field of community arts targets health, well-being, education and tackling loneliness projects. The Council also allocates arts grants in order to support the standard of the arts and arts opportunities for everyone by promoting the Welsh language in communities as well as protecting the archives and heritage of Gwynedd.

Our aim will be to continue to enrich the lives of the residents of Gwynedd by promoting an appreciation of our unique heritage and culture; but, in view of cuts to the strategic grants to the arts, we will have to work differently with partners and volunteers to ensure that this succeeds.

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## Well-being Objectives

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**Promote the use of the Welsh language**

**Promote our culture, heritage and the arts**

**Provide a library service**

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## A globally responsible Gwynedd

The Council is also committed to considering what we can do to make a positive contribution to global well-being.

We intend to reduce energy costs, reduce carbon emissions and prevent light pollution now and for the future. We have innovative plans such as changing our street lighting and signs to Light Emitting Diode (LED) technology with most dimming or turning off when appropriate. This not only reduces carbon but also saves us money so that we can continue to spend that money on other services for residents.

The Highways and Municipal Service is also responsible for holding events to educate and raise the awareness of children regarding recycling waste and preventing litter, graffiti, fly tipping and dog fouling problems that will contribute to improving behaviour in this field in the future.

Through the Syrian Rehabilitation Programme, we provide support towards a global effort to alleviate the humanitarian crisis by providing rehabilitation opportunities for refugees.

Finally, the Council's work in the field of equality contributes to developing people who are more responsible on a global level, for example, by creating the circumstances for people from different backgrounds to represent the people of Gwynedd by standing for election to be an elected member.

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### Well-being Objectives

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**Reduce energy costs, carbon emissions and prevent light pollution**

**Provide rehabilitation opportunities for the most vulnerable people from Syria**

**Educate and raise awareness among children about recycling and preventing litter and graffiti**

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# The Well-being of the People of Gwynedd

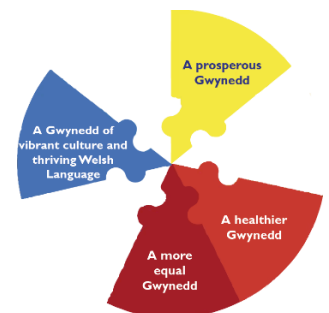
We acknowledge that more significant changes are required in some fields and we have developed improvement plans to address that. These focus on the issues that we will give the most attention to during the lifespan of the plan to achieve our **well-being objectives**.

## Improvement Plans



### Children and Young People

Well-being aim(s) that we contribute to



**The start of life for each of us has been crucial in establishing a foundation for the remainder of our lives and the principle of ensuring that every child and young person receives the same opportunities and receives the same good standard of education is important.**

#### PI Raising Standards - Foundation Phase and Key Stage 4

The purpose of this project is to improve and reconcile education standards across Gwynedd in order to ensure that children and young people attain the highest standards so that they may gain the qualifications and skills that allow them to live and prosper locally. We will implement practical steps in the schools in order to improve and reconcile education standards. We will target specific subjects and challenge performance in specific fields as well as initiating a commission to understand the situation of secondary schools that are, or close to, receiving staff protection.

During 2016/17, a new model of supporting schools was introduced in order to strengthen school to school support systems, develop new partnerships and improve key stage outcomes, together with supporting schools to perform in the highest quartiles. A clear specification was implemented between the Council and GwE (Schools Efficiency and Improvement Service) in order to ensure that sharp and appropriate procedures are in place to monitor and evaluate progress in the schools.

By the end of March 2018, we will have:

- Worked with GwE to raise standards in Key Stage 4 in the core subjects by targeting specific departments which are under-performing in our secondary schools
- Increased the percentage of pupils who reach the expected level (Foundation Phase Indicator) at the end of the Foundation Phase
- Targeted improvement in schools which are under-performing in general or which perform comfortably
- Analysed the financial and curricular situation of secondary schools with small numbers of pupils
- Recognised the minimum staffing requirements needed in order to maintain the curriculum in secondary schools with small numbers of pupils

Long term



Prevention



Integrate



Collaboration



Involvement



- Recommended and costed where the staffing protection line should be for the Secondary Sector so as to enable the Council to use this information when setting the budget for 2018/19

## P2 Improve Leadership and Management

The purpose of this project is to improve the condition of leadership in order to raise standards. Good leadership is the main factor that promotes education of the best quality and therefore we are giving particular attention to improving the quality of leadership by developing managers and prospective managers and identifying future leaders in our schools. This will be crucial if we are to ensure that children and young people benefit from more consistent standards in our schools, as strong leadership will have a positive effect on the achievement of children and young people.

During 2016/17, the structures of the Education Department were reviewed, creating a new area structure and defining the role of an 'Area Education Officer' in order to better co-ordinate the support for the schools and all the support services. Broad discussions were held with governors, parents and the wider community in terms of developing new principles for Gwynedd schools and we will continue with this dialogue about leadership and teaching conditions.

By the end of March 2018, we will have:

- Implemented a leadership development scheme which improves leadership conditions in schools in Gwynedd
- Set a clear direction which will allow teachers to focus on teaching and raising the standards of our pupils
- Discovered ways of lightening the managerial and administrative role of schools in order to allow teachers to focus mainly on teaching, and improve conditions for head teachers to lead education.
- Developed leaders to work across a wider geographical area and have responsibilities across schools
- Ensured arrangements in which the authority and governing bodies intervene earlier in schools where leadership is a cause for concern
- Ensured a collaborative management structure on a catchment and area level which will free-up time for heads to lead effectively
- Developed managers and prospective managers within services and identify future leaders

## Programme for a network of viable schools for the future

The purpose of this programme is to develop a network of viable schools for the future. Delivering the programme will create better conditions to develop leadership, increase and standardise education standards and improve experiences for children and young people. There is also a need to plan and model for a future structure while giving specific attention to planning for the next tranche of Government capital projects. Details of the programme projects are given below:

## P3 Bangor Project

The purpose of this project is to review primary education in Bangor in order to ensure sustainable future provision while responding specifically to the increase in demand for places in the Penrhosgarneidd area.

Long term



Prevention



Integrate



Collaboration



Involvement



During 2016/17 we have:

- Ensured a contribution in principle of £6.365million from the Welsh Government 21st Century Schools Fund
- Secured the approval of the Cabinet to begin local discussions on reviewing primary education in Bangor

By the end of March 2018, we will have:

- Established a Catchment Area Review Committee (CARC) to identify and discuss options and agree on a preferred option which will respond to future education needs in the area
- Dependent on the outcome of the discussions, conducted a statutory consultation
- Dependent on the outcome of the statutory consultation, issued statutory notices
- Created a business case in order to ensure a contribution of £6.365million from Welsh Government towards any capital work

Cost: No additional cost.

#### **P4 Ysgol y Gader Catchment Area**

The purpose of this project is to establish an All-through Welsh-medium Catchment Area School for 3-16 year olds in the Ysgol y Gader, Dolgellau catchment area.

This proposal will create better conditions to develop leadership, share resources, improve and standardise the quality of education across the catchment area. This also means a substantial capital investment of £4.3million to improve the learning environment on specific sites in the catchment area. The full business case for the project has been approved. Ysgol Bro Idris will open in September 2017.

In 2016/17, construction work on the Ysgol Rhydymain site was successfully completed together with the construction work on the Ysgol Gynradd Dolgellau and Ysgol Llanelltyd sites. A staffing structure for the new school was also agreed, and the majority of managerial posts, subject heads and site heads have been appointed.

By March 2018, we will have:

- Completed the construction work valued at £4.3million on the sites of Ysgol Rhydymain, Ysgol Llanelltyd and Ysgol Gynradd Dolgellau
- Opened Ysgol Bro Idris in September 2017

Cost: No additional cost.

#### **P5 Glancegin School**

The purpose of this project is to secure an investment to provide a new building for Ysgol Glancegin, which is located in Maesgeirchen, Bangor. The learning environment of the existing school is unsuitable as the buildings have reached the end of their lifespan and their condition is very poor.

This new scheme will ensure a modern and purpose-built space to improve conditions for teachers and children. It is also intended to examine the possibilities of developing an integrated centre for children and families near the site of the new school. A new centre such as this will draw together some of those services that support children and families on the Maesgeirchen Estate and specifically address early years

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



and services that are preventative in nature. The new school building will open in September 2017.

In 2016/17, construction work valued at £5.11 million was underway and progress was made in line with the work programme.

By March 2018, we will have:

- Completed the construction work valued at £5.11 million
- Transferred Ysgol Glancegin and its pupils to the new building in September 2017

Cost: No additional cost.

### **P6 Ysgol y Berwyn Catchment Area**

The purpose of this project is to create a 3-19 age Welsh-medium Learning Campus on the current site of Ysgol y Berwyn. The Campus will be a community resource of the finest order for the area and will play a key role in promoting the Welsh language.

The plan will lead to an investment of £10.27million in the town of Bala and it will substantially improve the learning environment for the children of the area. Also, the campus will include community resources such as a library and an arts facility and additional resources to improve the sports provision.

The campus will open in September 2018.

We have already:

- Approved the planning application for the Learning Campus
- Appointed contractors and started on the construction work on the current site of Ysgol y Berwyn
- Opened an all-weather football pitch at Maes Tegid, Bala - it will be a resource for all schools in the catchment area as well as the wider community

By the end of March 2018, we will have:

- Completed the process of establishing the shadow governing body of the proposed learning campus and will be proceeding with the work of the body in accordance with our usual processes for establishing new schools
- Moved ahead with the proposed construction work worth £10.27million

Cost: No additional cost.

**Our aim here is to work with children and their families in order to ensure that children who have additional learning needs receive more support to take advantage of opportunities and to gain experiences in order for them to make progress.**

### **P7 Establish a joint Additional Learning Needs and Inclusion Service with Anglesey**

The purpose of this project is to transform the service for children with additional learning needs. We will implement a clear strategy across the full range of inclusion and additional learning needs fields across Gwynedd and Anglesey.

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



We will ensure that children with additional learning needs receive the most suitable support to take advantage of opportunities and to gain experiences that have been planned effectively for them. There will be a clear focus on outcomes in order for them to make appropriate progress in line with their ability.

In 2016/17, operational detail was added to the Additional Learning Needs and Inclusion Strategy. The aims and objectives of each one of the services within the strategy were clearly noted and a detailed staffing structure was agreed in order to implement it. A joint governance model with Anglesey Council was agreed. The strategy principles continue to include attention to the early years, establishing an integrated central team of professionals with specific specialisms and implementing a training programme to upgrade the skills of the workforce.

By the end of March 2018, we will have:

- Implemented the Additional Learning Needs and Inclusion Strategy in full, thus delivering better outcomes for children and young people at a significantly lower cost
- Implemented the restructuring within the Additional Learning Needs and Inclusion workforce
- Created and implemented comprehensive training programmes
- Reviewed the criteria
- Established sub-groups to look at the Early Years, Post 16 and Special Schools

Cost: No additional cost.

### **P8 Early Intervention / Preventative Programme for groups of vulnerable children and young people in Gwynedd**

The purpose of this programme is to implement a series of schemes in order to ensure that fewer families and children are referred to costly interventions within statutory services in the future. We will work jointly with local partners including representation from the third sector.

We have already held an assessment of needs that has identified specific fields which need to be targeted when planning preventative packages into the future. These fields include language delay and speech, parenting and behaviour support, access to mental health services and support for teenagers. We are also continuing with the work of the *Gyda'n Gilydd* Team and Families First, as well as an innovative scheme in the early years and parenting fields.

Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Re-commissioned and prioritised Families First programme work packages for 2017/18
- Strengthened the *Gyda'n Gilydd* Team model and built upon the work of co-ordinating the support for groups of vulnerable families
- Implemented the work programme of the preventative strategy, including collaborating with the Education, Youth, Leisure and Adults services to ensure co-ordinated services for children and families in Gwynedd
- Implemented the Government's engagement framework that specifically addresses groups of vulnerable children and young people
- Put a clear and definite procedure in place to measure the impact of preventative interventions

Cost: £40,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



### **P9 Young People using the Welsh language socially**

The purpose of this project is to ensure a robust follow-up to and build upon the Language Charter project that is operational in Gwynedd's primary schools.

During 2016/17, a strategy was developed for the secondary as an effective planning tool to lead to further increase in the social and curricular use of the Welsh language by pupils.

Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Supported the 14 secondary schools to implement the main priorities of the strategy
- Created and implemented comprehensive training programmes for secondary teachers in the methodologies of bilingual teaching and learning
- Further promoted the value and advantages and usefulness of bilingualism in order to strengthen the pupils' incentive to develop into people who are fluent in both languages.

Cost: £40,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

Long term



Prevention



Integrate

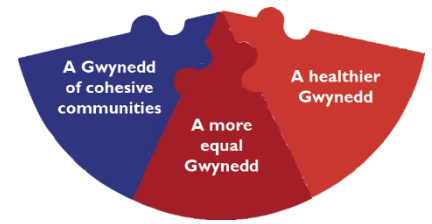


Collaboration



Involvement





The work in the Care field focuses on engagement with the people of Gwynedd in order to ensure that they are clear about the challenge that we are facing to motivate and support communities to contribute by taking community-based action. Its success will be crucial in terms of preventative work and will ensure that we as a Council, together with our partners will respond pro-actively to the change.

**G1 Care Challenge**

The purpose of this project is to try to ensure that the people of Gwynedd truly understand the challenge that is facing us to motivate and support communities to contribute by taking action on a community basis. The success of this project will be crucial in terms of preventative work and will ensure that we as a Council, together with our partners will respond pro-actively to the change and will meet the need within the Social Services and Well-being Act.

At the end of the project, the people of Gwynedd will have an understanding of what the Council can offer as services and an understanding of their own role which will mean that we naturally contribute and support the most vulnerable people within our communities.

During the first two years of the project, we succeeded to develop the 'story' of the Care Challenge, namely the background, context and the reason for change. The story was communicated and engagement with stakeholders was carried out, together with a number of events to discuss the challenge.

By the end of March 2018, we will have:

- Further implemented the communication strategy and main-streamed the work by establishing an effective information, advice and assessment (IAA) service
- Continued to work with communities to identify their strengths and the aspects that need to be developed, with the intention of creating interest in community action in order to respond to the care challenge and to the well-being issues of their communities
- Continued with the work of raising the general awareness of the people of Gwynedd and develop it further as feedback from communities is received

Cost: The project will be funded from resources that have already been allocated for the care field.

It is crucial that we work effectively, and when appropriate, in an integrated manner with the Betsi Cadwaladr University Health Board. Our intention is to set the foundations for a new, entirely integrated service model across the adults' services.

**G2 Integrated working, focusing on what matters for individuals**

In order to respond to the evident challenges of the field, it is crucial that we work effectively, and when appropriate, in an integrated manner with the Betsi Cadwaladr University Health Board. The purpose of this project is to redesign our current working methods to ensure that we put the people of Gwynedd (older people and people with physical disabilities in the context of this project) at the centre of our way

Long term



Prevention



Integrate



Collaboration



Involvement



of working.

Since establishing the project in 2015/16, we have witnessed the success of working in an integrated manner by establishing an integrated team in the Eifionydd area. This team has established the principles in terms of methods of working and trialling new methods for the first time. They have also experimented with methods of measuring the impact of the work with services users. The intention is for this way of working to be the foundation for the new, entirely integrated service model across the adults' services. The integrated teams have been established across the rest of Gwynedd since March 2017 and they have adopted the method of working which began in the Eifionydd area.

By the end of the project we will have services that can deliver what counts to individuals in the most effective way, while also ensuring that we do not tie individuals to becoming unnecessarily dependent upon statutory services. Doing this also ensures that the Council and the Health Board meet the needs of the Social Services and Well-being Act.

Due to the nature of the project which is a shift in the culture of the method of working, as well as structure, setting a timetable for everything to work smoothly is difficult. It is likely that it will be 2020 before we can be entirely confident that the shift in culture will have been fully incorporated within everyone's methods of working.

Despite this, we can include some milestones and the project will be expected to achieve the following by March 2018:

- Embed the working arrangements firmly and measure the impact of our work on the residents of Gwynedd
- Incorporate the principles of this way of working in the development of services

Cost: No additional cost.

## Programme of accommodation and care provision projects

The purpose of this programme is to ensure that the people of Gwynedd have the most suitable accommodation and care provision to address their future needs, within financial constraints, and that we as a Council respond pro-actively to the demand.

By the end of the programme, vulnerable adults in Gwynedd will have a suitable range of accommodation and care options that will enable them to live lives that are as full and satisfying as possible. This programme has been split into a number of specific projects; the projects currently operational can be seen below.

By the end of March 2018, the projects within the current programme will have achieved the following:

### G3 Extra Care Housing

The purpose of this project is to build Extra Care Housing in Porthmadog. By now, construction work on the site is moving ahead and the new development has been scheduled to be ready by the end of 2017 approximately. The aim is that the first residents will be housed there in the first few months of 2018.

Long term



Prevention



Integrate



Collaboration



Involvement



#### G4 Frondeg

The original purpose of the project was to ensure clarity on the Frondeg site and make a decision on the way forward. In January 2016, following a period of formal engagement and consultation, it was decided to develop a new accommodation model for adults with learning disabilities on the Frondeg site, and bring the current use of the building to an end once the new development would become available.

By now, we have agreed on an active partner, namely Grŵp Cynefin, and we are collaborating in partnership to develop the new accommodation model. It is anticipated that the site will have been transferred to Cynefin by autumn 2017.

Cost: No additional cost.

#### G5 Capacity and sustainability of the care and health arrangements

The purpose of this new project is to seek to respond to the current problems that exist in terms of care and health provisions specifically within the field of older people. By implementing the project jointly with our health partners, we will attempt to ensure that we have the most suitable system in place across the care and health field in the future. The project will look at aspects of the provision as well as the need in terms of workforce and carers (including unpaid carers).

By the beginning of summer 2017 a significant investment will have been made to strengthen the care provision at Llys Cadfan, Tywyn which will allow the Council and the Health Board to offer joint, more local services for the residents of south Gwynedd particularly in terms of provision for older people with dementia. If the scheme works, consideration will be given to spreading the model to other areas. We are confident that we will be in a position to decide on whether or not to extend it, together with setting out an outline schedule for the work, by summer 2018.

- In terms of the provision in the field of older people with dementia, we will be looking, jointly with the Betsi Cadwaladr University Health Board, at options that can be adopted to try to respond to the current problems in terms of the availability and quality of care. As part of the work, we will be working in partnership with the main stakeholders and will be receiving specialist guidance from experts in the field including the Care and Social Services Inspectorate for Wales. By March 2017, we will be in a position to recommend a way forward to the Health Board and the Cabinet.
- In terms of the nursing and care workforce, the project will build on the short-term interventions implemented during 2016/17 jointly with the appropriate health boards, in order to try to improve the situation in terms of identifying and appointing suitable staff to work in the care and nursing care fields locally. This work will continue during 2017/18 and it is hoped that we will be able to agree on a work programme to address any longer-term developments.

Several steps have been taken during 2016/17 to improve our arrangements for supporting unpaid carers. A work programme that identifies further interventions has been prepared and staff resources will be allocated to facilitate action based on this programme by March 2018.

Cost: No additional cost

Long term



Prevention



Integrate



Collaboration

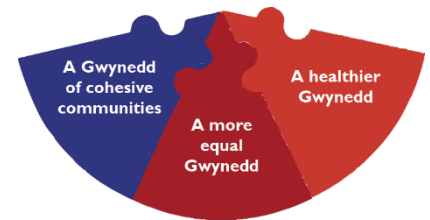


Involvement





# Safeguarding



**Safeguarding children and vulnerable adults is crucial to ensure that all individuals receive the same opportunities in life and to safeguard the most vulnerable in our society. We are collaborating across agencies and via the Regional Board in order to achieve this.**

## **D1 Ensure whole Council ownership in the safeguarding field**

The purpose of the project is to ensure that there is corporate ownership of the safeguarding agenda and that we have effective procedures to safeguard children and vulnerable adults in Gwynedd. Work to raise the awareness of Council staff and members regarding this agenda is continual work to ensure that everyone is aware that safeguarding children and vulnerable adults from abuse is a responsibility that falls on everyone.

What, therefore has been achieved in 2015-17?

We have adopted safeguarding policies and procedures across all Council services, and much work has been done to raise awareness and provide training across the entire workforce. We have also undertaken an annual survey to measure the impact and improvement of awareness levels of the safeguarding field, together with undertaking annual inspections to ensure that our contract arrangements are robust in the field.

By the end of March 2018, we will have:

- Reviewed our policies and procedures to address legislative changes
- Monitored the impact of our actions via the annual awareness survey and the contracts inspection, implementing any recommendations and continuing to raise awareness and provide training in the safeguarding field.

Cost: No additional cost.

## **D2 Safeguarding children and young people**

The purpose of the project is to improve continually the safeguarding arrangements and culture for children and young people. We will ensure that safeguarding policies and procedures are clearly understood by everyone working within the Education field and respond to the Child Sexual Exploitation risk across north Wales.

By the end of March 2018, we will have further strengthened the safeguarding procedures and culture within the field of Education, by:

- Conducting an annual audit of safeguarding and governance arrangements within the department and schools
- Continuing to improve the understanding and awareness of individuals and key groups within this specific field, including how to identify the signs
- Continuing to update the training programme to meet the needs of the annual audit
- Implementing a work programme in accordance with the findings and recommendations of the

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



annual audit and also consider any opportunities for improvement

By the end of March 2018, we will have reviewed the Council's arrangements for responding to the risk of Child Sexual Exploitation (CSE) by:

- Ensuring that the Council's arrangements coincide with the regional strategy which is being developed between agencies
- Continuing to maintain arrangements to collect information about the number of cases, risk and compliance levels and safeguarding processes in the field in order to be aware of the nature of the demand in the field. Improving the understanding and awareness of individuals and key groups within this specific field, including how to identify the signs
- Establishing a multi-agency executive panel to look at individual cases in the field of CSE in order to agree on action that needs to be taken to safeguard individual children and young people. This panel will add value to front-line day to day intervention

### D3 Safeguarding vulnerable adults

The purpose of the project is to continually improve the safeguarding arrangements and culture within the adults' field.

We managed to obtain a strategic overview of all recommendations addressed in the 'A Place to Call Home' report, the Winterbourne Report and the Jasmine Report and created a comprehensive work programme of the improvements. In addition, a quality report on Residential and Nursing Care was submitted to the Cabinet over the course of the year.

By the end of March 2018, the project will be implementing the aforementioned work programme, and in doing so, will have ensured that we are:

- Developing a range of different methods for individuals to be heard
- Identifying whether there is appropriate use of advocacy and trying to respond to any deficiencies
- Providing evidence that the corporate groups can demonstrate that they listen to the voices of vulnerable adults

Cost: No additional cost.

During 2016/17 the progress made in the previous year was built upon in order to respond to the recommendations in reports, and the process of establishing a Safeguarding and Quality Assurance Team for the Adults, Health and Well-being Department was commenced. A Senior Manager was appointed to give strategic, professional and practical guidance to the team. The rest of the team will be in place early in 2017/18 and it will implement a broad work programme that will strengthen the Council's adults safeguarding work arrangements and practice and will enable us to ensure quality in our work and learn from experience and monitoring.

Long term



Prevention



Integrate



Collaboration

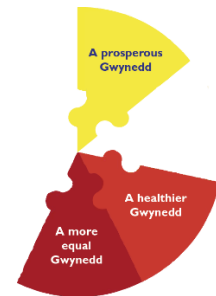


Involvement





# Poverty, Economy, Housing



**By supporting businesses to compete for and win the Council's contracts together with regional work and collaboration with the business community, we can develop a network of local supply chains.**

## EI Keeping the Benefits Local

The purpose of this project is to maximise expenditure with local businesses.

There are two aspects to the project, namely setting out a procurement procedure for new services and products in the Council and supporting businesses to compete for and win the Council's contracts and beyond, including capital and regional projects. In addition, we will maximise businesses' awareness and understanding of the Council's procurement procedure. The emphasis will be on trying to develop a network of local supply chains by collaborating with the business community.

We have already established an Annual Procurement Programme that refers business to information regarding the Council's contracts and meet the buyer events to support local companies. In addition, an increase has been seen in the percentage of business won by local companies as part of the Council's catering contract together with a reduction in costs.

By the end of the project, there will be a significant increase in the number of businesses which have the understanding and the ability to win Council contracts, and by the end of March 2018, we will have:

- Maximised the amount the Council spends with local businesses
- Completed the embedding of strategic purchasing arrangements, establishing teams which will be responsible for improving procurement results. This will result in savings as a result of reducing service provision costs and making it easier for local businesses to compete for Council contracts
- Built upon our awareness raising arrangements on opportunities to work with the Council via various methods, for example via the Council's website, social media and the press
- Continued to provide information and offered support to local providers on how to apply for work with the Council, considering requests for any additional support

Cost: No additional cost.

Long term



Prevention



Integrate



Collaboration



Involvement



**By working with businesses and our partners in fields such as further education, higher education and the voluntary sector, we will take proactive steps to create the conditions which would enable businesses to grow and stimulate growth in the economy.**

## **E2 High Value and Quality Jobs**

The purpose of this project is to work pro-actively in order to create the correct conditions to develop high value and quality jobs in Gwynedd. We will do this by marketing the county and supporting businesses within specific sectors. In addition, we will work with education establishments in order to fill the skills gaps and feed information to ensure the future supply of workers.

We have already identified the most significant sectors to Gwynedd in terms of creating high value jobs, namely the Energy, Digital, Creative and Research and Development sectors. A package of marketing materials for the sectors is being developed and support to establish business networks within the sectors has been provided. An innovative scheme to encourage local young people to have an interest in the sectors was supported and a lobbying scheme for the Trawsfynydd and Llanbedr sites is still being implemented to attract investment to the sites.

By the end of the project, there will be more high value and quality jobs in the county, with the infrastructure in place to create significantly more in the future. Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Developed the package of innovative activities to attract inward-investment to Gwynedd, by targeting businesses within the significant sectors which have been identified and giving particular attention to the Snowdonia Enterprise Zone sites in Trawsfynydd and Llanbedr
- Supported a number of prospective investors, securing the maximum benefits to Gwynedd from the developments
- Developed the business clusters in the target sectors identified
- Started to implement a new programme to support young people to study subjects connected with science, technology and engineering under the *Llwyddo'n Lleol* banner
- Collaborated with the North Wales Economic Ambition Board and the Energy Island programme to ensure that the people of Gwynedd benefit from the development of New Wylfa

Cost: £117,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

Long term



Prevention



Integrate



Collaboration

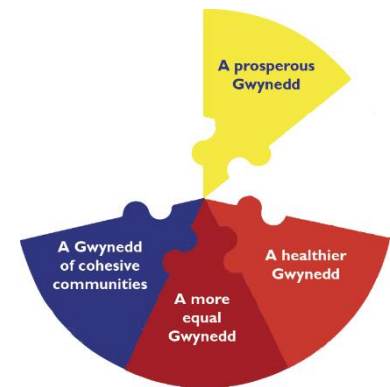


Involvement



### E3 Working together against poverty

The purpose of this project is to implement a programme of schemes, together with partners, to reduce the effect of poverty in Gwynedd. The programme will include interventions which help residents to obtain skills to deal with home income management and debts, and which help them to secure access to online information and services. Attention is also given to implement schemes which will offer work opportunities for people who are not part of the labour market. We will also provide support for people to deal with changes in the welfare and investments field.



We are already facilitating a Digital Resilience Group and a Financial Forum in order to draw partners together to work on plans and to provide financial and digital inclusion training for the staff of Gwynedd Council and local agencies. The workers can now support residents on matters such as using the web, referring to online digital and financial resources, completing online benefit claims, and obtaining access to financial advice services.

We have established a Gwynedd Employment Group in order to develop and secure European funding to implement employment schemes such as TRAC, Ad-TRAC, Communities for Work and OPUS in the county. Through these schemes, we will support, mentor, train and give work and voluntary experience to individuals to help them to look for work.

Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Continued to train front-line staff in financial literacy and digital literacy
- Continued to operate the Discretionary Housing Payment fund in order to support families to avoid falling into debt due to the bedroom tax
- Provided assistance to Universal Credit claimants
- Implemented a package of employment schemes to support individuals to gain access to employment opportunities
- Diverted programmes in the field of education and housing towards the communities of need

Cost: £155,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

### E4 Housing Supply Strategy

The purpose of this project is to implement our strategy to encourage the use of new methods to increase the supply and variety of housing in order to ensure that our housing supply is suitable for the needs of the people of Gwynedd. The project will lead to different solutions in different areas.

The Affordable Housing Funding Model business plan which contains four principal schemes has been approved, these are:

- Establishing Affordable Housing for Gwynedd residents in rural areas
- Bringing empty homes back into use
- Provision for homeless people
- Provision for older persons to promote independence

Long term



Prevention



Integrate



Collaboration



Involvement



By March 2018, we will have:

- Established the funding model in order to increase the affordable housing in rural areas. It is anticipated that we will have started to build new homes for residents during 2017/18 with the aim of realising 31 houses
- We will also aim to develop between 10 and 15 empty housing units and bring them back into use, which is in addition to the annual total of 40 to 50 units.
- We will consider how the recommendations of the review of the Rhianfa hostel provision could be implemented and will endeavour to evaluate and develop an alternative model during 2017/18 in order to implement the development of alternative provision for homeless people in the south of the county.
- We will confirm the area where accommodation provision is needed for older persons, and the alternative models of provision required. The recommendations submitted as part of the Older People Accommodation Strategy will influence the priorities of developing and managing assets and will be implemented depending on resources and having regard to any recommendations from the Capacity and sustainability of the health and care arrangements project (G5).

Cost: No additional cost.

**By collaborating with local initiatives and regional partners, maximising our heritage and building upon our strengths, we can create the conditions for local businesses to thrive to create and maintain employment across the county and improve the access of the people of Gwynedd to work.**



### E5 Digital Gwynedd

The purpose of this project is to secure a quality Information and Communication Technology infrastructure throughout Gwynedd and support businesses and residents in Gwynedd to take full advantage of it.

We have already ensured that 80% of homes and business sites in Gwynedd can access superfast broadband services and 37% of those who can access it have already taken advantage of it (the highest in Wales). We have also ensured that a programme of support is available for businesses to learn how to take advantage and we have trained 177 Council staff and other local establishments to help residents to start using the internet (they are now helping approximately 500 residents every week).

By the end of the project, the businesses and residents of the county will take advantage of superfast broadband and the benefits it has to offer.

By the end of March 2018, we will have:

- Infrastructure: Assisted with the completion of the Superfast Wales scheme in Gwynedd and ensured that its successor addresses the remaining need by promoting the provision for residents and businesses. Encouraged and supported the private sector to extend the 4G provision in the county. Developed new skills of providing and using the infrastructure jointly with Arloesi Gwynedd Wledig
- Residents: Extended the support and opportunities for residents to gain access to the

Long term



Prevention



Integrate



Collaboration



Involvement



internet and prioritise peripheral groups and those who could be detrimentally affected by the change to provide on-line services. Developed a case which demonstrates that increasing digital resilience will lead to an increase in the speed and rate at which on-line services are adopted

- **Businesses:** Encouraged and facilitated access for local businesses to the assistance to use technology that is available and to strengthen the provision as necessary. Worked with the High Value and Quality Jobs plan to facilitate and support the development of the creative and digital sectors in the county

Cost: No additional cost.

## E6 Rural Gwynedd Development Scheme

The purpose of the project is to increase the sustainability of rural communities in Gwynedd and the most rural areas specifically - giving particular attention to developing the range and value of economic activity in the countryside.

We have already secured a budget of £4million from the Wales Rural Development Programme to develop new, innovative methods of responding to the challenges of rural Gwynedd. Through the work of Arloesi Gwynedd Wledig a range of exciting developments are being trialled throughout the county (see a video of the highlights of 2016 [here](#)). The scheme has established a partnership to consider the needs of our rural areas and we have developed and are now implementing the Llŷn and Eifionydd Employment Plan and the Meirionnydd Employment Plan.

By the end of the project, we will have worked with our partners to establish programmes and projects across the rural areas in Gwynedd that will contribute to ensuring the sustainability of our rural communities.

Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Further developed the work of Arloesi Gwynedd Wledig and developed and held innovative pilots throughout Gwynedd and targeted resource to build on the results of 24 trials which have already been held
- Worked with partners such as Eryri National Park, Arloesi Gwynedd Wledig and the business community to develop further projects and ensured resources to implement them

Cost: £23,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

## E7 World Heritage Site

The purpose of this project is to create economic benefit from Gwynedd's rich heritage. We will focus on the existing World Heritage Site of Edward I Castles in Harlech and Caernarfon, in addition to submitting a case for World Heritage Site status for the heritage of the slate industry.

We have already evaluated the economic benefits which could derive from a World Heritage Site status for the slate industry and as a result we have prepared a bid for the status for the industry. An Economic Action Plan to realise the potential has also been developed with our partners.

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



We have ensured funding for a £15million plan to transform the Caernarfon shore near the Castle to develop the status of the area as a regional and international destination.

By the end of the project, sites across Gwynedd will receive international recognition and significant economic benefits will derive from this.

By the end of March 2018, we will have:

- Submitted an application to UNESCO to gain a World Heritage Site status for the slate industry
- Prepared a programme of interventions with partners to promote community pride and develop the local economy in the slate valleys based on their heritage
- Started to implement the £15million scheme to develop the Caernarfon waterfront as an asset for the entire county
- Supported local partners to respond to the needs and opportunities in Harlech

Cost: No additional cost.

### **E8 High-profile and strategic events**

The purpose of this project is to attract nationally or internationally high-profile events to Gwynedd in order to take advantage of the economic and social benefit which will ensue. We will do this by ensuring that high-profile national or international events are attracted to Gwynedd or established in Gwynedd. In 2016/17, the project supported 18 events from which Gwynedd benefitted over £6.6million. We will also support areas within Gwynedd to develop events with the potential to contribute towards the image of vibrancy and develop the area's expertise in the field of organising and running events, especially amongst young people and local initiatives.

Subject to consideration of the additional funding noted below, by the end of March 2018, we will have:

- Worked alongside the major events and identified opportunities and developed ideas and specific projects in order to take full advantage of the opportunities for the businesses and residents of Gwynedd
- Worked closely with Welsh Government's Major Events Unit on projects in order to attract additional investment from the Government
- Worked with event organisers in order to ensure that there are opportunities for young people in Gwynedd to benefit from the events

Cost: £42,000 to continue with the plan, if an assessment of what has been achieved shows a need to release additional resources to do this.

**By working together with partners we will implement a programme of schemes to support people and communities to respond to poverty in Gwynedd. The emphasis will be on ensuring improved inclusion and access for the various people living in Gwynedd to services, work, housing and within their communities.**

Long term



Prevention



Integrate



Collaboration



Involvement





# The Welsh Language

A Gwynedd of  
vibrant culture and  
thriving Welsh  
Language

**We work closely with communities to support and empower them to assess the position of the Welsh language in the community in order to strengthen the status and the use of the language. Alongside this, we are working with public organisations in Gwynedd to increase and improve their provision of bilingual services for the residents of Gwynedd so that they can use the Welsh language naturally and improve the user's experience. We will also work with schools in order to increase young people's use of the Welsh language socially.**

## II Communities promoting the Welsh Language

The purpose of this project is to promote the Welsh language by supporting and empowering four communities to implement the Local Action Framework and to assist residents to undertake an assessment of the position of the Welsh language in the community in order to strengthen the status and the use of the language.

We have already completed the Local Action Framework and produced action plans for the communities of Bangor, Porthmadog and Dolgellau. In addition to this, opportunities to empower the community have been identified and are operational in Pwllheli.

By the end of March 2018, we will have supported residents in the four communities to deliver their action plans in response to the findings of the Local Action Framework in order to promote the use of the Welsh language.

Cost: No additional cost.

## I2 The Welsh language and public services

The purpose of this work will be to assist public organisations to increase and improve their provision of bilingual services for the residents of Gwynedd so that they can use the Welsh language naturally. By collaborating with the members of the Public Services Board, it will be possible to set consistent and clear standards and act jointly on plans that will improve the user's experience.

It will also be a means to support the duty on public bodies in the coming years to comply with the Language Standards imposed on them by the Welsh Language Commissioner, and will reiterate the requirements associated with the follow-up framework to *More Than Just Words*.

The Public Services Board has already agreed to prioritise this work which means that key partners will work with us to reach the aim. By the end of March 2018, we will have ensured agreement from all partners to reach a specific level in order to improve their provision of Welsh-language services for the residents of Gwynedd so that they can use the Welsh language in their everyday lives.

Cost: No additional cost.

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



### **I3 Audit of the Welsh Language's situation at Gwynedd Council**

Over the years, Gwynedd Council's language policy has been an effective tool to ensure an appropriate status for the language within the public sector and further afield. Nevertheless, we need to ensure that the policy is implemented consistently across the Council.

There are two purposes to this project:

Firstly, it will consider the success of the Council in normalising the Welsh language in its departments and the services it provides to the residents of Gwynedd.

Secondly, it will deliver research work in order to find and confirm to what extent the Council goes a step further and succeeds in taking advantage of every opportunity to promote the Welsh language through the services that we provide to the County's residents. It will look at the services that we provide directly along with services that we provide through third party arrangements and contracts.

This work will provide strong context and a foundation for the Language Standards that the Council will be accountable to the Welsh Language Commissioner for their implementation and which came into effect during 2015/16.

We have already undertaken an audit of the use of the Welsh language with all Council departments. In response to the findings of the audit, work to increase the use of the Welsh language within the Consultancy, Economy and Community, Regulatory and Adults, Health and Well-being Departments was prioritised with detailed action plans created. In addition, a Corporate Communication Plan was developed to promote the Welsh language across the Council.

By the end of March 2018, we will have implemented the findings of the audit in the departments in question in order to improve the effectiveness of the Council's language policy.

Cost: No additional costs.

**Long term**



**Prevention**



**Integrate**



**Collaboration**



**Involvement**



## Delivering the Plan

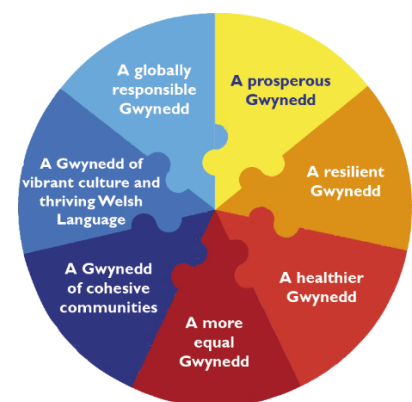
Delivering the plan is an important priority in itself. We have put appropriate arrangements in place at every level in the Council to deliver the plan and everyone has an important part to play in that.

Ffordd Gwynedd is at the heart of the Council's vision regarding the future well-being of the people of Gwynedd. It means making the most of the resources we have, e.g. funding and staff, ensuring that we do not have wasteful and unnecessary processes, and knowing what the people of Gwynedd tell us about how we respond to their needs. In order to enable us to deliver and improve, we will focus on the following plans during 2017/18:



### Ffordd Gwynedd

**Putting the people of Gwynedd at the centre of everything we do**



#### **FfGI Empowering Units to Implement Ffordd Gwynedd**

Providing a consistent culture will not happen alone, and the purpose of this project will be to lead service teams to reflect on their current working arrangements, to challenge whether they are placing the people of Gwynedd at the centre and whether there is room for improvement.

In doing so, we will ensure that every service unit within the Council places the people of Gwynedd at the heart of everything they do. It will also ensure that we consider alternative methods of implementation (including collaboration with others) and measure those ideas against a single yardstick – namely to what extent does it increase the benefit for the people of Gwynedd

We have already created a development programme based on learning in the workplace and have held training on the Ffordd Gwynedd principles for Senior Managers and Heads. Also, additional officers have been designated to work on the project and by now nine service reviews have been undertaken or are underway within the Council.

By the end of March 2018, it is anticipated that 15 formal service reviews will have been completed and the majority of Service Managers will have been trained in the Ffordd Gwynedd principles (including robust performance management principles) in order for them to be able to undertake their own reviews.

Cost: No additional cost.

### **FfG2 Leaders development programme**

If we are to ensure that the workforce consistently places the people of Gwynedd at the centre, Council leaders must also encourage such a culture.

The purpose of this project is to ensure that leaders within Gwynedd Council understand the principles of Ffordd Gwynedd, that they are aware of what they need to do in order to reinforce the Ffordd Gwynedd principles through all tiers of the organisation and that there is a system in place to ensure that this happens consistently.

A new appraisal system was established for members of the management team and the heads and, since January 2016, continual evaluation arrangements have been adopted. This will allow a regular review of the progress of the personal development programme for every member of the Management Group.

We will focus on developing the leadership amongst Cabinet Members following the Election in May 2017.

Cost: No additional cost.

### **FfG3 Engagement**

Ensuring that we meet the actual needs of our residents means that we require effective and consistent engagement arrangements, and the purpose of this project is to improve engagement across the Council.

Whilst significant progress has been made to develop the resources and the support available to support officers to engage effectively and that encouraging progress has been made in some services, it must be acknowledged that further work needs to be done in order to ensure that a culture of effective engagement penetrates to all parts of the Council. During 2017/18 we will be implementing the following steps to address the obstacles which remain:

- Undertake an audit of the ability of individual departments to take full responsibility for effectively engaging with their customers
- Review and strengthen the arrangements for providing robust evidence to the people of Gwynedd that the Council provides an opportunity for them to have their say and responds positively to their priorities
- Strengthen the central engagement resource and support, focusing on strengthening arrangements to engage with children and young people and modernising the arrangements of the Citizens Panel
- Ensure that the Gwynedd Council brand appears prominently on services and schemes funded by the Council so that the people of Gwynedd are more aware of the range of services and the support that the Council provides to its communities.

Cost: No additional cost.

### **FfG4 Extending the use of self-service**

At times of financial constraints, it is crucial that we continue to meet the needs of residents effectively but in the most efficient way.

The purpose of this project is to extend the use of self-service to facilitate the people of Gwynedd's access to Council services, and at a lower cost than the traditional channels. This development will provide access to a number of services through the digital channel method.

We have delivered the first step of the development and have created a core system to facilitate access to Council services for the people of Gwynedd.

By the end of March 2018, we will have created a new personal account system and it will be possible to get in touch with more services through the self-service function.

Cost: The project is evolving as we go on and the business case will need to be assessed continually.

### **FfG5 Information Technology (IT) Strategy**

Information Technology is a crucial tool in ensuring that services are effective and efficient and the purpose of this project is to implement the Information Technology Strategy adopted in 2016. It sets out the direction for the next phase in order to maximise the benefit to be gained from using this tool along with a work programme to realise that strategy.

We have already made progress in the work of facilitating the public's ability to contact the Council, improved the support and assistance available for IT users internally and introduced new equipment within meeting rooms.

During 2017/18 we will continue with this work and will also look at facilitating the public's access to the Council's services by using digital media, reviewing work arrangements and the technology that is available to deliver this, introducing technical equipment for officers in the field (such as waste and recycling staff) and collaborating with elected members to provide suitable technology and support and training packages which will serve the new Council members after the elections in May, 2017.

Cost: No additional cost.

### **FfG6 Electronic document and records management system (EDRMS)**

The purpose of this project is to promote efficiency by establishing an EDRMS system that will ensure that the Council's information sharing arrangements are much easier and more effective and will reduce the use of paper. The system will store and manage access to all electronic documents. This will also facilitate savings schemes by enabling staff to save time.

We have already established and agreed on the business case and have started to develop a system to manage electronic documents and records. We have introduced the system to the Corporate Support Department, the Economy and Community Department, the Finance Department, the Education Department and the Regulatory Department.

By the end of March 2018, all the Council's departments will be using the EDRMS system which will result in annual savings of £201,000. In addition, a records centre will have been established which will mean that a retention period will have been determined for old items.

Cost: No additional cost.

## **FfG7 Information governance**

Information is an essential and valuable resource for all our activities and we must ensure that our working arrangements keep it secure.

While we have relevant arrangements to ensure that it is secure with appropriate training, the purpose of this project is to review our training arrangements for staff who work with personal information to ensure that training is completely effective and that we are confident that the personal information of the people of Gwynedd is totally secure in our hands.

We have assessed the propriety of our information protection arrangements (including the efficiency of our training arrangements) communicating and introducing a data protection policy for staff, introduced new training arrangements and introduced inspection arrangements in order to embed the principles of information security throughout the entire organisation.

By the end of March 2018, we will have moved on to assess how departments use their information for their daily work and forward planning, we will have placed more of the Council's information on the website in order for it to be available for others to use and we will have put arrangements in place to prepare for the new data protection legislation.

## **Financial Planning**

**In order to maintain key services for the future, we must face the financial challenge ahead and make difficult decisions. We will move to a situation where we have a balanced sustainable budget, whilst at the same time, ensuring that we have the necessary resources to achieve the Council's ambition for the people of Gwynedd.**

### **CA1 Realising savings**

The purpose of this project is to ensure that arrangements are in place to realise the approved savings.

By the end of March 2018, it is envisaged that we will have realised £20.6million of the £21.7million approved from the Efficiency Savings project 2015/16-2017/18. Owing to complexities, the implementation period for some schemes has been extended. In the meantime, the total of the schemes which have been approved has risen to £22.6million. In addition to this, savings of £0.85 million from previous projects have been realised during this time, and it is foreseen that £4.6million of the savings which have been approved have also been realised.

Cost: No additional cost.

### **CA2 Further efficiencies and service provision models**

The purpose of this project is to find further efficiency schemes in order to reduce the amount of cuts required, in addition to researching fields where it is possible to change the current model of provision and make savings.

Work is already underway to find further efficiency schemes to be realised. There are schemes worth £1.082million that have been identified for 2017/18 and further work is underway for a further financial deficit from 2018/19 onwards.

Cost: No additional cost.

## The Council's working arrangements

In addition, we will need to ensure that the Council's working arrangements support us to deliver from day to day. Further information regarding this can be found below:

**The full Council** is responsible for adopting the Council's Plan and setting the direction for the Council's work over the coming years with the **Council's Cabinet Members** responsible for implementing the Plan within their fields of responsibility and ensuring that there are robust project management and performance management arrangements in place to achieve what we intend to do.

The **Scrutiny Committees** will hold the Cabinet Members to account for their performance in terms of delivery and they will also scrutinise the impact of the plan on the residents of Gwynedd.

The **Council** will continue to collaborate with its partners in the public sector, the third sector and the private sector to achieve priorities that need the input of more than one partner for them to be achieved.

We consider the **5 ways of working (namely the sustainable development principles)** as a part of our assessment about the Council's working arrangements and if we see that we need to improve the way that we respond to the requirements of the act, we will do so.

As part of our commitment to placing the people of Gwynedd at the heart of everything we do, we will be engaging with residents and communities continually so that they will be given opportunities to influence the work of the Council and empower them to take ownership and responsibility for the future.

# APPENDIX I - MEASURES

We will re-publish this appendix with 2016/17 year end data when available.

## Children and Young People

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
BC01	SOGS 'Schedule of Growing Skills' Assessment aged 2 years - Percentage of **'Dechrau'n Deg' children that have reached their norm or above their developmental norm	-	-	56	
BC02	SOGS Assessment aged 3 years - Percentage of **'Dechrau'n Deg' children that have reached their norm or above their developmental norm	52	57	51	
BC03	The attendance of children aged 2 **'Dechrau'n Deg'	84	82	83	
BC04	SOGS Assessment aged 2 - Percentage of children that have reached their norm or above their developmental norm	57	38	48	
CSP LLEOL	Percentage of families that have reported 'progress' following an intervention from Team around the Family (Tîm o Amgylch y Teulu (TAT))	-	-	88	
DANS06	Percentage of year 11 pupils who achieve the Core Subjects Indicator (Grade C or above in Welsh/English, Mathematics and Science)	57.35	60.5	62.4	
DANS07	Percentage of year 11 pupils who achieve the Level 1 Threshold (A* – G GCSE Grades) or equivalent	97.09	97.22	97.9	

# APPENDIX I - MEASURES

NSI = National Strategic Indicators  
\* = lower figure is better

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
DANS08	Percentage of year 11 pupils who achieve the Level 2 Threshold (5 A* – C GCSE Grades) or equivalent	81.55	87.7	88.9	
DGD17	Percentage of young people 16-18 not in education, work or training	3	1.7	1.8*	
Diogelu1	The proportion of children who were discussed in supervision, where significant harm had been considered (and the answer recorded)	100	100	100	
Diogelu2	The percentage of risk assessments presented to Case Conferences which were considered to illustrate quality in decision making	95	98	97	
Diogelu7	Percentage of case conferences where the voice/the child was heard (and excluding children under the age of 7)	81	83	85	
EaCh.H1 (LCS/002b)	Number of visits per 1,000 of the population to leisure centres during the year	12,906	13,790	10,278	
EaCh.H2 (Ifanc02)	Percentage of children attending 20 or more 5x60 sessions	22.57	19.16	21.54	
EaCh.H3 (DADH.42)	Percentage of children that are 11 years of age that have reached the National Curriculum standard	79	82	78	

# APPENDIX I - MEASURES

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
EDU/002i (NSI)	The percentage of Pupils in local authority care, in any local authority maintained school that leave compulsory education, training or work based learning without an approved external qualification	0.0	0.1	0.2*	
EDU/002ii (NSI)	The percentage of Pupils in local authority care, in any local authority maintained school that leave compulsory education, training or work based learning without an approved external qualification	6.3	0.0	0.0*	
EDU/003 (NSI)	The percentage of pupils assessed at the end of KS2 (7-11 age), in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	86.6	86	89.5	
EDU/004	The percentage of pupils assessed at the end of KS3 (11-14 age), in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	85.4	89.11	91.3	
EDU/006ii (NSI)	The percentage of pupils assessed, in schools maintained by the local authority, receiving a Teacher Assessment in Welsh (first language) at the end of KS3	82.5	81.2	83.2	
EDU/008aN	The number of permanent exclusions in primary schools during the academic year	0	0	3*	
EDU/008bN	The number of pupils permanent excluded in secondary schools during the academic year	4	4	3*	
EDU/011 (NSI)	The average point score for year 11 pupils in schools maintained by the local authority	578.2	616	617.2	

# APPENDIX I - MEASURES

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
EDU/016a	Percentage of pupil attendance in primary schools during the academic year	94.33	95.07	95.19	
EDU/016b	Percentage of pupil attendance in secondary schools during the academic year	93.60	94.20	94.60	
EDU/017 (NSI)	The percentage of year 11 pupils in schools maintained by the local authority who achieved the Level 2 Threshold including a GCSE grade A*-C in English or Welsh first language and mathematics	58	61.1	63.3	
Page 61 EDU/018	The average capped point score (best 8 GCSEs) for year 11 pupils in schools maintained by the local authority	-	362.2	362	
GY06	Percentage of pupils who gained a good level 3 or above in KS2 who received a Teacher Assessment in first language Welsh at the end of KS3	-	87.4	89.5	
LlesPMG1	Transition plan has been agreed for disabled children at 16 years of age	100	100	100	
LlesPMG2	Pathway plan has been agreed for children in care	100	100	100	
PMC32 (SCC/002 (NSI))	The percentage of children looked after at 31 March who have experienced one or more changes of school, during a period or periods of being looked after, which were not due to transitional arrangements, in the 12 months to 31 March	22.8	18.7	18.1*	

# APPENDIX I - MEASURES

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
PMC33 (SCC/004 (NSI))	The percentage of children looked after on 31 March who have had three or more placements during the year	4.9	6.2	7.7*	
SCC/021	The percentage of looked after children reviews carried out within statutory timescales during the year	94.3	93.8	91	
SCC/024	The percentage of children looked after during the year with a Personal Education Plan within 20 school days of entering care or joining a new school	86.50	82.10	37.90	
SCC/025	The percentage of statutory visits to looked after children due in the year that took place in accordance with regulations	83.7	89	86.9	
SCC/037 (NSI)	The average external qualifications point score for looked after children in any local authority maintained learning setting	439	428	456	
SCC/041a (NSI)	The percentage of eligible, relevant and former relevant children that have pathway plans as required	91.2	100	100	
SCC/041b	The percentage of eligible, relevant and former relevant children that have a personal councillor allocated to them	100	100	100	

# APPENDIX I - MEASURES

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\* = lower figure is better

## Care

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
Hol/001	People that note that they can do the things that are important to them (questionnaire)	-	-	-	
OED23	Percentage of Older People and Physical Disabilities where people see progress in achieving what they consider important	-	-	-	
MA/19 SCA/001 (NSI)) 63	The rate of delayed transfers of care for social care reasons per 1,000 population aged 75 years or over	1.55	1.05	2.38*	
SCA/019 LLEOL	Of the adult protection referrals completed during the year, the percentage where the risk was managed (with the exception of those who refused intervention)	-	-	99	

## Safeguarding

BUS07	Percentage of all Gwynedd staff will have received training in Level 1 protection and safeguarding	-	-		Corporate arrangements being implemented
PEN14	Percentage of all staff working directly with children, young people and vulnerable adults with a current Disclosure and Barring Service (DBS) check	-	100	100	

## Poverty, Economy, Housing

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
CAFF06d	Percentage Council spending with local businesses	40.33	40.42	38	
CD12.03	The time (number of days) taken to process new Housing Benefit and Council Tax Benefit claims	23.10	19.74	16.00*	
CD12.04	The time (number of days) taken to process changing events in Housing Benefit and Council Tax Benefit	6.91	6.23	3.70*	
EaCh.C2 (replacing LCL/001b)	The number of visitors to Libraries	-	-	-	
EaCh.C6 (replacing leu05)	Number and proportion of Council youth club members receiving an accreditation	-	-	-	
EaCh.E2 (SD8)	Investment in the county via economic projects	£4,332,108	£1,255,000	£3,241,616	
EaCh.E3 (PENECON1)	Number of new jobs created by enterprises receiving support	123.5	234.5	81	

# APPENDIX I - MEASURES

NSI = National Strategic Indicators  
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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
EaCh.E4 (CB9)	Number of new jobs safeguarded by enterprises receiving support	206	163	-	
EaCh.E5 (Uchel07)	Proportion of jobs created / safeguarded that are high value jobs	-	14.5	43.2	
EaCh.E7 (TMCG4)	Benefit to the local economy from supporting strategic and high-profile events	£4,666,662	£4,814,867	£5,928,034	
PSR/001 (NSI)	Percentage of Council procurement spending that goes to companies with their headquarters or offices in Gwynedd and spend locally via sub-contracts	-	-	-	
PSR/002 (NSI)	The average number of calendar days taken to deliver a Disabled Facilities Grant	242	316	271*	
PSR/004 (NSI)	The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority	5.24	5.70	5.13	
Strat6	Number of affordable units secured in Gwynedd	70	144	48	
TAI002	Time it takes to achieve what matters (Number of days)	145.85	84.94	69.08*	
TAI003	Length of stay in temporary accommodation (Number of days)	113.78	75.82	126.02*	

## The Welsh Language

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
laith05	Percentage of primary schools that can demonstrate increase in the children's social use of Welsh	64	Not reported	75	

## The Environment

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
Cludiant 01	Percentage of public transport journeys that are punctual	-	-	80	
Cludiant 02	The number of complaints that were received for public transport under Council contract	-	-	-	
Cynllunio 01	Percentage of customers who stated that they were satisfied with the level of service from Planning Department	-	-	88.7	
DFFI (Parcio01b)	Percentage of attendees who have learned to be safer on the roads due to the lesson or training	-	-	99.0	
Eiddo3	Percentage of Council buildings in the good or acceptable condition category	96	96	97.18	

# APPENDIX I - MEASURES

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
GStryd01	The percentage of customers who responded to the survey who said they were satisfied with the level of service by the Street Work Unit	-	-	99.0	
PAM9	The percentage of food establishments who are 'broadly compliant' with food hygiene standards	97.49	97.2	97.95	
PB15	Percentage of graffiti / posters that hide traffic signs and cause hazards that is cleaned or cleared within 24 hours of notification	100	100	100	
PB16	Percentage of racial / offensive graffiti / posters on Council property that is cleaned or cleared within 5 working days of notification	100	100	100	
PB51	Percentage level of commercial waste collected by the local authority which is prepared for reuse, recycling and composting	30.79	35.45	41.44	
PB8	Percentage of dangerous damage to roads and pavements incidents repaired or made safe within 24 hours of notification	97.2	97	97.8	
PB9	Percentage of safety inspections completed within the specified time	98.3	98	99	
PLA/004b	Percentage of all relevant planning applications determined within 56 days	72.86	76.44	82.3	
PLA/004b LLEOL	Number of days on average it takes to make a decision on relevant planning applications	-	-	60*	

# APPENDIX I - MEASURES

NSI = National Strategic Indicators  
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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
STS/005a	Measure of cleanliness and look of streets	73.5	70.65	76.26	
STS/005b	The percentage of highways inspected of a high or acceptable standard of cleanliness	93.5	94.3	96.7	
STS/006 (NSI)	The percentage of reported fly tipping incidents cleared within 5 working days	97.67	96.53	96.28	
THS/009	The average number of calendar days taken to repair street lamp failures during the year	2.7	3.5	2.3*	
THS/01 Ia	Percentage of principal (A) roads that are in overall poor condition	4.4	3.5	3.1*	
THS/01 Ib	Percentage of non-principal/classified (B) roads, that are in overall poor condition	4.7	3.7	3.4*	
THS/01 Ic	Percentage of Non-principal (C) roads that are in overall poor condition	14.7	14.2	15.8*	
Traffig01	The percentage of customers who said they were satisfied with the level of service by the Transport Unit	-	-	98.0	
WMT/004b (NSI)	The percentage of municipal waste collected by local authorities sent to landfill	45.88	44.09	34.33*	

# APPENDIX I - MEASURES

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Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
WMT/009b (NSI)	The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated bio-wastes that are composted or treated biologically in another way	54.01	55.14	58.70	
YGC01	Profit against target - Consultancy Department	-	-	-£34,000	

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Bfordd Gwynedd

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
CD6.01	Percentage of invoices paid within 30 days (across the Council)	94	94	93	
CHR/002	The number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence	8.2	8.62	8.44*	

# APPENDIX I - MEASURES

## Financial Planning

Ref.	Measure - Definition	2013/14	2014/15	2015/16	2016/17
Arb01	Amount of efficiency savings achieved as a percentage of total savings	95.2	99.0	98.0	
CD11.01	Current Year Council Tax Collection Rate	96.98	97.20	97.29	
CD11.02	Current Year Non-domestic Taxes Collection Rate	97.79	98.20	98.13	
CD13.06	Assessment of the security of the Council's money (The security of the Council's money deposited in banks - quarterly analysis by Arlingclose of the credit score (1 is the best, which is credit status AAA, 2 is AA+, 3 is AA, 4 is AA-, 5 is A+, 6 is A, 7 is A-))	5.50	3.62	3.57*	
CD5.01	Council's actual expenditure in comparison with the budget	-0.0014	-0.0018	-0.0013*	
CD7.05	The rate of collecting various debts within the quarter - Value	67.84	87.47	86.91	
DT3.1b	Sum of the savings fulfilled	£3,399,940	£4,696,346	£6,575,386	

## CONDUCTING AN EQUALITY IMPACT ASSESSMENT

For further help with this template, contact Delyth Gadlys Williams, Policy Officer [delythgadlyswilliams@gwynedd.gov.uk](mailto:delythgadlyswilliams@gwynedd.gov.uk) Ext. 32708.

### 1) AUTHOR(S) OF THE ASSESSMENT

Hawis Jones, Strategic Planning and Performance Manager

### 2) PARTNERS

Note all the individuals and groups who need to be included in the assessment process: These could include front line staff, partner organisations, specialist organisations etc.

Council staff  
Gwynedd residents  
Stakeholders relevant to the different projects

### 3) START DATE

November 2014

### 4) END DATE

February 2017

### 5) AIMS AND OBJECTIVES OF THE POLICY/ SERVICE/ PROCEDURE

Note the reason for the policy and what the Authority aims to achieve through it

The plan's purpose is to let the people of Gwynedd know what we are doing, and what we intend to do during the 2017/18 year. The 2017/18 Plan is a years' extension of the Gwynedd Council Strategic Plan 2013-17.

While reviewing the plan, we have looked at where we have reached after four years of implementing the Strategic Plan 2013-17 and considered what needs to be achieved in 2017/18. In addition to being an extension of the previous plan, the 2017/18 Plan will also bridge the period between the Gwynedd Strategic Plan 2013-17, and the new plan in 2018/19 that will be prepared and approved by the new Cabinet that will be elected in May 2017.

**6) INVOLVEMENT AND CONSULTATION**

What involvement and consultation exercises were conducted in relation to the policy/ service/ procedure and what were the outcomes?

Last year we sought the opinion of the residents of Gwynedd regarding the challenge that has been set for us as a Council to continue to do our best for the people of Gwynedd despite the fact that we have less finance than ever and that the demand for our services is continuing to increase. We consulted on those services that we could cut, and those that will not be possible for us to cut. An on-line questionnaire was prepared and the people of Gwynedd were invited to attend one of the series of drop-in sessions and public forums to voice their opinion. Specific meetings were also held with groups of people with characteristics that are protected by equality legislation.

Over 2,000 Gwynedd residents responded and the responses were analysed in order to view the percentage who voted not to realise specific cuts and the process of prioritising the cuts emanating from that. We have also been able to view the rank given to the proposals according to the characteristics of the respondents, e.g. women, men, older people and disabled people, as well as according to geographical area. We continue to use the information gleaned from those sessions when reviewing the plan.

**7) AVAILABLE EVIDENCE**

Evidence can be based on local or national data, on consultation, monitoring, staff comments etc.

Since this is a review of the plan, the evidence used to create the original plan still stands.

The information collected as part of the Gwynedd Challenge, which identified public priorities when considering the financial challenge facing the Council, was also considered.

This Plan includes our Well-being Statement and our Well-being Objectives that are noted in our Gwynedd People's Well-being chapter in accordance to the Well-being of Future Generations Act.

**8) EVIDENCE GAPS**

Note any evidence gaps and how these will be filled.

This impact assessment is an overview only. Each individual project will need to identify the evidence required and create an engagement programme in order to fill any gaps. Each project is required to create its own impact assessment. The fact 'No specific relevance has been identified' has been noted does not mean that any individual assessment will not find relevance.

## Appendix 2

### 9) WHAT IS THE ACTUAL/ LIKELY IMPACT?

This should outline the relevance of the policy/ service/ function to the general duties of the Equality Act and to each of the equality groups (protected characteristics). You should clearly note what the actual or likely impact will be. It may be that there is no relevance or effect in relation to all the duties and characteristics, but if a relevance and/or effect is found in relation to one or more duty or characteristic, then it will be necessary to proceed with the assessment

9a)

General Duties of the Equality Act	Relevance to the general Duties	The actual or likely impact
<b>Eliminating illegal discrimination, harassment and victimisation</b>	<p><b>Children and Young People</b> Yes</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> Yes</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p>	<p>The Early Intervention / Preventative Programme for vulnerable groups of children and young people in Gwynedd works towards removing illegal discrimination, harassment and victimisation.</p> <p>Each project is expected to identify every opportunity to eliminate illegal discrimination, harassment and victimisation.</p> <p>Improving safeguarding arrangements will move towards eliminating illegal discrimination, harassment and victimisation.</p> <p>Working Together against Poverty will reduce discrimination against some protected group cohorts that tend to be in poverty.</p>

**Appendix 2**

	<p><b>Financial Planning</b> Yes</p>	<p>By realising savings and looking for further efficiencies we need to be careful to protect against indifference.</p>
<p><b>Promoting equal opportunities</b></p>	<p><b>Children and Young People</b> Yes</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> Yes</p> <p><b>The Welsh Language</b> Yes</p> <p><b>Ffordd Gwynedd</b> Yes</p> <p><b>Financial Planning</b> Yes</p>	<p>The Transforming Additional Learning Needs and Inclusion project and the Early Intervention/ Prevention Programme for vulnerable children and young people in Gwynedd project should promote equal opportunities.</p> <p>Providing more people with the chance to live their lives in accordance with their choice, especially through the 'Integrated working, focusing on what matters for individuals' project and through the 'Programme of accommodation and care provision' projects.</p> <p>Improving safeguarding arrangements will promote equal opportunities.</p> <p>Improving Gwynedd's economic situation should promote equal opportunities for different protected characteristics.</p> <p>This field concerns promoting the Welsh Language and therefore provides equal opportunities for speakers of the language.</p> <p>If the Engagement project ensures that each protected characteristic is taken into account, then it will promote equality of opportunity. Also extending the use of self-service ensures alternative means of contact with the service.</p> <p>The projects will need to undertake their own impact</p>

**Appendix 2**

		<p>assessments on their work which consider all the protected characteristics.</p>
<p><b>Promoting good relationships</b></p>	<p><b>Children and Young People</b> Yes</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> Yes</p> <p><b>Ffordd Gwynedd</b> Yes</p>	<p>Ensuring that less families and children are referred for intervention within statutory services will promote good relationships between children and some with protected characteristics and their peers.</p> <p>The Care challenge project will seek to ensure that the people of Gwynedd are absolutely clear about the challenge facing the Council to motivate and support communities to contribute through community action. At the end of the project the people of Gwynedd will have an understanding of the theme which will mean that we will contribute and naturally support the most vulnerable in our communities.</p> <p>The Project to ensuring the whole council owns the protection theme promotes better relationships.</p> <p>Working with four communities to promote the Welsh language should promote better relationships.</p> <p>The Engagement project can promote better relationships by considering every protected characteristic, and by considering the communication needs of disabled people e.g. easy read leaflets, alternative technology.</p>

**Appendix 2**

	<p><b>Financial Planning</b> No specific relevance has been identified</p>	
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**9b)**

<b>Characteristics</b>	<b>Relevance to characteristics</b>	<b>The actual or likely impact</b>
<b>Race</b>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> Yes</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>Ensuring the opportunity for more people to live their lives according to their choice makes it more likely that they can live within their community and culture.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on grounds of race.</p> <p>This subject addresses nationality.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<b>Disability</b>	<b>Children and Young People</b>	Two projects are specifically concerned with disabled

**Appendix 2**

	<p>Yes</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> Yes</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> Yes</p> <p><b>Financial Planning</b> Yes</p>	<p>pupils and vulnerable pupils. The first will ensure an early and accurate assessment and teaching opportunities of the correct quality and the second ensures early intervention that will enable children and families to live independently without having to be dependent on statutory services.</p> <p>The projects should provide more people with a chance to live their lives according to their choice, particularly the Integrated working, focusing on what matters for individuals. The Programme of accommodation and care provision projects should affect disabled people in a positive way.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of disability.</p> <p>Increasing the supply and variety of housing means more accessible housing for disabled people. Providing contemporary broadband can benefit disabled people, together with promoting the creation of quality jobs and good pay levels and strong and robust businesses.</p> <p>The Engagement project will be able to foster good relations by considering the communication needs of disabled people, such as easy-read leaflets and alternative technology.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
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**Appendix 2**

<p><b>Sex</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> No specific relevance has been identified</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of sex.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<p><b>Gender reassignment</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> No specific relevance has been identified</p> <p><b>Safeguarding</b></p>	<p>The projects will ensure a better response to unlawful</p>

**Appendix 2**

	<p>Yes</p> <p><b>Poverty, Deprivation, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>discrimination, harassment and victimisation on the grounds of gender reassignment.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<p><b>Sexual orientation</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> No specific relevance has been identified</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p>	<p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of sexual orientation.</p>

**Appendix 2**

	<p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<p><b>Religion or belief</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning - Yes</b></p>	<p>Ensuring the opportunity for more people to live their lives according to their choice makes it more likely that they can live within their community, culture and religion.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of religion or belief.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>

**Appendix 2**

<p><b>The Welsh Language</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> Yes</p> <p><b>The Welsh Language</b> Yes</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>The increased use of the Welsh language should be promoted when integrating work with Betsi Cadwaladr University Health Board.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of the Welsh language.</p> <p>The projects' aim is to improve the local economy to provide jobs for Gwynedd residents. This should strengthen the position of the Welsh language.</p> <p>This field promotes the Welsh Language.</p> <p>These projects will need to carry out impact assessments that take account of this characteristic.</p>
<p><b>Age</b></p>	<p><b>Children and Young People</b> Yes</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p>	<p>This subject deals specifically with children and their families.</p> <p>The changes in the Care field affect older people more specifically. The changes should provide better services to those who need them.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of age.</p>

**Appendix 2**

	<p><b>Poverty, Economy, Housing</b> Yes</p> <p><b>The Welsh Language</b> Yes</p> <p><b>Ffordd Gwynedd</b> Yes</p> <p><b>Financial Planning</b> Yes</p>	<p>The High value and quality jobs project makes connections with children and young people and ensures that county's young people have been prepared for the job opportunities available in Gwynedd. In particular, it will work with the Children and Young People sector and the post-16 Consortium to promote what are envisaged as "jobs of the future" in the area.</p> <p>The Young people using the Welsh language socially project promotes the Welsh Language among young people.</p> <p>The use of differing ways of communication will appeal to different age groups.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<p><b>Pregnancy and maternity</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> No specific relevance has been identified</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p>	<p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of pregnancy and maternity.</p>

**Appendix 2**

	<p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>
<p><b>Marriage and civil partnership</b></p>	<p><b>Children and Young People</b> No specific relevance has been identified</p> <p><b>Care</b> Yes</p> <p><b>Safeguarding</b> Yes</p> <p><b>Poverty, Economy, Housing</b> No specific relevance has been identified</p> <p><b>The Welsh Language</b> No specific relevance has been identified</p> <p><b>Ffordd Gwynedd</b> No specific relevance has been identified</p> <p><b>Financial Planning</b> Yes</p>	<p>Allowing more people to live their lives in accordance with their wishes means that marriage and civil partnership will need to be considered.</p> <p>The projects will ensure a better response to unlawful discrimination, harassment and victimisation on the grounds of marriage and civil partnership.</p> <p>These projects will need to carry out impact assessments that take account of this protected characteristic.</p>

**10) ADDRESSING THE IMPACT**

<b>a)</b>	<b>Note any possible equality impact(s)</b>  The projects to be implemented should improve the situation regarding equality.
<b>b)</b>	<b>What steps could be taken to reduce or improve these impacts?</b>  This impact assessment is an overview only. It is essential for each project to collect data, include people's opinion, identify gaps in data and consultation needs and make their own assessment. It is possible that the specific assessment by the projects will recognise different relevance and impacts to those stated above.
<b>c)</b>	<b>Do we need to reconsider the plan?</b>  No.

**11) MONITORING AND REVIEWING ARRANGEMENTS**

To be reviewed annually.

**12) ACTION PLAN**

An action plan, outlining the actions, responsibilities, timescale and review and evaluation processes should be appended.

The projects will have their own action plans.

**13) DECISION MAKING**

To be submitted to the Council for decision on 2 March 2017.

<b>Meeting</b>	<b>The Council</b>
<b>Date</b>	<b>2 March 2017</b>
<b>Title</b>	<b>Annual Review - Council's Pay Policy</b>
<b>Purpose</b>	<b>Adopt the Council's Pay Policy for 2017/18</b>
<b>Author</b>	<b>Dilwyn Owen Williams, Chief Executive</b>
<b>Cabinet Member</b>	<b>Councillor Peredur Jenkins</b>

## **BACKGROUND**

- 1 Since 2012 there is a statutory responsibility on all Councils to adopt a pay policy on an annual basis. This statutory requirement notes that it is a function for the full Council to approve that pay policy.
- 2 When adopting the pay policy for 2012/13, the full Council resolved to ask the Chief Officers' Appointments Panel to conduct an annual review of the pay policy's future sustainability and to submit recommendations to a meeting of the full Council in March each year.
- 3 Subsequently, and in accordance with the arrangements adopted since then, the Chief Officers Appointments Committee considered the Policy on the 16<sup>th</sup> February 2017. The Committee's recommendation is now submitted to the Full Council for adoption.

## **CHIEF OFFICERS**

- 4 There were no changes in responsibilities amongst Heads of Department and Corporate Directors during 2016/17 and therefore no new evaluation has been conducted for 2017/18. However, current Chief Officer salaries are based on either the lower quartile or the median for jobs of corresponding size within the National Public Sector Market, as shown in January 2012.
- 5 This means that the comparison with jobs of corresponding size in the National Public Sector Market has not been conducted as part of the corporate pay policy review for five years. It is highly likely therefore that the salaries of Chief Officers in Gwynedd have fallen below the lower quartile and median of corresponding jobs in the meantime. It is suggested that such an exercise will need to be conducted for consideration by the Committee in January 2018.

- 6 The Joint National Council for Chief Officers and the Joint National Council for Chief Executives have already approved a 1% pay rise for 2017/18, for Chief Officers and Chief Executives and this rise is reflected in the figures which appear in Appendix 1.

#### **POSTS BELOW CHIEF OFFICER LEVEL**

- 7 The Council has established its minimum salary on point 8 within the National pay scale following a review of the 2015/16 Pay Policy, this in an attempt to move closer towards the "Living Wage", as defined by the Living Wage Foundation.
- 8 In his budget statement on the 8th July, 2015, the Chancellor of the Exchequer announced that he would establish £7.20 per hour as the "National Living Wage" as from the 1st April 2016, for workers aged 25 and above, with the intention to raise that hourly rate to a minimum £9 per hour by 2020. It was recently confirmed that this "National Living Wage" would rise to £7.50 as from the 1st April, 2017.
- 9 You will recall that the National Joint Council for Local Government Workers ensured a two year agreement in 2016 which means that there will be a pay rise of 3.2% in 2017/18 for those workers on the minimum salary within the Council with each pay point up to point 13 receiving a pay rise higher than the 1% which is to be offered to all other staff. This means that Point 8 (the Council's minimum salary) will be £7.90 per hour (compared with the £8.45 per hour recognised as the Living Wage by the Living Wage Foundation) as from the 1st April, 2017.
- 10 In light of these national initiatives to raise salaries on the lower levels of the pay structure and the fact that the Council remains in a position of needing to budget for the cost of any national agreement, there is no intention to recommend any further local changes to the minimum salary in 2017/18.
- 11 However, the Council is maintaining its dialogue with local representatives of the recognised unions and endeavouring to secure a collective agreement on a package which will enable the Council to raise its minimum wage even closer to the "Living Wage", as recognised by the Living Wage Foundation, by April 2018.

#### **RECOMMENDATION**

- 12 That the Council approves the Chief Officers' Appointments Committee's recommendation to adopt the draft 2017/18 Pay Policy Statement (Appendix 1).



## **Pay Policy Statement – 2017/18**

### **INTRODUCTION**

The Council is required by Section 38(1) of the Localism Act 2011 to prepare pay policy statements. These statements must articulate the Authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees. Pay policy statements must be prepared for each financial year. They must be approved by full Council.

Cyngor Gwynedd acknowledges the importance of managing financial recognition fairly, consistently and transparently and that the decisions taken in this respect are crucial to ensure equal pay and equality across the Council.

### **PAY POLICY FOR CHIEF OFFICERS**

The Council defines its chief officers as being its Chief Executive, Corporate Directors and Heads of Department. The Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements.

### **Salaries**

The policy appertaining to the salaries of Heads of Department and Corporate Directors was originally adopted by the full Council in October 2009 and subsequently in June 2012 as part of the overall Policy's annual review. A further partial review was conducted in March 2015 in order to reflect further structural changes within the Council.

It is based on an independent report by the Hay Group and is based on their job evaluation scheme.

Corporate Directors' salary is set just under the lower quartile of the National Public Sector Market, as shown in January 2012, for jobs of corresponding size (lower quartile means that 75% of the sector are paid more).

The Head of Education's salary is based on the median of the National Public Sector Market for jobs of corresponding size, as shown in January 2012 (median means that 50% of the sector are paid more).

The Head of Finance's salary is based on the lower quartile of the National Public Sector Market for jobs of corresponding size, as shown in January 2012 (lower quartile means that 75% of the sector are paid more).

All other Heads of Departments' salaries are based on the median of the National Public Sector Market for jobs of corresponding size as shown in January 2012 (median means that 50% of the sector are paid more).

Consideration to the reviewing of actual pay in relation to the benchmark levels will take place annually.

The Chief Executive's salary has been set in accordance with the scale of £100,536 - £108,264.

The Council does not pay any bonus payments or performance related pay to its Chief Officers. The Council's local terms and conditions of service are relevant to Chief Officers, as for all other staff, unless otherwise noted within individual policies.

The salaries of the Council's Chief Officers are available on the Council's website on the following link -[www.gwynedd.gov.uk/employmentbenefits](http://www.gwynedd.gov.uk/employmentbenefits) (See Appendix 1)

## **POSTS BELOW CHIEF OFFICER LEVEL**

The Council's pay policy for its remaining staff is based on the Council's equal pay policy and its collective agreement with the recognised trade unions as introduced on the 1<sup>st</sup> April 2008. The Council's pay structures are subject to equal pay audits.

The Council has adopted the GLPC Job Evaluation Scheme criteria as the basis for setting salary grades for all posts employed under the Local Government Workers' Conditions of Service. The Council is committed to pay salaries in accordance with equal Pay legislation and the "single status" agreement between local government employers and the recognised trade unions in 1997.

The Council defines its lowest paid, as spinal pay point 8 on the national pay scale as agreed by the National Joint Council. The Council does not pay any bonus payments nor pay which is based on workers' performance.

The relationship between the remunerations of its Chief Officers and its other employees is designed to secure the ability of the Council to be able to recruit and retain the best suitable candidates to its various posts, whilst maintaining the differentials as defined by the job's evaluation scheme.

The Hutton Review of Fair Pay in the Public Sector recommends a maximum ratio of no more than 1:20 between the highest and the lowest paid (full time equivalent). The ratio within the Council is 1:7.8.

The ratio between the Chief Officers' median salary and the lowest salary is 1:5 (angen gwirio hefo EE).

## **LOCAL CONDITIONS OF SERVICE**

### **Salary on Commencement in Post**

The number of increments within each grade reflects the possible period of development in post that could be relevant to individuals on that grade. Members of staff will be appointed to the salary point within the grade which reflects the time required for development in order that they are able to undertake the full responsibilities and duties of the post.

Normally, each employee is appointed to the lowest pay point within the appropriate pay grade. If an employee is already being paid above the lowest pay point or if there is sufficient evidence to demonstrate that the employee is already fully competent to fulfil a number of aspects relating to the post, a manager can, in consultation with the Head of Corporate Support, appoint on a higher pay point within the appropriate pay grade.

If there is a capacity within the job grade, all members of staff will receive an annual pay increment on the 1<sup>st</sup> April dependent upon those terms noted in the Council's Policy on Dealing with Underperformance and on condition that they have been appointed to their current post for more than six months prior to that date.

### **Re-location Expenses**

The scheme is relevant to staff appointed as a result of an advertisement or following an internal re-organisation where they have to move house.

The employee's present home must be more than 20 miles from his/her administrative centre in order to consider an application to reimburse costs.

In such circumstances, the cost of the removal of furniture and belongings will be reimbursed subject to accepting the lowest of three estimates as well as the full cost of storing furniture for up to three months. A contribution of up to £3,270 to cover legal expenses, estate agent fees, change of carpets and curtains and other incidental costs of removal will be paid subject to the receipt of supporting invoices.

### **Market Supplement**

The grading of posts is based on the Council's job evaluation scheme as this ensures that the pay system is based on equality as defined in the Equal Pay Act 1970 and ensures consistency in pay decisions. For these reasons any deviation from this system may create a risk to the Council that must be tightly regulated and must be for significant and clear reasons. There must be clear and detailed evidence in order to justify any deviation from this arrangement.

However, there may be occasions when market forces lead to recruitment and/or retention problems related to a particular post. The Council may in exceptional circumstances, and in order to attract and retain an individual to a particular post, offer an additional temporary supplement to the salary grade identified through the Authority's grading scheme.

In this respect a market supplement will only be used when there is adequate documented evidence of failure to attract and/or retain an employee to a post. A market supplement is not a permanent addition to the salary. Should circumstances related to the market rate of the post change, or where a member of staff is transferred by the Council to a different post that does not attract a market supplement, their entitlement to the payment will cease and the supplement will be withdrawn in line with agreed notice.

The Council, at its meeting on the 9 October, 2014, approved a market supplement provision of up to £3,000 for Chief Officers where it can be justified by a business case. There is no ceiling set in respect of market supplement levels for other posts.

### **Honoraria (Undertaking Additional Responsibilities)**

An additional payment can be approved when an employee agrees to temporarily undertake some specific additional duties and responsibilities which are beyond the normal duties and responsibilities of their substantive post. The proportion of higher level of duties and responsibilities must be significant, evaluated at a higher salary level and over an extended period prior to being able to offer temporary additional remuneration.

### **On-Duty, Standby and Call-Out Payments**

The Council is committed to providing services according to the needs of the people of Gwynedd. This means that at times it is necessary for staff to be called upon to carry out work at times outside their normal working pattern and at unsociable times. The Council meets the need for these services by:

- having suitably trained staff on duty to take calls and to decide upon the relevant course of action
- having a suitably trained workforce on standby and able to be called out at short notice to respond to emergency work
- rewarding the above staff at suitable rates that recognise the inconvenience and disruption that this work causes.

**On duty** is defined as a period of time when an officer is on duty outside of their normal hours of work for a specific period of time and is available to respond to calls from residents, emergency services, etc.

**Standby** is defined as a specific period of time that an officer is available for call out outside of their normal hours of work.

In some cases on duty or being on standby will form a part of officers' basic salary and their contract of employment will specifically state this. They will not be entitled to any extra payment whilst on duty or on standby.

Payment for other officers will be by way of an additional, separately identified payment that will reflect the level of inconvenience and disruption to the officers' normal home life that is incurred. Officers will receive a minimum of two hours at the appropriate rate of pay for each time they are called out (including travelling time).

On-duty/standby payments will be updated annually in line with the annual salary increase agreed by the National Joint Council for Local Government Services.

### **Professional Fees**

One fee per annum will be reimbursed to officers in respect of membership to recognised bodies which are relevant to their professional function and where that membership is a requirement by the Council.

### **Car Users**

All staff are denoted as casual car users and reimbursements are paid for business travel on HMRC rates.

### **Subsistence Payments**

Subsistence repayments will be made when travelling out of County for breakfast, dinner, tea and supper up to the maximum of the Council's subsistence allowances on production of receipts. For those whose normal work covers more than one County, e.g. Gwynedd and Môn, "Out of County" is defined as outside that normal area of work.

### **Working Additional Hours**

Employees, in receipt of basic pay at or below point 28 who are required to work additional hours beyond the 37 hour working week are entitled to receive enhancements at the rate of basic pay at time and a half (alternative arrangements in place for those workers with work patterns where those hours worked are on a fortnightly/monthly or annual basis). Employees paid above point 28 who work planned additional hours beyond the 37 hour week, and where prior approval has been given by the Head of Department, will be paid at their basic rate of pay for those additional hours or will be entitled to time off in lieu.

### **Working Unsociable Hours**

Salary is paid at the basic rate on weekends for work within the 37 hours. Enhanced pay is due to those employees who work during the following hours;

- basic pay and one fifth of hourly rate for work conducted between 8 and 10 in the evening
- basic pay and one third of hourly rate for work conducted between 10 at night and 6 in the morning

Salary is paid in accordance with the national agreement for work conducted on bank holidays and additional statutory days.

### **First Aid Allowance**

An annual allowance is paid to employees who act as designated First Aiders.

## **Local Election Duties**

The Council's fees for payments to its Returning Officer and Deputy Returning Officer for local election duties are included in Appendix 2.

## **Severance and Retirement**

The Council's severance and retirement schemes are applied equally and fairly to all staff regardless of grade, age or gender and are implemented in accordance with the regulations of the relevant pension schemes. There are no exceptions for Chief Officers. The relevant policies are available on the Council's website on the following link - [www.gwynedd.gov.uk/employmentbenefits](http://www.gwynedd.gov.uk/employmentbenefits)

Any redundancy package with a total cost above £100,000 must be approved by full Council. The redundancy package includes the redundancy payment, payments during the redundancy notice period and any cost to the employer emanating from the requirement for early release of pension.

## **Financial Detriment Scheme**

Financial detriment is defined as a loss due to a change in salary grade and contractual terms and conditions. The Council provides financial assistance to staff who face financial loss (as a consequence of re-structuring or re-designation of responsibilities) for a period of three years from the date that the change in the employment package becomes operational. That financial assistance will cease after three years unless the individual member of staff has in the meantime been appointed to another post where he/she is not facing financial detriment.

## **Re-employment**

The Council does not have a policy which excludes former officers, who were in receipt of severance, redundancy or pension payments, from being re-employed.

The Council will however consider each candidate on their own merits and will appoint with a view of achieving the best efficiency for the service and best value for its ratepayers. Such appointment, if made, would be subject to any abatements stipulated in the Local Government Pension Scheme Regulations.

## **Appointment of New Chief Officer (Salary of £100,000 and above)**

The Full Council will approve any amendment to the salary package of any such post prior to its recruitment. Recruitment to any such post will be advertised externally.

**Chief Officers' Salaries**

Chief Executive	£102,558 - £110,441
Strategic Directors x 2	£83,307 - £92,564
Head of Education	*£77,949 - £86,611
Head of Finance	£70,714 - £78,570
Head of Customer Care, Democracy and Legal, Economy and Community, Highways & Municipal, Regulatory, Corporate Support and Organisational Development, Children & Supporting Families, Adults, Health and Wellbeing	£65,800 - £73,109
Head of Consultancy	£55,582 - £61,758
Monitoring Officer	£55,759 - £58,514

\*A "Market Supplement" is paid in addition to the basic salary for this post

**ELECTION PAYMENT SCHEME AS APPROVED BY GWYNEDD COUNCIL**

<b>Fees for the general conduct of the election and performance of all duties which a Returning Officer is required to perform under any order or other enactment relating to the election of Councillors</b>		
<b>Returning Officer and Deputy Returning officer Fees</b>	<b>Contested</b>	<b>Uncontested</b>
Returning Officer	117.00	
For the general conduct of the election and performance of all duties which a Returning Officer is required to perform under any order or other enactment relating to the election of Councillors.	)	)
For each Electoral Division, Community/Town Council, Community/Town Council Ward	)	) 75.00
Deputy Returning Officer	80.00	)
Specific duties to include attending to receive nomination papers, examining them and adjudicating on their validity; dealing with candidates; notifying candidates of decisions on nominations, publishing statements of persons nominated and attending to receive withdrawals and conducting the counts.	)	)
For each Electoral Division, Community/Town Council, Community/Town Council Ward	)	)
By-Elections		)
In any by-election where a Deputy Returning Officer is employed to manage the count:		)
For each Electoral Division, Community/Town Council, Community/Town Council Ward	32.00	)

MEETING:	<b>Full Council</b>
DATE:	<b>2 March 2017</b>
SUBJECT:	<b>2017/18 Budget and 2017/18 - 2019/20 Financial Strategy</b>
CABINET MEMBER:	<b>Councillor Peredur Jenkins, Cabinet Member for Resources</b>
CONTACT OFFICER:	<b>Dafydd L Edwards, Head of Finance</b>
PURPOSE:	<b>Set the Council's Budget and determine the 2017/18 Council Tax level</b>

## **2017/18 BUDGET**

The Cabinet's recommendations to the full Council are:

1. That a budget of £231,299,720 should be set for 2017/18, to be funded by £168,963,540 of Government Grant and £62,336,180 Council Tax income, with an increase of 2.8%.
2. Establish a capital programme of £12.015m in 2017/18 and £6.410m in 2018/19 to be funded from sources noted in clause 9.3 of the report.

A Council Tax increase of **2.8%** would be a weekly increase of 65p, or an increase of £33.80 in Band D Council Tax, an annual increase from £1,207.16 to **£1,240.96**.

## **SUMMARY**

1. The Council has to set a balanced budget for 2017/18.
2. In accordance with usual practice, the annual budget is presented (the following main report) within the context of a medium term financial strategy (Appendix 4), ensuring that the budget prepares for the position to come, rather than meeting the requirements of one year alone.
3. This year, the Council profits from last year's medium term planning, as we are able to balance the budget without making any new decisions which would cut services for our citizens.
4. Having consulted in a series of workshops during January/February, and with the Audit Committee (9 February), the Cabinet has considered the 2017/18 – 2019/20 financial strategy, recommending an appropriate budget to the Council for 2017/18.
5. The following report details the matters to be considered when establishing the 2017/18 budget, together the medium term strategy.

**A) 2017/18 BUDGET**

6. The proposed budget for 2017/18 can be summarised as follows –

<b>Establishing the 2017/18 Budget</b>	£
2016/17 Base Budget	227,227,120
Use of Reserves Adjustment	2,590,610
Additional Expenditure Requirements	<u>8,713,740</u>
2017/18 Expenditure Requirements before savings	238,531,470
less Grant Income	-168,963,540
less Council Tax (2.8% increase)	<u>-62,336,180</u>
2017/18 Funding Gap	<u>7,231,750</u>

<b>Addressing the Gap in 2017/18</b>	£
Approved Efficiency Savings	3,290,460
Schools Savings	990,000
Approved Cuts	1,868,970
Further Efficiency Savings	<u>1,082,320</u>
Total Savings to close the Gap	<u>7,231,750</u>

<b>Balanced Budget for 2017/18</b>	£
2017/18 Expenditure Requirements before savings	238,531,470
2017/18 Savings Total	<u>-7,231,750</u>
2017/18 Net Budget	<u>231,299,720</u>

<b>To be funded from -</b>	
Grant Income	168,963,540
Council Tax	<u>62,336,180</u>
2017/18 Net Budget	<u>231,299,720</u>

7. By 2017/18, we will need to increase our expenditure to £238.5m in order to “stand still”, including £2.46m to meet pressures on the services’ budgets (details of the ‘bids’ are in Appendix 3). Consideration is given to development priorities separate to this, through the Strategic Plan. Presented here are the unavoidable commitments that the departments are facing now.
8. In order to meet the financial gap, it will be possible to attribute efficiency savings which were already in progress, together with £1.1m of additional savings for 2017/18, and increasing the Council Tax 2.8%.

9. Before completing a more thorough review of the Asset Strategy, we have established a programme on the basis of the minimum required for 2017/18, as noted in Appendix 2, which will mean a programme of £12.015m in 2017/18 and £6.410m in 2018/19. The programme continues to spend on capital schemes on a higher level than the resource we receive from the Welsh Government to support our capital programme, but it is not considered that the relevant level of borrowing will overstretch the Council.

## B) MEDIUM TERM STRATEGY

10. The revised forecast is now summarized in the table below:

<b>Medium Term Plan</b>			
MODELLING THE MEDIUM SCENARIO	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	£'000	£'000	£'000
Add back one-off use of reserves	2,591		
Additional Expenditure Requirements	8,714	7,400	8,000
Revenue Grant (Increase) / Decrease	-2,013	2,529	2,567
Council Tax Increase	-2,060	-2,302	-2,387
Gap before savings schemes	7,232	7,627	8,180
Current Efficiency Savings	-3,291	-944	
Schools' Efficiency Savings	-990	-263	
Cuts already decided upon	-1,869	-368	-65
Additional Efficiency Savings	-1,082	-2,296	-267
Balance from the funding gap	0	3,756	7,848

11. It is recommended that we should continue to work on the basis of the same range of possibilities as already agreed, namely:

Council Tax Policy	Consider increase in the Council Tax similar to the Wales average.
Schools Budget	Continue with the target of £4.3m from the schools budget (but defer the 2017/18 element for the secondary sector).
Efficiency Savings	Maximise the efficiency savings that can be achieved (in order to avoid cuts in 2018/19)
Cuts	Implement cuts only as necessary, in order to meet the remaining balance

12. The strategy to ensure more efficiency savings is already in hand, and I am convinced we can surpass the 2017/18 target so that an amount will be in hand by 2018/19. In the meantime, no doubt the members will be underlining the message to officers to maximise the efficiency savings which can be identified and realised during 2017/18.

### **Reasons for recommending the decision**

13. The strategy attempts to protect the services the Council provides for the people of Gwynedd whilst keeping the Council Tax increase to the minimum which is consistent with that aim. By ensuring savings, they are intended to be achieved in those areas which will have the least effect upon our citizens.

### **Relevant considerations**

14. It is possible to charge less or more Council Tax, and it is a matter for the Council to consider the budget to be set for 2017/18 on the basis of the issues noted in the following report, and consider whether they wish to change any element.

## **2017/18 BUDGET and 2017/18 – 2019/20 FINANCIAL STRATEGY**

### **1 BACKGROUND**

- 1.1 This detailed report notes the factors that influence the revenue budget proposed for 2017/18, and outlines the main changes since 2016/17.
- 1.2 In addition, Appendix 4 updates the medium term financial strategy established last year for the period up to 2019/20.

### **2 WELSH GOVERNMENT GRANT**

- 2.1 The Welsh Government has announced the settlement to finance local government for 2017/18, but has not provided any indicative figures for the following year. The details are noted below in Table 1.

Table 1  
**Revenue Support Grant 2016/17 & 2017/18**

	<b>Total Welsh Authorities £'000</b>	<b>Gwynedd Council £'000</b>
2016/17 Government Grant (without amendment)	4,101,550	167,078
2016/17 Government Grant (amended)	4,103,632	167,155
2017/18 Government Grant	4,113,620	168,964
	Increase £	12,070
	Increase %	0.3%
		1.1%

- 2.2 It can be seen from the Welsh Government's figures which are in the above table that Gwynedd Council receives an increased grant of £1.9m by next year (after amending the 2016/17 figure to reflect the transfer into the settlement) which is an increase of 1.1%, with the average increase across Wales being 0.3%.
- 2.3 A number of factors feed the formula, namely the number of pupils, number of income support claimants, etc, and the higher increase in grant for Gwynedd and other rural authorities is because the (current) higher costs of running social services (care) in rural authorities has since been incorporated in the revised allocation formula, and also because population estimates have gone in our favour this year. It is fair to say that Gwynedd's officers have been prominent in providing the evidence to justify changing the formula to reflect the true cost of care in rural areas.
- 2.4 There was a further relatively small change of £127,000 due to a related tax base adjustment.

### 3 COUNCIL REVENUE EXPENDITURE - 2017/18

- 3.1 Table 2 below shows the increase in the expenditure required in order to "stand still" in 2017/18.

Table 2  
**Additional Expenditure Requirements**

	<b>£'000</b>	<b>£'000</b>
2016/17 Base Budget		227,227
Salary Inflation (Staff)	1,882	
Increments net of Turnover	318	
Apprenticeship Levy	540	
Pensions (automatic enrolment)	342	
Other Inflation (Suppliers)	1,876	
Interest on balances	186	
Borrowing Costs	-318	
Levy (Fire Authority)	262	
Demography	414	
Services' Income Adjustments	29	
Miscellaneous	173	
Transfer to the Settlement	547	
Pressures on Services (bids)	<u>2,463</u>	
Net total of increase		8,714
Use of Reserves in 2016/17		<u>2,591</u>
Total 2017/18 expenditure requirements before savings		<u>238,532</u>

- 3.2 **Base Budget 2016/17** – Although £227m is the net 2016/17 expenditure, it is important to note that the Council's true expenditure is £379m as we receive a multitude of specific grants worth £89m and raise nearly £63m for services which we provide.
- 3.3 **Salary inflation £1.88m** – Provision has been made for a 1% salary increase for Council staff, in accordance with the national agreement, with a higher % for some staff on lower grades worth £360k to meet the 'living wage' requirements.
- 3.4 **Increments net of Turnover £318k** – Net amount which reflects a higher turnover level than the value of salary increments for all Council staff, but mainly £201k for school staff, and £108k for Care Provider staff.
- 3.5 **Apprenticeship Levy £540k** – A new additional cost which is similar to a 'tax' on large employers (0.5% of the total employment bill) following relevant legislation.

- 3.6 **Pensions – Automatic Enrolment £342k** – Because of Gwynedd Pension Fund’s excellent investment performance, we succeeded in not having to increase the Council’s employers pension contribution rates. Following the triennial valuation on 31/03/2016, we know that large employers’ pension contributions in some other pension funds will rise by 1% each year for the next 3 years. 3% of Gwynedd’s employment costs would have been worth around £5m. However, the effect of the automatic enrolment legislation means that more workers are joining the pension scheme, with employers’ contributions on those salaries being an additional cost.
- 3.7 **Other inflation £1.88m** – Net amount which includes provision for the effect of the ‘living wage’ (minimum pay) on the costs and fees of our private suppliers.
- 3.8 **Interest on Balances £186k** – Projection of a further reduction in interest rates receivable in 2017/18.
- 3.9 **Borrowing Costs (£318k)** – There will be a reduction in borrowing costs, at the period end of some old loans. At present, no additional borrowing is intended (see the Treasury Management report).
- 3.10 **Levies £262k** – In December 2016, North Wales Fire Authority decided to raise the levy 4% on the constituent authorities. With the population adjustment, this means an increase of 4.53% for Gwynedd Council.
- 3.11 **Demography £414k** – Net amount which reflects +£81k due to an increase in the number of pupils in Schools, +£33k due to an increase in the number of cases in the Childrens’ Service, +£300k due to an increase in the number of people receiving care from the Adults’ Service. The net figure of +£81k for schools hides different positions in different sectors, namely secondary -£383k, primary +£314k, and Special +£150k. Specific attention is given to the schools’ position in part 4 below.
- 3.12 **Adjustments to Services’ Income Budgets £29k** – Net amount which has adjusted services’ income targets, including -£119k Economy (mainly Hafan, Pwllheli), +£20k Highways (due to an increased use of the Crematorium), +£10k Corporate Support (Registration fees), and +£60k Regulatory to reflect an increase in parking income, land charges, etc.
- 3.13 **Miscellaneous £173k** – A total which reflects a significant number of minor adjustments in provisions across the Council.
- 3.14 **Transfer to the settlement £547k** – Transferring into the Council’s settlement in the Care services field, together with the relevant responsibilities, and thus to be reflected in the Adults Department’s budget, £106k from the former Transformation Delivery Grant (to help put the new Welsh social care law in operation), £199k to meet the increase in capital limit for assessing residential care fees, and £213k for the prevention of homelessness, together with other sundries. Also, there will be a transfer in for LGBI Education capital costs, whilst £49k will also transfer out of the Education budget, together with the responsibility for paying teachers’ registration fees.

- 3.15 **Pressures on Services £2,463k** – Unavoidable 'bids' – refer to **Appendix 1** for details of each individual 'bid'.

It is recommended to approve applications ("bids") worth £2,010k by the Council's departments for permanent additional resources to meet the unavoidable pressures on their services. It is also recommended to approve £453k worth of one-off bids.

Bear in mind that the Council's main priorities (developmental matters in order to make a difference) are being funded and commissioned separately, through the Strategic Plan. What is presented here through the "bids" are unavoidable commitments that the departments are facing now.

Every department has the right to identify any expenditure which the Council has to fulfil to ensure the continuation of basic services. This heading is not for new developments, but rather for continuation of current basic services.

Of course, an element of these applications are highlighted whilst reviewing this year's spending patterns. Others are a result of factors where there is a need for expenditure in order to protect outcomes for the public, or to meet statutory requirements. There is also an element of central government creating more pressure and expectations, and then we have to deal with the consequential effects.

These items have been subject to challenge by the Corporate Management Team and the Cabinet Member for Resources before being recommended to be approved by the Cabinet.

- 3.16 **Use of Reserves in 2016/17** – £2.6m from Reserves was used to bridge one-off in 2016/17, in order to reflect the profile of the savings that can be achieved. This has to be made good now by adding it to the 2017/18 gap.

## **4 SCHOOLS**

- 4.1 Regarding the Financial Strategy and schools' savings targets, the 07/10/2014 Cabinet resolved:

"To set a savings target of £4.3m for schools to be delivered over the next three years, and that the Cabinet Member for Education be requested to lead a joint piece of work with the Schools Finance Forum to develop the schemes to be implemented in order to deliver this target."

The Schools Finance Forum, which includes school heads and governors, have achieved this work with the Cabinet Member for Education and the Cabinet Member for Resources.

- 4.2 It has already been decided to profile the £4.3m savings to be implemented - £952k in 2015/16, £2,095k in 2016/17, **£990k in 2017/18**, and £263k in 2018/19. Therefore, the intention was to secure £990,000 of savings from the schools budget in 2017/18.
- 4.3 Bear in mind that the schools' budget will face the usual adjustments that arise from changes in pupil numbers, with some schools benefiting and others losing out, together with a reduction in grants given direct to schools by the Welsh Government.

- 4.4 Further, in a meeting of the Schools Finance Forum on 29 November 2016, concern was noted that Secondary demography would reduce worth £383k in 2017/18, but that it would change direction in the following year. Although the positions of individual schools will vary, the Forum highlighted that it didn't make sense to reduce some secondary schools' budgets this year because of demography, and then to resurrect them the following year. This could mean unnecessary redundancy costs (to be financed centrally by the Council).
- 4.5 The Council's Cabinet saw the sense of the debate, but also noted that the Secondary sector was becoming more vulnerable, and there was a need to find a sustainable long-term solution for the sector. In order to buy time to assess the problem and establish a long-term solution for the sector, the Cabinet on 13 December 2016 decided that bridging money should be included in the 2017/18 budget for secondary schools receiving a lower allocation due to a reduction in pupil numbers, and freeze the implementation of the third part of the £4.3m savings in the Secondary sector – i.e. £298,990 – for two years, and to finance this from the Council's balances.
- 4.6 This is not removing the saving – only freezing it for two years in order to buy a little time for the secondary sector to come up with long-term proposals in order to respond to the problems which they are clearly facing.
- 4.7 Deferring the saving, together with the demography reductions, will be an additional expenditure of £756,290 in the 2017/18 budget, but to be financed one-off from the Council's balances. It is anticipated that by the end of this financial year (by 31/03/2017) the Council will have general balances of £5.5m, which represents approximately 1.5% of the Council's gross revenue expenditure. In the 2016/17 budget, I recommended keeping a minimum of £4.4m of general balances. This decision does not endanger those levels, although of course there will be less balances remaining for the Council to consider their use for any other purpose.
- 4.8 Generally, I would not plan to finance continuous regular spending from the Council balances. However, this is not the intention here. The one-off use of a portion of the balances, in order to bridge a unique situation in the secondary sector in 2017/18, will be good practice in order to avoid unnecessary redundancies, giving the secondary sector an opportunity to reach a more sustainable position in the medium term.

## **5 SUMMARY OF THE POSITION IN 2017/18**

- 5.1 It can be seen from Part 3 above, that the Council's expenditure requirements (before deducting savings) for 2017/18 are £238.5m (an unavoidable increase of 5%) and we will be receiving a grant of £169m from the Welsh Government (an increase of 1.1%). This means a funding gap before tax of £69.5m.
- 5.2 Since our assumptions for 2017/18 in February 2016, our figures have been modified for the Welsh Government's more favourable than expected settlement (£3m), which is counterbalanced to some extent by higher expenditure requirements, including demography and higher inflation on some supplies, unavoidable developments in the field of social care, teachers increments, and low interest. We had foreseen other additional costs, namely the apprenticeship levy, the living wage, the waste strategy, etc, in February 2016.

- 5.3 With no increase in the Council Tax rate, the tax yield for 2017/18 would be £60.6m. With an increase of 3.97% (the assumption a year ago), the tax yield would be £63m, and we would be facing a gap of £6.5m in 2017/18. As the savings programme is likely to exceed that gap by 2017/18, a lower increase is being considered. With an increase of 2.8%, it is expected that the income from Council Tax will be £62.34m, and we would be facing a gap of £7.2m in 2017/18.

## 6 COUNCIL TAX

- 6.1 Therefore, there is a key decision to be made in the wake of the above considerations, namely to establish the exact level of Council Tax to be recommended to the Council for 2017/18. The key to all of this is to strike an appropriate balance between the need to spend on services for the most vulnerable in our society, and the appropriate increase to be levied on the residents of Gwynedd.
- 6.2 In the original assumptions made in our medium term financial strategy, a figure of 3.5% was used, as an estimate of the average increase in Wales. By 2016/17, it was decided to increase the tax 3.97%, in order to avoid implementing some cuts. By 2017/18, a further increase of 3.97% (as planned a year ago) would produce tax of £63.06m (£2.77m of additional income) towards the gap.
- 6.3 However, as a number of factors have gone in our favour this year, the 2017/18 budget can be balanced with a lower increase in the tax level. Therefore, it is recommended to increase the tax 2.8%, which would produce tax of £62.34m (£2.05m of additional income) towards the gap. This would equate to a Council Tax increase of £33.80 in a Band D property, or 65p a week. The tax raised by the community councils and the Police Authority would of course be additional to this, and higher than usual tax increases are expected in some communities by 2017/18.
- 6.4 Over 17% of households in Gwynedd receive some element of assistance towards their Council Tax, and over 61% of properties in Gwynedd are in bands lower than band D. Every additional 0.1% of tax would adjust the financial gap we would need to find by around £60,700. Therefore, 0.5% would mean adjusting the financial gap by around £303,500 whilst 1% would mean adjusting the financial gap by around £607,000.
- 6.5 The increase in Gwynedd's Council Tax, together with the average increase across Wales since 2008/09, is shown below.

<b>Year</b>	<b>Gwynedd</b>	<b>Wales</b>
<b>Total 2008-17</b>	<b>37.1%</b>	<b>33.2%</b>
2016/17	4.0%	3.7%
2015/16	4.5%	4.3%
2014/15	3.9%	4.2%
2013/14	3.5%	3.1%
2012/13	3.5%	1.9%
2011/12	3.9%	3.1%
2010/11	3.9%	3.7%
2009/10	3.9%	3.9%
2008/09	3.8%	3.7%

In 2016/17, Gwynedd Council's Band D Council Tax level was £1,207, while the average level of tax for the counties in Wales was £1,127.

- 6.6 We do not yet know what the exact average increase across Wales will be for 2017/18, but the latest information I have is that the average across Wales will be around 3%. Having increased 0.3% higher than the Wales average last year by 2016/17, this year by 2017/18 there is an opportunity to increase slightly less than the average, and adhere to the long-term policy.
- 6.7 The choice between maintaining services and taxation is always difficult, of course, and it is a matter for all members to weigh up and arrive at the balance they consider to be appropriate. However, **as a starting point for discussion, a Council Tax increase of 2.8% is recommended, which would be a weekly increase of 65p, or £33.80 annually, with a Band D tax of £1,240.96 for 2017/18.**
- 6.8 The Council decided in its meeting of 8 December 2016 to raise a "premium" of 50% on long-term empty properties and second homes from April 2018 onwards, and use a percentage of the money to provide housing for young people in the county's communities. The premium on these properties could attract considerable additional income for the Council by 2018/19, but it is not a consideration for 2017/18.

## **7 ADDRESSING THE GAP IN 2017/18**

- 7.1 Increasing the Council Tax level by 2.8% would leave a gap of £7.2m to be found in 2017/18, and this can be found from savings.
- 7.2 In its medium-term strategy in March 2016, the Council drew up a considered and sensible savings and cuts programme to be implemented during the period 2016/17 – 2018/19. Since then, as reported to the full Council 8 December, there has been satisfactory progress with the savings achievement programme, which means that it is possible to call upon £5.1m of savings and cuts which are already in progress by 2017/18, together with the £990k schools saving, in order to meet the financial gap.
- 7.3 It is anticipated that we will achieve further efficiency savings in 2017/18, and I am convinced that the amount of these further savings will be more than sufficient to close the residual gap of around £1.1m, with any over-achievement then available for the more uncertain 2018/19 financial strategy challenge.
- 7.4 The following table summarises the relevant totals as the Council sets its budget and tax for 2017/18.

### Establishing the 2017/18 Budget

	£
2016/17 Base Budget	227,227,120
Use of Reserves Adjustment	2,590,610
Additional Expenditure Requirements	8,713,740
2017/18 Expenditure Requirements before savings	<u>238,531,470</u>
less Grant Income	-168,963,540
less Council Tax (2.8% increase)	<u>-62,336,180</u>
2017/18 Funding Gap	<u><u>7,231,750</u></u>

### Addressing the Gap in 2017/18

	£
Approved Efficiency Savings	3,290,460
Schools Savings	990,000
Approved Cuts	1,868,970
Further Efficiency Savings	1,082,320
Total Savings to close the Gap	<u><u>7,231,750</u></u>

### Balanced Budget for 2017/18

	£
2017/18 Expenditure Requirements before savings	238,531,470
2017/18 Savings Total	<u>-7,231,750</u>
2017/18 Net Budget	<u><u>231,299,720</u></u>
<b>To be funded from -</b>	
Grant Income	168,963,540
Council Tax	<u>62,336,180</u>
2017/18 Net Budget	<u><u>231,299,720</u></u>

## **8 BALANCES**

- 8.1 It is foreseen that the Council will have general balances of £5.5m at the end of this financial year, representing around 1.5% of the Council's gross revenue expenditure.
- 8.2 We have noted on more than one occasion that due to the turbulent environment we will be facing in the years ahead, that it is appropriate to keep sums in reserve in order to deal with problems that could arise.
- 8.3 Nothing has happened in the meantime to change this opinion, and the absence of any statement from the Welsh Government about future grant settlements for local government means that the risk continues. Therefore, the need to ensure that we have appropriate balances to deal with any financial shocks is still relevant (see Appendix 4 for the medium term Financial Strategy).
- 8.4 Having committed £1.1m from general balances, in order to have time to consider and resolve the secondary schools problem reasonably, it is recommended that we do not use any more of the general balances in 2017/18.
- 8.5 We have a number of specific reserves established by the Council to meet specific expenditure needs. These are also part of the Council's budget of course, and have been scrutinised annually. Attention was given to the specific reserves by the Cabinet on 7 June 2016 and the Audit Committee on 23 June 2016, when it was approved to transfer over £2m from reserves and provisions towards corporate priorities / requirements. I review the level of these reserves continually, and it is intended to hold another intensive review by June 2017, to consider how much scope there will be for the Council to change its priorities within these reserves.
- 8.6 In their report "Meeting the Financial Challenges facing Local Authorities in Wales" (issued 27 January 2014) the Wales Audit Office stated (in paragraph 1.8):
- "Councils can use reserves to help them to balance their budgets where savings plans do not achieve the expected results or where income is less than anticipated. However, financing recurrent expenditure from reserves would not normally be appropriate. A prudent level of useable reserves is a key element of financial stability; the minimum appropriate level will vary dependent on an authority's known and potential liabilities and its spending plans. There are signs that a few councils are over-relying on general reserves to deal with budget shortfalls, rather than seeking more sustainable approaches, which often involve making unpopular decisions."
- 8.7 I am convinced that the one-off use of balances to overcome the secondary schools' temporary difficulties in 2017/18 is an appropriate use of the Council's balances in special circumstances.

## 9 CAPITAL

- 9.1 Whilst local authority revenue budgets face constraints, capital budgets are also under pressure, and there are revenue implications for capital expenditure which is not funded by specific grants.
- 9.2 In light of the revenue financial constraints we face and the fact that our Asset Strategy includes a significant element of prudential borrowing (which places pressure on the revenue budget to pay for the borrowing costs), a thorough review of the Asset Strategy is already underway and it is intended to report on proposals to a Cabinet meeting in March 2017.
- 9.3 However, before then, there have been adjustments and changes in the proposed profile for individual schemes presented in Appendix 2, and we will be funding the programme as follows:

Table 3  
**Funding capital programme 2017/18 – 2018/19**

	2017/18 £'000	2018/19 £'000
Capital requirements	12,015	6,410
To be funded through:		
Capital provision in the settlement	6,675	5,907
School grants / borrowing	3,222	0
Capital receipts	835	0
Contribution from revenue	399	0
Prudential borrowing	<u>884</u>	<u>503</u>
Total to be financed	<u>12,015</u>	<u>6,410</u>

The programme continues to spend on capital schemes on a higher level than the resource we receive from the Welsh Government to support our capital programme, but it is not considered that the relevant level of borrowing will over-stretch the Council.

- 9.4 I note that 2017/18 is the final year of the current Asset Strategy and the new Council will have the opportunity to draw up a new one for the next 10 years. 2018/19 will be the first year of that strategy, and therefore (while the financial strategy sets a programme for 2018/19 in order to assist departments with planning) it is likely that there will be additions to it next year as a result of drawing up the new strategy, but we are guaranteeing the programme noted here as a minimum.

## **10 EQUALITY IMPACT ASSESSMENT**

- 10.1 The budget outlined above endeavours to continue to provide appropriate outcomes for all the county's citizens, but as there was insufficient increase in our income to meet inflation, etc, we must implement the savings schemes agreed last year, and set targets for some additional schemes.
- 10.2 With savings, there is a possibility for us to have an impact which would disproportionately affect those with protected characteristics, but there were appropriate impact assessments regarding the financial decisions on the savings and cuts decided upon a year ago.
- 10.3 Our aim was to ensure that our financial decisions conform with the requirements of the Equality legislation, namely:
- Eliminate illegal discrimination, harassment and victimisation, and any other conduct prohibited by the Act.
  - Promote equality of opportunity between people who share a relevant protected characteristic and those who do not.
  - Encourage good relations between those who share a protected characteristic and those who do not.
- In assessing, we tried to identify how to make the best of every opportunity to improve equality in addition to trying to avoid or mitigate any negative effects to the best of our ability.
- 10.4 In planning our budgets, consideration is given to equality on every level, by utilising data and evidence in relation to demography and trends at a strategic level, and in the same way (but more specifically) in coming to decisions on individual savings schemes. Data and evidence has already been collected for our Equality Strategic Plan, and we will continue to build upon this information by analysing new data, monitoring services and engagement.
- 10.5 We have clear processes for finding savings, which include a full assessment of the impact of savings in terms of equality. We analyse each individual scheme, noting if the department needs to conduct an impact assessment when developing the project. This will be the procedure with further efficiency savings by 2017/18.
- 10.6 The recommended budget does more than meet inflation costs. It also attempts to ensure that unavoidable financial pressures being placed on services (due to greater demands from increasing numbers of clients, etc) are recognised in the budgetary decisions (see the additional expenditure requirements in Part 3).
- 10.7 Each service has the right to submit a request for resources if it considers that additional funding is required to ensure that services continue. The sums seen under the "service pressures" heading is recognition that the Council provides sufficient funding to ensure that our financial arrangements do not have a detrimental impact on the level of services provided. Full details are given in Appendix 1 and it can be seen that a substantial part (£1.28m) of the total of £2,462,960 is going to social care.

## 11 CONCLUSIONS

11.1 This report sets out the factors that should be considered when establishing the 2017/18 budget and confirms that the strategy to cope with the financial position facing the Council for the next three years should continue.

### 2017/18 BUDGET

11.2 It is recommended to address a revenue expenditure requirement of £238.53m, having added £11.3m (which includes a provision of £2.46m for pressures on services).

11.3 After receiving a grant of £168.96m from the Welsh Government and with Council Tax income increasing 2.8% to £62.34m, this will leave a gap of £7.2m to be found in 2017/18.

11.4 It will be possible to address this gap via a combination of steps, as follows:

2017/18 Expenditure requirements	£238,531,470
Less Government Grant income	£168,963,540
Less Council Tax income	<u>£62,336,180</u>
Savings which will have been achieved	<u>£7,231,750</u>

11.5 **This will mean setting a net budget, after using balances, of £231,299,720 (£238.53m less savings of £7.23m). An analysis of the budget per service is given in Appendix 3.**

11.6 **It is also recommended that a capital programme of £12.015m should be established for 2017/18 together with £6.410m for 2018/19.**

### LONGER TERM STRATEGY

11.7 Regarding the position over the next three years, it is recommended to plan to manage the funding gap by keeping all options open, and we should aim to continue to find the majority of the gap by maximising the efficiency savings that we can deliver.

## 2017/18 REVENUE BIDS

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>EDUCATION DEPARTMENT</b>							
G.T.	ADD 1	<b><u>One Off Requirements to Establish Ysgol Bro Idris</u></b> Bid to finance staff time in order to prepare sound policies and procedures for the new school, and thus ensure that the school operates to its potential.	One Off Bid	105,530	105,530		Recommend finance the bid in full.
G.T.	ADD 2	<b><u>Moving Towards Education District Offices</u></b> Bid to finance the establishment of the education district offices model, in order to promote the "Gwynedd School" model and thus improve the quality of education in Gwynedd.	Permanent Bid	275,000	275,000		Cabinet have approved the Education District Offices model, and approved annual costs of up to £275,000 for three years. It's expected that the Department will find savings in order to supersede the bid by 2020.
<b>Total Permanent Revenue Bids</b>				<b>275,000</b>	<b>275,000</b>	<b>-</b>	
<b>Total One Off Revenue Bids</b>				<b>105,530</b>	<b>105,530</b>	<b>-</b>	
<b>EDUCATION DEPARTMENT TOTAL</b>				<b>380,530</b>	<b>380,530</b>	<b>-</b>	

**2017/18 REVENUE BIDS**

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>ECONOMY DEPARTMENT</b>							
M.R.	ECON 1	<b>Harlech and Ardudwy Leisure Initiative</b> Bid to finance Gwynedd Council's contribution towards a steady stream of income that is required to ensure that the initiative is viable. The 6 community council will increase their precept to meet the £50,000 that is needed.	Permanent Bid	6,000	6,000		Cabinet have approved a permanent budget of £6,000 from 2017/18 onwards, as part of the package with the local community councils.
<b>Total Permanent Revenue Bids</b>				<b>6,000</b>	<b>6,000</b>	<b>-</b>	
<b>Total One Off Revenue Bids</b>							
<b>ECONOMY DEPARTMENT TOTAL</b>				<b>6,000</b>	<b>6,000</b>	<b>-</b>	

**2017/18 REVENUE BIDS**

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>ADULTS, HEALTH AND WELLBEING DEPARTMENT</b>							
W.G.R.	OED 1	<p><b><u>Loss of Income due to the Welfare and Social Services (Wales) Act 2014</u></b>                      Bid in response to the Welfare and Social Services Act 2014 which states that we must charge for the first 8 weeks of respite/residential placement in accordance with the rules for charging for non-residential services. Under the new rules we can not charge no more than £60 a week, and in some cases charge nothing at all which has meant a significant loss of income.</p>	Permanent Bid	135,000	135,000		Recommend finance the bid in full.
W.G.R.	OED 2	<p><b><u>Change to the Capital Threshold to Self Finance Care Services from £24,000 to £30,000</u></b>                      Bid in response to the Welsh Government statement that they will be increasing the capital threshold used to determine whether individuals self finance their care/nursing placements from £24,000 to £30,000.</p>	Permanent Bid	200,000	200,000		Recommend finance the bid in full, to be held in a corporate contingency budget, until the exact amount is known.
W.G.R.	OED 3	<p><b><u>Learning Disabilities – Transition Age</u></b>                      To fund care packages for 6 individuals transferring from the Children’s Service to the Adult Learning Disabilities Service.</p>	Permanent Bid	243,720	243,720		Recommend finance the bid in full, but assign £30,000 to a corporate contingency budget.

2017/18 REVENUE BIDS

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>ADULTS, HEALTH AND WELLBEING DEPARTMENT</b>							
W.G.R.	OED 4	<p><b><u>Increase in Residential and Nursing Home Fees</u></b>                      Bid to ensure a consistent methodology between North Wales councils for awarding the fee levels that should be paid to providers of residential and nursing care.</p>	Permanent Bid	188,240	188,240		Recommend finance the bid in full, but assign to a corporate contingency budget.
W.G.R.	OED 5	<p><b><u>Established Safeguarding and Quality Assurance Team</u></b>                      Bid to address the concerns of the Care and Social Services Inspectorate Wales (CSSIW) on the Council's arrangements for safeguarding vulnerable adults. By establishing a team to carry out the new duties where there are no sufficient capacity at present.</p>	Permanent Bid	225,095	130,000	95,095	Recommend finance £130,000 of the bid, thus finance 2 DoLs officers and 1 officer for the "Escalating Concerns" regime. Department to prioritise their resources in order to fulfil other aspects.
		<p>One off element is for a period of two years, due to the need to deal with the DoLs backlog, to fund two social workers posts.</p>	One Off Bid	84,880	84,880		Recommend finance the bid in full.

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>ADULTS, HEALTH AND WELLBEING DEPARTMENT</b>							
W.G.R	OED 6	<b><u>Operational Budget for Deprivation of Liberty Cases</u></b> Bid due to the increase in the number of individuals requiring assessment coupled with the complexity of such assessments. Additionally, Learning Disability cases (approximately 150 cases) are expected to start going through the process during 2016/17.	Permanent Bid	45,000	45,000		Recommend finance the bid in full.
I.T.	OED 7	<b><u>Renting Wise Wales</u></b> Bid in response to the Housing Act (Wales) 2014, which sets a new legal requirement for landlords and estate agents to register and license by 23/11/2016. This additional duty will be the responsibility of the Housing Enforcement Unit.	Permanent Bid	68,380		68,380	Recommend refusal of the bid for 2017/18, and request the Department to prioritise resources within the Housing Service.
<b>Total Permanent Revenue Bids</b>				<b>1,105,435</b>	<b>941,960</b>	<b>163,475</b>	
<b>Total One Off Revenue Bids</b>				<b>84,880</b>	<b>84,880</b>	<b>-</b>	
<b>ADULTS, HEALTH AND WELLBEING DEPARTMENT TOTAL</b>				<b>1,190,315</b>	<b>1,026,840</b>	<b>163,475</b>	

**2017/18 REVENUE BIDS**

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>CHILDREN AND SUPPORTING FAMILIES DEPARTMENT</b>							
M.R.	PLANT 1	<b>Children in Care Placements</b> Bid in order to deal with the increase in the number of new placements.	One Off Bid	160,000	160,000		Recommend finance the bid in full.
M.R.	PLANT 2	<b>Resources for the Operational Children's Team</b> Bid to finance two social workers and administrator in order to deal with the significant increase in demand for services.	Permanent Bid	120,000	50,000 (Permanent) ----- 50,000 (One Off)	20,000	Recommend finance one of the social workers post permanently and one social workers post temporarily for 2 years. With the Department to identify efficiency options within 2 years.
<b>Total Permanent Revenue Bids</b>				<b>120,000</b>	<b>50,000</b>	<b>20,000</b>	
<b>Total One Off Revenue Bids</b>				<b>160,000</b>	<b>210,000</b>	<b>-</b>	
<b>CHILDREN AND SUPPORTING FAMILIES DEPARTMENT TOTAL</b>				<b>280,000</b>	<b>260,000</b>	<b>20,000</b>	

**2017/18 REVENUE BIDS**

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>HIGHWAYS AND MUNICIPAL DEPARTMENT</b>							
J.W.J	PaB 1	<p><b>Waste</b> Bid in order to deal with an increase in the Department expenditure following a reduction of approximately 6.7% in the Environmental and Waste Grant, reduction in landfill costs and disposal costs combined with an increase in tonnes of food to GwyrAD and to the housing stock.</p> <p>The Grant has changed over recent years, with one grant now for a range of services. If we remove all of the other services the grant funds - £101,500 Natural Resource Management (Floods) £56,750 - Local Environment Quality (Tidy Towns, dog fouling etc) the core waste balance to be funded by the Council would be £78,350.</p>	Permanent Bid	657,320	657,320		Recommend finance the bid in full, including the Waste Strategy element that has already been planned, as well as the other aspects where the Welsh Government has reduced the grant (for example floods, tidy towns, dog fouling etc).
JWJ	PaB 2	<p><b>Waste</b> Finance the costs of Residual Waste Disposal, as the one off budget for Ffridd Rasmus has come to an end.</p>	One Off Bid	52,840	52,840		Recommend finance the bid in full.
<b>Total Permanent Revenue Bids</b>				<b>657,320</b>	<b>657,320</b>	<b>-</b>	
<b>Total One Off Revenue Bids</b>				<b>52,840</b>	<b>52,840</b>	<b>-</b>	
<b>HIGHWAYS AND MUNICIPAL DEPARTMENT TOTAL</b>				<b>710,160</b>	<b>710,160</b>	<b>-</b>	

**2017/18 REVENUE BIDS**

Cabinet Member	Ref	Details of the Bid	Permanent / One Off	Amount (£)	Recommendation		
					Finance (£)	Reject (£)	Comments
<b>FINANCE DEPARTMENT</b>							
P.J.	CYLL 1	<b><u>Implementation of Information Technology Strategy</u></b> Finance two Account Manager posts to ensure the implementation of the Information Technology Strategy, which has been approved by the Cabinet.	Permanent Bid	79,430	79,430		Recommend finance the bid in full.
<b>Total Permanent Revenue Bids</b>				<b>79,430</b>	<b>79,430</b>	-	
<b>Total One Off Revenue Bids</b>					-	-	
<b>FINANCE DEPARTMENT TOTAL</b>				<b>79,430</b>	<b>79,430</b>	-	

<b>TOTAL PERMANENT REVENUE BIDS</b>	<b>2,243,185</b>	<b>2,009,710</b>	<b>183,475</b>
<b>TOTAL ONE OFF REVENUE BIDS</b>	<b>403,250</b>	<b>453,250</b>	<b>-</b>
<b>TOTAL BIDS</b>	<b>2,646,435</b>	<b>2,462,960</b>	<b>183,475</b>

**2017/18 CAPITAL BIDS**

Cabinet Member	Ref	Details of the Bid	Amount (£)	Recommendation		
				Finance (£)	Reject (£)	Comments
<b>ECONOMY DEPARTMENT</b>						
I.T.	ECON 1	<b>Relocation of Criccieth Library</b> Bid to finance the change in the library service in Criccieth, from being a library maintained by the authority to be a community library in collaboration between Adult Services and the Town Council.	26,720	26,720		Recommend finance the bid in full.
M.W-D.	ECON 2	<b>Aberdyfi Foot Bridge</b> Bid in order to finance a new footbridge in Aberdyfi, as the present bridge has come to the end of its useful life.	100,000			Recommend that further options appraisal are needed, therefore a further report should be submitted before the Council decides to commit its scarce capital money.
M.W-D.	ECON 3	<b>Voluntary Development Fund</b> Funding to support capital projects by social and voluntary organisations and enterprises. The budget is managed under the banner of Cist Gwynedd.  Over the past 2 years, the Council has contributed £212,000 towards 25 project, with the total cost of these projects £926,000.	70,000	70,000		Recommend finance the bid in full.
<b>ECONOMY DEPARTMENT TOTAL</b>			<b>196,720</b>	<b>96,720</b>	<b>-</b>	
<b>TOTAL CAPITAL BIDS</b>			<b>196,720</b>	<b>96,720</b>	<b>-</b>	

**APPENDIX 2**

<b>CAPITAL PROGRAMME FOR 2017/18 – 2018/19</b>		
	<b>2017/18</b>	<b>2018/19</b>
	<b>£'000</b>	<b>£'000</b>
Buildings Repairs and Maintenance (dealing with the backlog and avoiding further deterioration)	2,553	2,477
Fire and Asbestos work	300	308
Schools Organisation	6,039	248
Street Lighting	50	50
Safety fences on roads	134	134
Dealing with flooding on roads	100	100
Playing Fields	35	35
Vehicle Renewals	0	93
Transport Feasibility Schemes	100	100
Cycle Routes	20	20
Information Technology Renewals	436	275
Electronic Documents and Records System	155	0
Housing Grants	2,000	2,000
To be distributed	93	570
<b>Total</b>	<b>12,015</b>	<b>6,410</b>

## 2017/18 PROPOSED BUDGETS BY SERVICES

	Base Budget 2016/17	Inflation	Increments	Levy, Interest on Balances & Capital Charges	Demography & Transfer to the Settlement	Income Budgets	Various	Pressure, Apprenticeship & Pensions	Savings & Cuts	Base Budget 2017/18
DEPARTMENTS	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	2,052	18	3	0	0	0	(50)	0	(21)	2,002
Corporate Support	7,973	69	3	0	0	(10)	(30)	0	(408)	7,597
Finance	6,144	67	(9)	0	0	0	32	79	(263)	6,050
Trunk Roads	(87)	0	0	0	0	0	0	0	0	(87)
Highways and Municipal	20,559	210	(12)	0	0	(20)	78	726	(1,866)	19,675
Regulatory	6,947	83	5	0	3	(60)	83	(25)	(980)	6,056
Gwynedd Consultancy	318	1	(18)	0	0	0	(1)	0	(105)	195
Central Education	13,289	83	(30)	0	(1)	0	27	247	(415)	13,200
Schools Budget	69,147	689	196	0	34	0	(26)	791	(1,087)	69,744
Economy and Community Adults, Health and Wellbeing	5,965	29	43	0	0	119	(14)	6	(873)	5,275
Children and Supporting Families	44,014	1,363	127	0	327	0	(114)	559	(1,937)	44,339
12,554	147	10	0	33	0	100	253	(340)	12,757	
<b>Departmental Total</b>	<b>188,875</b>	<b>2,759</b>	<b>318</b>	<b>0</b>	<b>396</b>	<b>29</b>	<b>85</b>	<b>2,636</b>	<b>(8,295)</b>	<b>186,803</b>
Corporate and Capital Matters	43,202	999	0	381	565	0	88	781	1,063	47,079
<b>TOTAL =</b>	<b>232,077</b>	<b>3,758</b>	<b>318</b>	<b>381</b>	<b>961</b>	<b>29</b>	<b>173</b>	<b>3,417</b>	<b>(7,232)</b>	<b>233,882</b>
Less Community Council Precepts	(1,826)									(1,826)
<b>TOTAL GROSS EXPENDITURE</b>	<b>230,251</b>	<b>3,758</b>	<b>318</b>	<b>381</b>	<b>961</b>	<b>29</b>	<b>173</b>	<b>3,417</b>	<b>(7,232)</b>	<b>232,056</b>
Financed by: Balances and Specific Reserves	(3,024)	0	0	(251)	0	0	0	(72)	2,591	(756)
<b>NET TOTAL =</b>	<b>227,227</b>	<b>3,758</b>	<b>318</b>	<b>130</b>	<b>961</b>	<b>29</b>	<b>173</b>	<b>3,345</b>	<b>(4,641)</b>	<b>231,300</b>

**A MEDIUM TERM PLAN TO ADDRESS THE FINANCIAL GAP 2017/18 - 2019/20**

1. For a number of years, whilst establishing its budget, Gwynedd Council has been planning ahead to prepare for what might be on the horizon. This has paid dividends, and in fact this is why we have been able to balance the 2017/18 budget without having to decide on any additional cuts which would have an impact on the people of Gwynedd. Not every Council is in a position to do this.
2. In order to continue on this course, in addition to establishing a budget for 2017/18, an effort has also been made to project the financial situation for the following two years, so that we can set the 2017/18 position in its wider context and plan how we are going to meet the challenges ahead.
3. The grant figure we will receive from the Welsh Government is the most uncertain figure for 2018/19 onwards. As the grant finances around 74% of the Council's net budget, clearly this figure is key to the projections. We know from the statement of the UK Government's Chancellor, and the statements made by Mark Drakeford, Cabinet Secretary for Finance and Local Government in the Welsh Government, that there could be a challenging future ahead for local government in Wales.
4. The strategy for the next three years sets out a realistic and prudent picture of what could lie ahead for us. The following tables show the results of the latest projections, noting those savings which have already been planned.
5. The financial strategy adopted by the Cabinet in February 2016 faced the financial gap between 2016/17 and 2017/18, while this report reviews the basis of those assumptions and attempts to look past that period up to 2020.
6. The 2017/18 grant settlement is used here for planning purposes, together with the budget (the latest estimates of the Council's requirements) for 2017/18, together with an outline estimate for 2018/19 and 2019/20.
7. Unlike some other authorities, assuming that we will be able to realise the additional efficiency savings, implementing the agreed savings schemes and cuts (adopted by the Council in March 2016) will be sufficient in order for Gwynedd Council to balance the budget with no additional cuts by 2017/18.
8. In the following illustration, slippage can be seen in the schedule of realising some savings from 2017/18 to 2018/19. This will, of course, assist us with next year's budget, and will receive attention in relevant Cabinet Members' performance reports.
9. The UK Government's expenditure will become clearer in March 2017, but for planning purposes, the 23/11/2016 autumn statement confirmed some previous figures regarding financing local government in Wales for 2018/19 and beyond.
10. By making reasonable assumptions about the position of the UK Government's relevant departments, the effect of the Barnett formula, and the Welsh Government's options (how much 'protection' is given to Health and other projects), 3 cases can be modelled forecasting how much could possibly be allocated to local government in Wales.

**2017/18 - 2019/20 BUDGET**

<b>MODELLING THE WORST SCENARIO</b>	<b><u>2017/18</u></b>	<b><u>2018/19</u></b>	<b><u>2019/20</u></b>
	<b><u>CT 2.8%</u></b>	<b><u>CT3.5%</u></b>	<b><u>CT 3.5%</u></b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Add back one-off use of reserves	2,591		
Additional Expenditure Requirements	8,714	7,400	8,000
General Revenue Grant (Increase) / Decrease (+ adjustment)	-2,013	6,069	4,890
Council Tax Increase	-2,060	-2,302	-2,387
	<hr/>	<hr/>	<hr/>
Gap before savings schemes	7,232	11,167	10,503
Current Efficiency Savings	-3,291	-944	
Schools' Efficiency Savings	-990	-263	
Cuts decided to be achieved in the specific year	-1,869	-368	-65
Additional Efficiency Savings 'on track' to be achieved during the year	-1,082	-2,296	-267
	<hr/>	<hr/>	<hr/>
Balance from the funding gap	0	7,296	10,171
Previous year's gap			7,296
2 year gap			<hr/> <hr/> 17,467

**2017/18 - 2019/20 BUDGET**

<b>MODELLING THE BEST SCENARIO</b>	<b><u>2017/18</u></b>	<b><u>2018/19</u></b>	<b><u>2019/20</u></b>
	<b>CT 2.8%</b>	<b>CT 3.5%</b>	<b>CT 3.5%</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Add back one-off use of reserves	2,591		
Additional Expenditure Requirements	8,714	7,400	8,000
General Revenue Grant (Increase) / Decrease (+ adjustment)	-2,013	6	-162
Council Tax Increase	-2,060	-2,302	-2,387
Gap before savings schemes	7,232	5,104	5,451
Current Efficiency Savings	-3,291	-944	
Schools' Efficiency Savings	-990	-263	
Cuts decided to be achieved in the specific year	-1,869	-368	-65
Additional Efficiency Savings 'on track' to be achieved during the year	-1,082	-2,296	-267
Balance from the funding gap	0	1,233	5,119
Previous year's gap			1,233
2 year gap			6,352

**2017/18 - 2019/20 BUDGET**

<b>MODELLING THE MEDIUM SCENARIO</b>	<b><u>2017/18</u> CT 2.8% £'000</b>	<b><u>2018/19</u> CT 3.5% £'000</b>	<b><u>2019/20</u> CT 3.5% £'000</b>
Add back one-off use of reserves	2,591		
Additional Expenditure Requirements	8,714	7,400	8,000
General Revenue Grant (Increase) / Decrease (+ adjustment)	-2,013	2,529	2,567
Council Tax Increase	-2,060	-2,302	-2,387
Gap before savings schemes	7,232	7,627	8,180
Current Efficiency Savings	-3,291	-944	
Schools' Efficiency Savings	-990	-263	
Cuts decided to be achieved in the specific year	-1,869	-368	-65
Additional Efficiency Savings 'on track' to be achieved during the year	-1,082	-2,296	-267
Balance from the funding gap	0	3,756	7,848
Previous year's gap			3,756
2 year gap			11,604

11. The 'best' scenario on the previous pages reflects the position should the Wales Government provide inflation for Health and treat everything else equally. The 'medium' case is an update of our previous projections, while the 'worst' figures reflect more pessimistic forecasts which were more common across other local authorities in previous years. The true settlements could be outside the scenarios outlined above, but it is reasonable to presume it will be between the best and worst scenarios in the 3 tables.
12. As noted in the report on the 2017/18 budget, implementing the schemes which have already been agreed will be sufficient for Gwynedd Council to balance the budget without making any additional cuts by 2017/18. However, there is a range of over £11m between the 'best / worst' case positions we have speculated upon over the following two years (2018/19 and 2019/20), and it is also possible that the outcome will be outside our 'best / worst case scenarios'. If the 'central' case scenario happens, £3.8m of additional savings will be required by 2018/19 and a further £7.8m by 2019/20 (total of £11.6m).
13. Whatever the future grant figures will be, that will not change our ability to discover more efficiency savings. Therefore, we should keep to our present strategy which includes maximising such savings, and dealing with any additional funding gap (which will become clearer during 2017/18) by implementing cuts in 2018/19 and beyond, if totally necessary to do so at that time.

### **Medium Term Financial Plan for 3 years**

14. Ideally, the Council would prefer to implement a financial strategy over 4 or 5 years. Unfortunately, that is totally unpractical, as the Welsh Government has provided a settlement for one year only, with no indicative figures for following years. Further, in the wake of the vote on Britain's membership in the European Union, considerable uncertainty continues regarding the UK Government's budget (not to mention the Council's priorities post-election).
15. Therefore, it is sensible to deal with the 2017/18 budget now, and then before drawing up a more detailed response plan for the following two years (2018/19 and 2019/20) when we will have identified the relevant gap with more certainty (during 2017/18).
16. In the meantime, it is recommended that we should continue to work on the basis of the same range of possibilities as already agreed, namely:

Council Tax Policy	Consider increase in the Council Tax similar to the Wales average.
Schools Budget	Continue with the target of £4.3m from the schools budget (but defer the 2017/18 element for the secondary sector).
Efficiency Savings	Maximise the efficiency savings that can be achieved (in order to avoid cuts in 2018/19)
Cuts	Implement cuts only as necessary, in order to meet any remaining balance of the funding gap

17. The strategy to ensure more efficiency savings is already in hand, and I am convinced we can surpass the 2017/18 target so that an amount will be in hand by 2018/19. In the meantime, no doubt the members will be underlining the message to officers to maximise the efficiency savings which can be identified and realised during 2017/18.

**(i) Penderfyniad drafft y Dreth Cyngor yn seiliedig ar argymhelliad y Cabinet i'r Cyngor ar gyfer ei gyfarfod ar 2 Mawrth 2017 (ar sail cynnydd o 2.8%)**

**(ii) Tablau yn dangos lefel y Dreth Cyngor a'r cynnydd fesul cymuned**

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**(i) Draft Council Tax resolution based on the Cabinet's recommendation to the Council for its meeting on 2 March 2017 (on the basis of a 2.8% increase)**

**(ii) Tables showing the level of Council Tax and increases by community**

## Penderfynwyd

1. Cymeradwyo'r argymhellion a gyflwynir gan y Cabinet fel y nodir yn yr adroddiad.
2. Nodi fod yr Aelod Cabinet dros Adnoddau, drwy daflen benderfyniad dyddiedig 22 Tachwedd 2016, wedi cymeradwyo cyfrifiad y symiau a ganlyn ar gyfer y flwyddyn 2017/18 yn unol â'r rheoliadau a luniwyd dan Adran 33 (5) o Ddeddf Cyllid Llywodraeth Leol 1992 ("Y Ddeddf"):-
  - (a) 50,232.22 yw'r swm a gyfrifwyd fel Sylfaen drethiannol Gwynedd yn unol â'r Rheoliadau Awdurdodau Lleol (Cyfrifo Sylfaen y Dreth Cyngor) (Cymru) 1995 fel y'i diwygiwyd fel ei sylfaen Dreth Cyngor am y flwyddyn.
  - (b) Rhan o ardal y Cyngor – Sylfaen drethiannol Cymuned –

Aberdaron	521.73	Llanddeiniolen	1,797.37
Aberdyfi	915.28	Llandderfel	484.05
Abergwyngregyn	116.25	Llanegryn	155.92
Abermaw (Barmouth)	1,089.22	Llanelltyd	277.33
Arthog	603.52	Llanengan	1,955.12
Y Bala	759.58	Llanfair	306.45
Bangor	3,752.56	Llanfihangel y Pennant	207.70
Beddgelert	314.22	Llanfrothen	215.74
Betws Garmon	132.87	Llangelynnin	392.62
Bethesda	1,656.05	Llangywer	135.09
Bontnewydd	433.54	Llanllechid	334.49
Botwnnog	430.29	Llanllyfni	1,385.04
Brithdir a Llanfachreth	403.86	Llannor	897.86
Bryncrug	333.65	Llanrug	1,128.07
Buan	221.19	Llanuwchllyn	306.73
Caernarfon	3,467.91	Llanwnda	766.22
Clynnog Fawr	440.58	Llanycil	195.26
Corris	291.48	Llanystumdwy	856.31
Cricieth	916.60	Maentwrog	272.30
Dolbenmaen	585.70	Mawddwy	333.19
Dolgellau	1,190.95	Nefyn	1,380.07
Dyffryn Ardudwy	773.53	Pennal	216.03
Y Felinheli	1,122.95	Penrhyndeudraeth	760.14
Ffestiniog	1,687.96	Pentir	1,067.54
Y Ganllwyd	78.91	Pistyll	243.50
Harlech	747.37	Porthmadog	1,947.97
Llanaelhaearn	429.82	Pwllheli	1,713.23
Llanbedr	313.90	Talsarnau	306.91
Llanbedrog	677.91	Trawsfynydd	499.78
Llanberis	769.47	Tudweiliog	444.98
Llandwrog	996.86	Tywyn	1,552.99
Llandygai	964.62	Waunfawr	555.89

sef y symiau a gyfrifwyd fel symiau Sylfaen y Dreth Gyngor ar gyfer y flwyddyn ar gyfer tai annedd yn y rhannau hynny o'i ardal lle bo un eitem arbennig neu fwy'n berthnasol.

3. Bod y symiau a ganlyn yn cael eu pennu yn awr gan y Cyngor ar gyfer y flwyddyn 2017/18 yn unol ag Adrannau 32 i 36 o'r Ddeddf:-

- (a) £347,986,230 Sef cyfanswm y symiau y mae'r Cyngor yn eu hamcangyfrif ar gyfer yr eitemau a nodwyd yn Adran 32(2)(a) i (e) o'r Ddeddf (gwariant gros).
- (b) £114,986,280 Sef cyfanswm y symiau y mae'r Cyngor yn eu hamcangyfrif ar gyfer yr eitemau a nodwyd yn Adran 32(3)(a) i (c) o'r Ddeddf (incwm).
- (c) £232,999,950 Sef y swm sy'n cyfateb i'r gwahaniaeth rhwng cyfanswm 3(a) uchod a chyfanswm 3(b) uchod, a gyfrifwyd gan y Cyngor, yn unol ag Adran 32(4) o'r Ddeddf, fel ei ofynion cyllideb ar gyfer y flwyddyn (cyllideb net).
- (ch) £168,668,537 Sef cyfanswm y symiau y mae'r Cyngor yn amcangyfrif y byddant yn daladwy yn ystod y flwyddyn i'w gronfa ar gyfer cyfan o'r Dreth Annomestig Genedlaethol a Grant Cynnal Refeniw, llai amcangyfrif o'r gost i'r Cyngor o ryddhad dewisol o'r dreth annomestig a ganiateir.
- (d) £1,280.68 Sef y swm yn 3(c) uchod llai'r swm yn 3(ch) uchod, y cyfan wedi ei rannu gan y swm a nodir yn 2(a) uchod, a gyfrifwyd gan y Cyngor yn unol ag Adran 33(1) o'r Ddeddf, sef swm sylfaenol ei Dreth Cyngor am y flwyddyn (treth Cyngor Gwynedd a threth cyfartalog cynghorau cymuned).
- (dd) £1,995,230 Sef cyfanswm yr holl eitemau arbennig y cyfeirir atynt yn Adran 34(1) o'r Ddeddf (praeseptau'r cynghorau cymuned).
- (e) £1,240.96 Sef y swm yn 3(d) uchod llai'r canlyniad a geir wrth rannu'r swm yn 3(dd) uchod â'r swm yn 2(a) uchod, a gyfrifwyd gan y Cyngor, yn unol ag Adran 34(2) fel swm sylfaenol ei Dreth Cyngor am y flwyddyn ar gyfer tai annedd yn y rhannau hynny o'i ardal lle nad oes unrhyw eitem arbennig yn berthnasol (Band D ar gyfer treth Cyngor Gwynedd yn unig).

(f) Ar gyfer rhannau o ardal y Cyngor –

Aberdaron	1,265.88	Llanddeiniolen	1,252.09
Aberdyfi	1,275.39	Llandderfel	1,263.68
Abergwyngregyn	1,262.47	Llanegryn	1,273.03
Abermaw (Barmouth)	1,288.70	Llanelltyd	1,268.00
Arthog	1,256.29	Llanengan	1,266.53
Y Bala	1,269.92	Llanfair	1,270.33
Bangor	1,336.01	Llanfihangel y Pennant	1,292.74
Beddgelert	1,268.65	Llanfrothen	1,267.84
Betws Garmon	1,260.53	Llangelynnin	1,260.83
Bethesda	1,276.28	Llangywer	1,270.57
Bontnewydd	1,276.71	Llanllechid	1,263.38
Botwnnog	1,252.58	Llanllyfni	1,270.10
Brithdir a Llanfachreth	1,255.82	Llannor	1,257.84
Bryncrug	1,276.93	Llanrug	1,268.44
Buan	1,257.91	Llanuwchllyn	1,273.56
Caernarfon	1,298.20	Llanwnda	1,271.24
Clynnog Fawr	1,268.20	Llanycil	1,261.45
Corris	1,265.91	Llanystumdwy	1,258.48
Cricieth	1,278.05	Maentwrog	1,262.75
Dolbenmaen	1,258.03	Mawddwy	1,264.97
Dolgellau	1,286.30	Nefyn	1,284.86
Dyffryn Ardudwy	1,279.41	Pennal	1,268.73
Y Felinheli	1,272.13	Penrhyndeudraeth	1,285.69
Ffestiniog	1,329.82	Pentir	1,282.18
Y Ganllwyd	1,275.18	Pistyll	1,275.87
Harlech	1,265.71	Porthmadog	1,269.53
Llanaelhaearn	1,299.12	Pwllheli	1,282.99
Llanbedr	1,286.18	Talsarnau	1,289.83
Llanbedrog	1,266.04	Trawsfynydd	1,272.97
Llanberis	1,266.95	Tudweiliog	1,254.44
Llandwrog	1,282.09	Tywyn	1,296.34
Llandygai	1,262.32	Waunfawr	1,262.55

sef y symiau a geir trwy ychwanegu symiau'r eitem neu eitemau arbennig sy'n berthnasol i dai annedd yn y rhannau hynny o ardal y Cyngor y cyfeiriwyd atynt uchod, at y swm a geir yn 3(e) uchod wedi'u rhannu ym mhob achos gan y swm yn 2(b) uchod, a gyfrifwyd gan y Cyngor yn unol ag Adran 34(3) o'r Ddeddf, fel symiau sylfaenol ei Dreth Gyngor am y flwyddyn ar gyfer tai annedd yn y rhannau hynny o'i ardal lle bo un eitem arbennig neu fwy'n berthnasol.

(ff) Ar gyfer rhannau o ardal y Cyngor, y ffigyrau a nodir yn **Atodiad 1**, sef y symiau a geir trwy luosi'r symiau yn 3(f) uchod â'r rhif sydd yn ôl y cyfrannau a nodir yn Adran 5 (1) o'r Ddeddf, yn berthnasol i dai annedd a restrir mewn band prasio arbennig wedi'i rannu â'r rhif sydd yn ôl y cyfrannau hynny'n berthnasol i dai a restrir ym mand prasio D, a gyfrifir gan y Cyngor, yn unol ag Adran 36(1) o'r Ddeddf, yn symiau sydd i'w hystyried ar gyfer y flwyddyn ar gyfer y categorïau o dai annedd a restrir yn y gwahanol fandiau prasio.

4. Nodi ar gyfer y flwyddyn 2017/18 fod Comisiynydd Heddlu a Throsedd Gogledd Cymru wedi nodi'r symiau a ganlyn mewn praecept a roddwyd i'r Cyngor, yn unol ag Adran 40 o'r Ddeddf ar gyfer pob un o'r categorïau o dai annedd a ddangosir isod:

<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>	<b>Band I</b>
166.14	193.83	221.52	249.21	304.59	359.97	415.35	498.42	581.49

5. Wedi pennu'r cyfanswm ym mhob achos o'r symiau 3(ff) a 4 uchod, bod y Cyngor, yn unol ag Adran 30(2) o'r Ddeddf trwy hyn, yn pennu'r symiau a nodir yn **Atodiad 2** ar gyfer y Dreth Gyngor yn y flwyddyn 2017/18 ar gyfer pob categori o dai annedd a ddangosir yn yr Atodiad.

## Resolved

1. To approve the recommendations of the Cabinet as noted in the report.
2. That it be noted that the Cabinet Member for Resources, in a decision notice dated 22 November 2016, approved the calculation of the following amounts for 2017/18 in accordance with Regulations made under Section 33 (5) of the Local Government Finance Act 1992 ("The Act"):-
  - (a) 50,232.22 being the amount calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 as amended, as its Council Tax base for the year.
  - (b) Part of the Council's Area – Communities Tax Base -

Aberdaron	521.73	Llanddeiniolen	1,797.37
Aberdyfi	915.28	Llandderfel	484.05
Abergwyngregyn	116.25	Llanegryn	155.92
Abermaw (Barmouth)	1,089.22	Llanelltyd	277.33
Arthog	603.52	Llanengan	1,955.12
Y Bala	759.58	Llanfair	306.45
Bangor	3,752.56	Llanfihangel y Pennant	207.70
Beddgelert	314.22	Llanfrothen	215.74
Betws Garmon	132.87	Llangelynnin	392.62
Bethesda	1,656.05	Llangywer	135.09
Bontnewydd	433.54	Llanllechid	334.49
Botwnnog	430.29	Llanllyfni	1,385.04
Brithdir and Llanfachreth	403.86	Llannor	897.86
Bryncrug	333.65	Llanrug	1,128.07
Buan	221.19	Llanuwchllyn	306.73
Caernarfon	3,467.91	Llanwnda	766.22
Clynnog Fawr	440.58	Llanycil	195.26
Corris	291.48	Llanystumdwy	856.31
Criccieth	916.60	Maentwrog	272.30
Dolbenmaen	585.70	Mawddwy	333.19
Dolgellau	1,190.95	Nefyn	1,380.07
Dyffryn Ardudwy	773.53	Pennal	216.03
Y Felinheli	1,122.95	Penrhyndeudraeth	760.14
Ffestiniog	1,687.96	Pentir	1,067.54
Y Ganllwyd	78.91	Pistyll	243.50
Harlech	747.37	Porthmadog	1,947.97
Llanaelhaearn	429.82	Pwllheli	1,713.23
Llanbedr	313.90	Talsarnau	306.91
Llanbedrog	677.91	Trawsfynydd	499.78
Llanberis	769.47	Tudweiliog	444.98
Llandwrog	996.86	Tywyn	1,552.99
Llandygai	964.62	Waunfawr	555.89

being the amounts calculated as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

3. That the following amounts be now calculated by the Council for the year 2017/18 in accordance with Sections 32 to 36 of the Act:-

- (a) £347,986,230      Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act (gross expenditure).
- (b) £114,986,280      Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act (income).
- (c) £232,999,950      Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year (net budget).
- (ch) £168,668,537      Being the aggregate of the sums which the Council estimates will be payable during the year into its fund in respect of the National Non-Domestic Rates and Revenue Support Grant, less the estimated cost to the Council of discretionary non-domestic rate relief granted.
- (d) £1,280.68          Being the amount at 3(c) above less the amount at 3(ch) above, all divided by the amount at 2(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year. (Gwynedd Council tax and average community council tax).
- (dd) £1,995,230      Being the aggregate amount of all special items referred to in Section 34(1) of the Act (community council precepts).
- (e) £1,240.96          Being the amount at 3(d) above less the result given by dividing the amount at 3(dd) above by the amount at 2(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (Band D for Gwynedd Council tax only).

(f) Part of the Council's Area – Community

Aberdaron	1,265.88	Llanddeiniolen	1,252.09
Aberdyfi	1,275.39	Llandderfel	1,263.68
Abergwyngregyn	1,262.47	Llanegryn	1,273.03
Abermaw (Barmouth)	1,288.70	Llanelltyd	1,268.00
Arthog	1,256.29	Llanengan	1,266.53
Y Bala	1,269.92	Llanfair	1,270.33
Bangor	1,336.01	Llanfihangel y Pennant	1,292.74
Beddgelert	1,268.65	Llanfrothen	1,267.84
Betws Garmon	1,260.53	Llangelynnin	1,260.83
Bethesda	1,276.28	Llangywer	1,270.57
Bontnewydd	1,276.71	Llanllechid	1,263.38
Botwnnog	1,252.58	Llanllyfni	1,270.10
Brithdir and Llanfachreth	1,255.82	Llannor	1,257.84
Bryncrug	1,276.93	Llanrug	1,268.44
Buan	1,257.91	Llanuwchllyn	1,273.56
Caernarfon	1,298.20	Llanwnda	1,271.24
Clynnog Fawr	1,268.20	Llanycil	1,261.45
Corris	1,265.91	Llanystumdwy	1,258.48
Criccieth	1,278.05	Maentwrog	1,262.75
Dolbenmaen	1,258.03	Mawddwy	1,264.97
Dolgellau	1,286.30	Nefyn	1,284.86
Dyffryn Ardudwy	1,279.41	Pennal	1,268.73
Y Felinheli	1,272.13	Penrhyndeudraeth	1,285.69
Ffestiniog	1,329.82	Pentir	1,282.18
Y Ganllwyd	1,275.18	Pistyll	1,275.87
Harlech	1,265.71	Porthmadog	1,269.53
Llanaelhaearn	1,299.12	Pwllheli	1,282.99
Llanbedr	1,286.18	Talsarnau	1,289.83
Llanbedrog	1,266.04	Trawsfynydd	1,272.97
Llanberis	1,266.95	Tudweiliog	1,254.44
Llandwrog	1,282.09	Tywyn	1,296.34
Llandygai	1,262.32	Waunfawr	1,262.55

being the amounts given by adding to the amount at 3(e) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount of 2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (ff) In respect of part of the Council's area, the figures noted in **Appendix 1**, being the amounts given by multiplying the sums specified in 3(f) above by the number which, in the proportion set out in Section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that for the year 2017/18 the Police and Crime Commissioner for North Wales have stated the following amounts in a precept issued to the Council, in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwellings shown below.

<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>	<b>Band I</b>
166.14	193.83	221.52	249.21	304.59	359.97	415.35	498.42	581.49

5. That, having calculated the aggregate in each case of the amounts at 3(ff) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the amounts noted in **Appendix 2** as the amounts of Council Tax for the year 2017/18 for each of the categories of dwellings shown therein.

**Treth Cyngor: Cyngor Gwynedd + Cyngor Cymuned**  
**Council Tax : Cyngor Gwynedd + Community Council**

	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>	<b>Band I</b>
Aberdaron	843.92	984.57	1,125.23	1,265.88	1,547.19	1,828.49	2,109.80	2,531.76	2,953.72
Aberdyfi	850.26	991.97	1,133.68	1,275.39	1,558.81	1,842.23	2,125.65	2,550.78	2,975.91
Abergwyngregyn	841.65	981.92	1,122.20	1,262.47	1,543.02	1,823.57	2,104.12	2,524.94	2,945.76
Abermaw (Barmouth)	859.13	1,002.32	1,145.51	1,288.70	1,575.08	1,861.46	2,147.83	2,577.40	3,006.97
Arthog	837.53	977.11	1,116.70	1,256.29	1,535.47	1,814.64	2,093.82	2,512.58	2,931.34
Y Bala	846.61	987.72	1,128.82	1,269.92	1,552.12	1,834.33	2,116.53	2,539.84	2,963.15
Bangor	890.67	1,039.12	1,187.56	1,336.01	1,632.90	1,929.79	2,226.68	2,672.02	3,117.36
Beddgelert	845.77	986.73	1,127.69	1,268.65	1,550.57	1,832.49	2,114.42	2,537.30	2,960.18
Betws Garmon	840.35	980.41	1,120.47	1,260.53	1,540.65	1,820.77	2,100.88	2,521.06	2,941.24
Bethesda	850.85	992.66	1,134.47	1,276.28	1,559.90	1,843.52	2,127.13	2,552.56	2,977.99
Bontnewydd	851.14	993.00	1,134.85	1,276.71	1,560.42	1,844.14	2,127.85	2,553.42	2,978.99
Botwnnog	835.05	974.23	1,113.40	1,252.58	1,530.93	1,809.28	2,087.63	2,505.16	2,922.69
Brithdir & Llanfachreth	837.21	976.75	1,116.28	1,255.82	1,534.89	1,813.96	2,093.03	2,511.64	2,930.25
Bryncrug	851.29	993.17	1,135.05	1,276.93	1,560.69	1,844.45	2,128.22	2,553.86	2,979.50
Buan	838.61	978.37	1,118.14	1,257.91	1,537.45	1,816.98	2,096.52	2,515.82	2,935.12
Caernarfon	865.47	1,009.71	1,153.96	1,298.20	1,586.69	1,875.18	2,163.67	2,596.40	3,029.13
Clynnog Fawr	845.47	986.38	1,127.29	1,268.20	1,550.02	1,831.84	2,113.67	2,536.40	2,959.13
Corris	843.94	984.60	1,125.25	1,265.91	1,547.22	1,828.54	2,109.85	2,531.82	2,953.79
Criccieth	852.03	994.04	1,136.04	1,278.05	1,562.06	1,846.07	2,130.08	2,556.10	2,982.12
Dolbenmaen	838.69	978.47	1,118.25	1,258.03	1,537.59	1,817.15	2,096.72	2,516.06	2,935.40
Dolgellau	857.53	1,000.46	1,143.38	1,286.30	1,572.14	1,857.99	2,143.83	2,572.60	3,001.37
Dyffryn Ardudwy	852.94	995.10	1,137.25	1,279.41	1,563.72	1,848.04	2,132.35	2,558.82	2,985.29
Y Felinheli	848.09	989.43	1,130.78	1,272.13	1,554.83	1,837.52	2,120.22	2,544.26	2,968.30
Ffestiniog	886.55	1,034.30	1,182.06	1,329.82	1,625.34	1,920.85	2,216.37	2,659.64	3,102.91
Y Ganllwyd	850.12	991.81	1,133.49	1,275.18	1,558.55	1,841.93	2,125.30	2,550.36	2,975.42
Harlech	843.81	984.44	1,125.08	1,265.71	1,546.98	1,828.25	2,109.52	2,531.42	2,953.32
Llanaelhaearn	866.08	1,010.43	1,154.77	1,299.12	1,587.81	1,876.51	2,165.20	2,598.24	3,031.28
Llanbedr	857.45	1,000.36	1,143.27	1,286.18	1,572.00	1,857.82	2,143.63	2,572.36	3,001.09
Llanbedrog	844.03	984.70	1,125.37	1,266.04	1,547.38	1,828.72	2,110.07	2,532.08	2,954.09
Llanberis	844.63	985.41	1,126.18	1,266.95	1,548.49	1,830.04	2,111.58	2,533.90	2,956.22
Llandwrog	854.73	997.18	1,139.64	1,282.09	1,567.00	1,851.91	2,136.82	2,564.18	2,991.54
Llandygai	841.55	981.80	1,122.06	1,262.32	1,542.84	1,823.35	2,103.87	2,524.64	2,945.41
Llanddeiniolen	834.73	973.85	1,112.97	1,252.09	1,530.33	1,808.57	2,086.82	2,504.18	2,921.54
Llandderfel	842.45	982.86	1,123.27	1,263.68	1,544.50	1,825.32	2,106.13	2,527.36	2,948.59
Llanegryn	848.69	990.13	1,131.58	1,273.03	1,555.93	1,838.82	2,121.72	2,546.06	2,970.40
Llanelltyd	845.33	986.22	1,127.11	1,268.00	1,549.78	1,831.56	2,113.33	2,536.00	2,958.67
Llanengan	844.35	985.08	1,125.80	1,266.53	1,547.98	1,829.43	2,110.88	2,533.06	2,955.24
Llanfair	846.89	988.03	1,129.18	1,270.33	1,552.63	1,834.92	2,117.22	2,540.66	2,964.10
Llanfihangel y Pennant	861.83	1,005.46	1,149.10	1,292.74	1,580.02	1,867.29	2,154.57	2,585.48	3,016.39
Llanfrothen	845.23	986.10	1,126.97	1,267.84	1,549.58	1,831.32	2,113.07	2,535.68	2,958.29
Llangelynnin	840.55	980.65	1,120.74	1,260.83	1,541.01	1,821.20	2,101.38	2,521.66	2,941.94
Llangywer	847.05	988.22	1,129.40	1,270.57	1,552.92	1,835.27	2,117.62	2,541.14	2,964.66
Llanllechid	842.25	982.63	1,123.00	1,263.38	1,544.13	1,824.88	2,105.63	2,526.76	2,947.89
Llanllfyni	846.73	987.86	1,128.98	1,270.10	1,552.34	1,834.59	2,116.83	2,540.20	2,963.57
Llanmor	838.56	978.32	1,118.08	1,257.84	1,537.36	1,816.88	2,096.40	2,515.68	2,934.96
Llanrug	845.63	986.56	1,127.50	1,268.44	1,550.32	1,832.19	2,114.07	2,536.88	2,959.69
Llanuwchllyn	849.04	990.55	1,132.05	1,273.56	1,556.57	1,839.59	2,122.60	2,547.12	2,971.64
Llanwnda	847.49	988.74	1,129.99	1,271.24	1,553.74	1,836.24	2,118.73	2,542.48	2,966.23
Llanycil	840.97	981.13	1,121.29	1,261.45	1,541.77	1,822.09	2,102.42	2,522.90	2,943.38
Llanystumdwy	838.99	978.82	1,118.65	1,258.48	1,538.14	1,817.80	2,097.47	2,516.96	2,936.45
Maentwrog	841.83	982.14	1,122.44	1,262.75	1,543.36	1,823.97	2,104.58	2,525.50	2,946.42
Mawddwy	843.31	983.87	1,124.42	1,264.97	1,546.07	1,827.18	2,108.28	2,529.94	2,951.60
Nefyn	856.57	999.34	1,142.10	1,284.86	1,570.38	1,855.91	2,141.43	2,569.72	2,998.01
Pennal	845.82	986.79	1,127.76	1,268.73	1,550.67	1,832.61	2,114.55	2,537.46	2,960.37
Penrhyndeudraeth	857.13	999.98	1,142.84	1,285.69	1,571.40	1,857.11	2,142.82	2,571.38	2,999.94
Pentir	854.79	997.25	1,139.72	1,282.18	1,567.11	1,852.04	2,136.97	2,564.36	2,991.75
Pistyll	850.58	992.34	1,134.11	1,275.87	1,559.40	1,842.92	2,126.45	2,551.74	2,977.03
Porthmadog	846.35	987.41	1,128.47	1,269.53	1,551.65	1,833.77	2,115.88	2,539.06	2,962.24
Pwllheli	855.33	997.88	1,140.44	1,282.99	1,568.10	1,853.21	2,138.32	2,565.98	2,993.64
Talsarnau	859.89	1,003.20	1,146.52	1,289.83	1,576.46	1,863.09	2,149.72	2,579.66	3,009.60
Tudfynydd	848.65	990.09	1,131.53	1,272.97	1,555.85	1,838.73	2,121.62	2,545.94	2,970.26
Tudweiliog	836.29	975.68	1,115.06	1,254.44	1,533.20	1,811.97	2,090.73	2,508.88	2,927.03
Tywyn	864.23	1,008.26	1,152.30	1,296.34	1,584.42	1,872.49	2,160.57	2,592.68	3,024.79
Waunfawr	841.70	981.98	1,122.27	1,262.55	1,543.12	1,823.68	2,104.25	2,525.10	2,945.95

**Treth Cyngor: Cyngor Gwynedd + Cyngor Cymuned + Comisiynydd Heddlu a Throsedd Gogledd Cymru**  
**Council Tax : Cyngor Gwynedd + Community Council + North Wales Police and Crime Commissioner**

	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>	<b>Band I</b>
Aberdaron	1,010.06	1,178.40	1,346.75	1,515.09	1,851.78	2,188.46	2,525.15	3,030.18	3,535.21
Aberdyfi	1,016.40	1,185.80	1,355.20	1,524.60	1,863.40	2,202.20	2,541.00	3,049.20	3,557.40
Abergwyngregyn	1,007.79	1,175.75	1,343.72	1,511.68	1,847.61	2,183.54	2,519.47	3,023.36	3,527.25
Abermaw (Barmouth)	1,025.27	1,196.15	1,367.03	1,537.91	1,879.67	2,221.43	2,563.18	3,075.82	3,588.46
Arthog	1,003.67	1,170.94	1,338.22	1,505.50	1,840.06	2,174.61	2,509.17	3,011.00	3,512.83
Bala	1,012.75	1,181.55	1,350.34	1,519.13	1,856.71	2,194.30	2,531.88	3,038.26	3,544.64
Bangor	1,056.81	1,232.95	1,409.08	1,585.22	1,937.49	2,289.76	2,642.03	3,170.44	3,698.85
Beddgelert	1,011.91	1,180.56	1,349.21	1,517.86	1,855.16	2,192.46	2,529.77	3,035.72	3,541.67
Betws Garmon	1,006.49	1,174.24	1,341.99	1,509.74	1,845.24	2,180.74	2,516.23	3,019.48	3,522.73
Bethesda	1,016.99	1,186.49	1,355.99	1,525.49	1,864.49	2,203.49	2,542.48	3,050.98	3,559.48
Bontnewydd	1,017.28	1,186.83	1,356.37	1,525.92	1,865.01	2,204.11	2,543.20	3,051.84	3,560.48
Botwnnog	1,001.19	1,168.06	1,334.92	1,501.79	1,835.52	2,169.25	2,502.98	3,003.58	3,504.18
Brithdir & Llanfachreth	1,003.35	1,170.58	1,337.80	1,505.03	1,839.48	2,173.93	2,508.38	3,010.06	3,511.74
Bryncrug	1,017.43	1,187.00	1,356.57	1,526.14	1,865.28	2,204.42	2,543.57	3,052.28	3,560.99
Buan	1,004.75	1,172.20	1,339.66	1,507.12	1,842.04	2,176.95	2,511.87	3,014.24	3,516.61
Caernarfon	1,031.61	1,203.54	1,375.48	1,547.41	1,891.28	2,235.15	2,579.02	3,094.82	3,610.62
Clynnog Fawr	1,011.61	1,180.21	1,348.81	1,517.41	1,854.61	2,191.81	2,529.02	3,034.82	3,540.62
Corris	1,010.08	1,178.43	1,346.77	1,515.12	1,851.81	2,188.51	2,525.20	3,030.24	3,535.28
Criccieth	1,018.17	1,187.87	1,357.56	1,527.26	1,866.65	2,206.04	2,545.43	3,054.52	3,563.61
Dolbenmaen	1,004.83	1,172.30	1,339.77	1,507.24	1,842.18	2,177.12	2,512.07	3,014.48	3,516.89
Dolgellau	1,023.67	1,194.29	1,364.90	1,535.51	1,876.73	2,217.96	2,559.18	3,071.02	3,582.86
Dyffryn Ardudwy	1,019.08	1,188.93	1,358.77	1,528.62	1,868.31	2,208.01	2,547.70	3,057.24	3,566.78
Y Felinheli	1,014.23	1,183.26	1,352.30	1,521.34	1,859.42	2,197.49	2,535.57	3,042.68	3,549.79
Ffestiniog	1,052.69	1,228.13	1,403.58	1,579.03	1,929.93	2,280.82	2,631.72	3,158.06	3,684.40
Y Ganllwyd	1,016.26	1,185.64	1,355.01	1,524.39	1,863.14	2,201.90	2,540.65	3,048.78	3,556.91
Harlech	1,009.95	1,178.27	1,346.60	1,514.92	1,851.57	2,188.22	2,524.87	3,029.84	3,534.81
Llanaelhaearn	1,032.22	1,204.26	1,376.29	1,548.33	1,892.40	2,236.48	2,580.55	3,096.66	3,612.77
Llanbedr	1,023.59	1,194.19	1,364.79	1,535.39	1,876.59	2,217.79	2,558.98	3,070.78	3,582.58
Llanbedrog	1,010.17	1,178.53	1,346.89	1,515.25	1,851.97	2,188.69	2,525.42	3,030.50	3,535.58
Llanberis	1,010.77	1,179.24	1,347.70	1,516.16	1,853.08	2,190.01	2,526.93	3,032.32	3,537.71
Llandwrog	1,020.87	1,191.01	1,361.16	1,531.30	1,871.59	2,211.88	2,552.17	3,062.60	3,573.03
Llandygai	1,007.69	1,175.63	1,343.58	1,511.53	1,847.43	2,183.32	2,519.22	3,023.06	3,526.90
Llanddeiniolen	1,000.87	1,167.68	1,334.49	1,501.30	1,834.92	2,168.54	2,502.17	3,002.60	3,503.03
Llandderfel	1,008.59	1,176.69	1,344.79	1,512.89	1,849.09	2,185.29	2,521.48	3,025.78	3,530.08
Llanegryn	1,014.83	1,183.96	1,353.10	1,522.24	1,860.52	2,198.79	2,537.07	3,044.48	3,551.89
Llanelltyd	1,011.47	1,180.05	1,348.63	1,517.21	1,854.37	2,191.53	2,528.68	3,034.42	3,540.16
Llanengan	1,010.49	1,178.91	1,347.32	1,515.74	1,852.57	2,189.40	2,526.23	3,031.48	3,536.73
Llanfair	1,013.03	1,181.86	1,350.70	1,519.54	1,857.22	2,194.89	2,532.57	3,039.08	3,545.59
Llanfihangel y Pennant	1,027.97	1,199.29	1,370.62	1,541.95	1,884.61	2,227.26	2,569.92	3,083.90	3,597.88
Llanfrothen	1,011.37	1,179.93	1,348.49	1,517.05	1,854.17	2,191.29	2,528.42	3,034.10	3,539.78
Llangelynnin	1,006.69	1,174.48	1,342.26	1,510.04	1,845.60	2,181.17	2,516.73	3,020.08	3,523.43
Llangywer	1,013.19	1,182.05	1,350.92	1,519.78	1,857.51	2,195.24	2,532.97	3,039.56	3,546.15
Llanllechid	1,008.39	1,176.46	1,344.52	1,512.59	1,848.72	2,184.85	2,520.98	3,025.18	3,529.38
Llanllyfni	1,012.87	1,181.69	1,350.50	1,519.31	1,856.93	2,194.56	2,532.18	3,038.62	3,545.06
Llannor	1,004.70	1,172.15	1,339.60	1,507.05	1,841.95	2,176.85	2,511.75	3,014.10	3,516.45
Llanrug	1,011.77	1,180.39	1,349.02	1,517.65	1,854.91	2,192.16	2,529.42	3,035.30	3,541.18
Llanuwchllyn	1,015.18	1,184.38	1,353.57	1,522.77	1,861.16	2,199.56	2,537.95	3,045.54	3,553.13
Llanwnda	1,013.63	1,182.57	1,351.51	1,520.45	1,858.33	2,196.21	2,534.08	3,040.90	3,547.72
Llanycil	1,007.11	1,174.96	1,342.81	1,510.66	1,846.36	2,182.06	2,517.77	3,021.32	3,524.87
Llanystumdwy	1,005.13	1,172.65	1,340.17	1,507.69	1,842.73	2,177.77	2,512.82	3,015.38	3,517.94
Maentwrog	1,007.97	1,175.97	1,343.96	1,511.96	1,847.95	2,183.94	2,519.93	3,023.92	3,527.91
Mawddwy	1,009.45	1,177.70	1,345.94	1,514.18	1,850.66	2,187.15	2,523.63	3,028.36	3,533.09
Nefyn	1,022.71	1,193.17	1,363.62	1,534.07	1,874.97	2,215.88	2,556.78	3,068.14	3,579.50
Pennal	1,011.96	1,180.62	1,349.28	1,517.94	1,855.26	2,192.58	2,529.90	3,035.88	3,541.86
Penrhyndeudraeth	1,023.27	1,193.81	1,364.36	1,534.90	1,875.99	2,217.08	2,558.17	3,069.80	3,581.43
Pentir	1,020.93	1,191.08	1,361.24	1,531.39	1,871.70	2,212.01	2,552.32	3,062.78	3,573.24
Pistyll	1,016.72	1,186.17	1,355.63	1,525.08	1,863.99	2,202.89	2,541.80	3,050.16	3,558.52
Porthmadog	1,012.49	1,181.24	1,349.99	1,518.74	1,856.24	2,193.74	2,531.23	3,037.48	3,543.73
Pwllheli	1,021.47	1,191.71	1,361.96	1,532.20	1,872.69	2,213.18	2,553.67	3,064.40	3,575.13
Talsarnau	1,026.03	1,197.03	1,368.04	1,539.04	1,881.05	2,223.06	2,565.07	3,078.08	3,591.09
Trawsfynydd	1,014.79	1,183.92	1,353.05	1,522.18	1,860.44	2,198.70	2,536.97	3,044.36	3,551.75
Tudweiliog	1,002.43	1,169.51	1,336.58	1,503.65	1,837.79	2,171.94	2,506.08	3,007.30	3,508.52
Tywyn	1,030.37	1,202.09	1,373.82	1,545.55	1,889.01	2,232.46	2,575.92	3,091.10	3,606.28
Waunfawr	1,007.84	1,175.81	1,343.79	1,511.76	1,847.71	2,183.65	2,519.60	3,023.52	3,527.44

## Cynnydd yn y Dreth Cyngor fesul Cymuned / Increase in Council Tax by Community

Cymuned / Community	Sylfaen Drethiannol / Taxbase (Band D)	Praesept / Precept £	Treth Cymuned / Community Tax	Treth Gwynedd / Gwynedd Tax	Treth Heddlu / Police Tax	Cyfanswm / Total (Band D) 2017/18	Cynnydd / Increase 16/17 - 17/18	Cynnydd / Increase %	
Aberdaron	521.73	13,000	24.92	1,240.96	249.21	1,515.09	1,464.37	50.72	3.5%
Aberdyfi	915.28	31,510	34.43	1,240.96	249.21	1,524.60	1,472.74	51.86	3.5%
Abergwyngregyn	116.25	2,500	21.51	1,240.96	249.21	1,511.68	1,464.50	47.18	3.2%
Abermaw (Barmouth)	1,089.22	52,000	47.74	1,240.96	249.21	1,537.91	1,495.17	42.74	2.9%
Arthog	603.52	9,250	15.33	1,240.96	249.21	1,505.50	1,461.27	44.23	3.0%
Y Bala	759.58	22,000	28.96	1,240.96	249.21	1,519.13	1,472.28	46.85	3.2%
Bangor	3,752.56	356,683	95.05	1,240.96	249.21	1,585.22	1,538.34	46.88	3.0%
Beddgelert	314.22	8,700	27.69	1,240.96	249.21	1,517.86	1,474.97	42.89	2.9%
Betws Garmon	132.87	2,600	19.57	1,240.96	249.21	1,509.74	1,457.22	52.52	3.6%
Bethesda	1,656.05	58,495	35.32	1,240.96	249.21	1,525.49	1,481.84	43.65	2.9%
Bontnewydd	433.54	15,500	35.75	1,240.96	249.21	1,525.92	1,482.58	43.34	2.9%
Botwnnog	430.29	5,000	11.62	1,240.96	249.21	1,501.79	1,458.75	43.04	3.0%
Brithdir & Llanfachreth	403.86	6,000	14.86	1,240.96	249.21	1,505.03	1,462.37	42.66	2.9%
Bryncrug	333.65	12,000	35.97	1,240.96	249.21	1,526.14	1,472.08	54.06	3.7%
Buan	221.19	3,750	16.95	1,240.96	249.21	1,507.12	1,463.87	43.25	3.0%
Caernarfon	3,467.91	198,489	57.24	1,240.96	249.21	1,547.41	1,504.82	42.59	2.8%
Clynnog Fawr	440.58	12,000	27.24	1,240.96	249.21	1,517.41	1,465.80	51.61	3.5%
Corris	291.48	7,272	24.95	1,240.96	249.21	1,515.12	1,467.65	47.47	3.2%
Criccieth	916.60	34,000	37.09	1,240.96	249.21	1,527.26	1,484.57	42.69	2.9%
Dolbenmaen	585.70	10,000	17.07	1,240.96	249.21	1,507.24	1,464.44	42.80	2.9%
Dolgellau	1,190.95	54,000	45.34	1,240.96	249.21	1,535.51	1,489.53	45.98	3.1%
Dyffryn Ardudwy	773.53	29,742	38.45	1,240.96	249.21	1,528.62	1,472.65	55.97	3.8%
Y Felinheli	1,122.95	35,000	31.17	1,240.96	249.21	1,521.34	1,478.95	42.39	2.9%
Ffestiniog	1,687.96	150,000	88.86	1,240.96	249.21	1,579.03	1,530.84	48.19	3.1%
Y Ganllwyd	78.91	2,700	34.22	1,240.96	249.21	1,524.39	1,485.69	38.70	2.6%
Harlech	747.37	18,500	24.75	1,240.96	249.21	1,514.92	1,470.10	44.82	3.0%
Llanaelhaearn	429.82	25,000	58.16	1,240.96	249.21	1,548.33	1,505.36	42.97	2.9%
Llanbedr	313.90	14,193	45.22	1,240.96	249.21	1,535.39	1,483.07	52.32	3.5%
Llanbedrog	677.91	17,000	25.08	1,240.96	249.21	1,515.25	1,472.34	42.91	2.9%
Llanberis	769.47	20,000	25.99	1,240.96	249.21	1,516.16	1,473.37	42.79	2.9%
Llandwrog	996.86	41,000	41.13	1,240.96	249.21	1,531.30	1,486.18	45.12	3.0%
Llandygai	964.62	20,605	21.36	1,240.96	249.21	1,511.53	1,468.36	43.17	2.9%
Llanddeiniolen	1,797.37	20,000	11.13	1,240.96	249.21	1,501.30	1,455.57	45.73	3.1%
Llandderfel	484.05	11,000	22.72	1,240.96	249.21	1,512.89	1,465.46	47.43	3.2%
Llanegryn	155.92	5,000	32.07	1,240.96	249.21	1,522.24	1,473.33	48.91	3.3%
Llanelltyd	277.33	7,500	27.04	1,240.96	249.21	1,517.21	1,471.13	46.08	3.1%
Llanengan	1,955.12	50,000	25.57	1,240.96	249.21	1,515.74	1,472.81	42.93	2.9%
Llanfair	306.45	9,000	29.37	1,240.96	249.21	1,519.54	1,470.23	49.31	3.4%
Llanfihangel y Pennant	207.70	10,755	51.78	1,240.96	249.21	1,541.95	1,475.47	66.48	4.5%
Llanfrothen	215.74	5,800	26.88	1,240.96	249.21	1,517.05	1,472.53	44.52	3.0%
Llangelynnin	392.62	7,800	19.87	1,240.96	249.21	1,510.04	1,467.27	42.77	2.9%
Llangywer	135.09	4,000	29.61	1,240.96	249.21	1,519.78	1,477.19	42.59	2.9%
Llanllechid	334.49	7,500	22.42	1,240.96	249.21	1,512.59	1,469.59	43.00	2.9%
Llanllfni	1,385.04	40,360	29.14	1,240.96	249.21	1,519.31	1,475.21	44.10	3.0%
Llannor	897.86	15,160	16.88	1,240.96	249.21	1,507.05	1,464.29	42.76	2.9%
Llanrug	1,128.07	31,000	27.48	1,240.96	249.21	1,517.65	1,469.54	48.11	3.3%
Llanuwchllyn	306.73	10,000	32.60	1,240.96	249.21	1,522.77	1,480.56	42.21	2.9%
Llanwnda	766.22	23,200	30.28	1,240.96	249.21	1,520.45	1,470.87	49.58	3.4%
Llanycil	195.26	4,000	20.49	1,240.96	249.21	1,510.66	1,464.20	46.46	3.2%
Llanystumdwy	856.31	15,000	17.52	1,240.96	249.21	1,507.69	1,464.69	43.00	2.9%
Maentwrog	272.30	5,933	21.79	1,240.96	249.21	1,511.96	1,467.92	44.04	3.0%
Mawddwy	333.19	8,000	24.01	1,240.96	249.21	1,514.18	1,463.87	50.31	3.4%
Nefyn	1,380.07	60,579	43.90	1,240.96	249.21	1,534.07	1,483.43	50.64	3.4%
Pennal	216.03	6,000	27.77	1,240.96	249.21	1,517.94	1,474.60	43.34	2.9%
Penrhyndeudraeth	760.14	34,000	44.73	1,240.96	249.21	1,534.90	1,492.64	42.26	2.8%
Pentir	1,067.54	44,000	41.22	1,240.96	249.21	1,531.39	1,476.49	54.90	3.7%
Pistyll	243.50	8,500	34.91	1,240.96	249.21	1,525.08	1,470.20	54.88	3.7%
Porthmadog	1,947.97	55,650	28.57	1,240.96	249.21	1,518.74	1,474.68	44.06	3.0%
Pwllheli	1,713.23	72,000	42.03	1,240.96	249.21	1,532.20	1,488.74	43.46	2.9%
Talsarnau	306.91	15,000	48.87	1,240.96	249.21	1,539.04	1,480.05	58.99	4.0%
Trawsfynydd	499.78	16,000	32.01	1,240.96	249.21	1,522.18	1,473.24	48.94	3.3%
Tudweiliog	444.98	6,000	13.48	1,240.96	249.21	1,503.65	1,460.90	42.75	2.9%
Tywyn	1,552.99	86,000	55.38	1,240.96	249.21	1,545.55	1,495.52	50.03	3.3%
Waunfawr	555.89	12,000	21.59	1,240.96	249.21	1,511.76	1,469.29	42.47	2.9%

<b>Awdurdod</b>	<b>2017/18</b>	<b>2016/17</b>		<b>Authority</b>
Cyngor Gwynedd	1,240.96	1,207.16	2.8%	Gwynedd Council
Comisiynydd Heddlu a Throsedd Gogledd Cymru	249.21	240.12	3.79%	North Wales Police & Crime Commissioner
Cynghorau Cymuned (Cyfartaledd)	39.72	36.58	8.58%	Community Councils (Average)
Cyfanswm	<u>1,529.89</u>	<u>1,483.86</u>	<u>3.1%</u>	Total

# Agenda Item 12

<b>MEETING</b>	<b>FULL COUNCIL</b>
<b>DATE</b>	<b>2 MARCH 2017</b>
<b>TITLE</b>	<b>TREASURY MANAGEMENT TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION STRATEGY AND ANNUAL INVESTMENT STRATEGY FOR 2017/18</b>
<b>PURPOSE</b>	<b>ADOPT THE PROPOSED STRATEGIES</b>
<b>AUTHOR</b>	<b>DAFYDD L EDWARDS – HEAD OF FINANCE</b>
<b>CABINET MEMBER</b>	<b>COUNCILLOR PEREDUR JENKINS</b>

## **Introduction and Background**

1. The Code of Practice for managing Treasury Management in Public Services published by CIPFA, requires the Council to prepare a Policy Statement and practice papers together with detailed schedules setting out the Council's approach to all treasury operations. The primary requirement of the Code is the approval by the Full Council of the Policy Statement, the practice papers and the schedules. These were approved by the Council (in respect of 2016/17) at its meeting of 3<sup>rd</sup> March 2016.
2. The Welsh Assembly Government's Statutory Guidance on Local Government Investments ("The Guidance"), requires the Council, as part of its treasury management function to prepare an Annual Investment Strategy. The Guidance states that authorities can combine the Treasury Management Strategy Statement and the Annual Investment Strategy into one report. Gwynedd Council has adopted that suggestion, therefore the Annual Investment Strategy is included as section 5 of **Appendix A**.
3. The Council is required by the Code and the Guidance to approve an annual Treasury Management Strategy Statement, Minimum Revenue Provision Strategy and an Annual Investment Strategy prior to the commencement of each financial year. The proposed strategy for 2017/18 is detailed herewith as **Appendix A** and **Appendix C**.
4. As Administering Authority of the Gwynedd Pension Fund the Council also undertakes treasury management investment functions on its behalf by combining the surplus cash held by the Council and the Pension Fund for daily investment purposes. The Pension Fund requests this annually as the returns received are improved and the risks reduced by combining the cash with the Council's funds. The Pensions Committee will approve the relevant elements of this Strategy Statement and request the continuation of the pooling arrangements for 2017/18 at its meeting on 16<sup>th</sup> March 2017.

5. In addition, the Local Government Act 2003 introduced a prudential framework for local authority's capital investment. The new arrangements, which were applicable from 1<sup>st</sup> April 2004 introduced a new system of governance for local authority capital expenditure, based largely on self regulation. The Prudential Code for Capital Finance in Local Authorities has been developed by CIPFA as a professional code of practice, with statutory backing, to support local authorities in taking decisions to spend capital. Key objectives are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. Local authorities, before the beginning of each financial year, are required to set certain prudential indicators for the forthcoming and following years. Following the recent review, CIPFA has now introduced a new prudential indicator, "Upper limits on the proportion of net debt to gross debt" to highlight where an authority may be borrowing in advance of its cash requirement. The indicators, which are based on the capital and revenue budget proposals contained elsewhere on the agenda, are shown here in **Appendix B**.
6. With effect from 31<sup>st</sup> March 2008, the Welsh Assembly Government introduced the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 [the "Amendment Regulations"]. These Regulations introduce certain amendments to those introduced in 2003 [the "Original Regulations"] as part of the implementation of the Prudential Borrowing regime. Amongst the changes introduced is the requirement for an Annual Minimum Revenue Provision (MRP) Policy Statement.
7. The Original Regulations set out a statutory basis and a complex formula for the calculation of MRP. The Amendment Regulations only require a charge that is 'prudent', and authorities are permitted more discretion in terms of the charge levied, albeit within certain parameters. **Appendix C** therefore also incorporates the Annual MRP Statement for 2017/18.
8. Members of the Audit Committee and the Cabinet Member for Resources were invited to a briefing meeting on 25 January 2017 with Arlingclose, the Council's Treasury Advisors, to discuss Treasury Management. Members were reminded of CIPFA's Code of Practice for Treasury Management as well as their roles and responsibilities as members for the Treasury Management function. The advisors highlighted the various current treasury risks, and spoke in detail about the credit and counterparty risks, interest rate risks and inflation risk. They also discussed the Council's debt portfolio, net borrowing position, and the prudential indicators.
9. All of the following papers were presented to the Audit Committee on 9 February, where proposals were explained and generally accepted, further to questions from Members. The Audit Committee decided to recommend to the full Council as follows:

### **Recommendation**

10. **The Council is asked to adopt the Treasury Management Strategy Statement and the Annual Investment Strategy for 2017/18 (Appendix A), the Prudential Indicators (Appendix B), the Minimum Revenue Provision Strategy (Appendix C) and the pooling arrangement with the Pension Fund for daily cash flow investment.**

## Treasury Management Strategy Statement 2017/18

### 1. Introduction

- 1.1 In March 2011 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year.
- 1.2 In addition, the Welsh Government (WG) issued revised *Guidance on Local Authority Investments* in April 2010 that requires the Authority to approve an investment strategy before the start of each financial year.
- 1.3 This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.
- 1.4 The Authority 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 Authority's treasury management strategy.
- 1.5 In accordance with the WG Guidance, the Authority will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, or in the Authority's capital programme or in the level of its investment balance.

### 2. External Context

#### 2.1 Economic background

The major external influence on the Authority's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union. Financial markets, wrong-footed by the referendum outcome, have since been weighed down by uncertainty over whether leaving the Union also means leaving the single market. Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.

The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of England is forecasting that Consumer Price Inflation (CPI) will breach its 2% target in 2017, the first time since late 2013, but the Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy.

Initial post-referendum economic data showed that the feared collapse in business and consumer confidence had not immediately led to lower GDP growth. However, the prospect of a leaving the single market has dented business confidence and resulted in a delay in new business investment and, unless counteracted by higher public spending or retail sales, will weaken economic growth in 2017/18.

Looking overseas, with the US economy and its labour market showing steady improvement, the market has priced in a high probability of the Federal Reserve increasing interest rates in December 2016. The Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further quantitative easing.

The impact of political risk on financial markets remains significant over the next year. With challenges such as immigration, the rise of populist, anti-establishment parties and negative interest rates resulting in savers being paid nothing for their frugal efforts or even penalised for them, the outcomes of Italy's referendum on its constitution (December 2016), the French presidential and general elections (April – June 2017) and the German federal elections (August – October 2017) have the potential for upsets.

## **2.2 Credit outlook**

Markets have expressed concern over the financial viability of a number of European banks recently. Sluggish economies and continuing fines for pre-crisis behaviour have weighed on bank profits, and any future slowdown will exacerbate concerns in this regard.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however continue to fall.

## **2.3 Interest rate forecast**

The Authority's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2017/18. The Bank of England has, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further falls in the Bank Rate look less likely. Negative Bank Rate is currently perceived by some policymakers to be counterproductive, but although a low probability, this cannot be entirely ruled out in the medium term, particularly if the UK enters recession as a result of concerns over leaving the European Union.

Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50. Long-term economic fundamentals remain weak, and the quantitative easing (QE) stimulus provided by central banks globally has only delayed the fallout from the build-up of public and private sector debt. The Bank of England has defended QE as a monetary policy tool, and further QE in support of the UK economy in 2017/18 remains a possibility, to keep long-term interest rates low.

- 2.4 A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Appendix 1**.
- 2.5 For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.25%, and that no new long-term loans will be required.

### 3. Local Context

- 3.1 The Authority had £108.7m of borrowing and £45.5m of investments as at 31 December 2016. This is set out in further detail at **Annex B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

**Table 1: Balance Sheet Summary and Forecast**

	<b>31.3.16 Actual £'000</b>	<b>31.3.17 Estimate £'000</b>	<b>31.3.18 Estimate £'000</b>	<b>31.3.19 Estimate £'000</b>	<b>31.3.20 Estimate £'000</b>
<b>Borrowing CFR</b>	<b>171,376</b>	<b>178,281</b>	<b>179,581</b>	<b>176,390</b>	<b>172,985</b>
Less: External borrowing *	(114,870)	(107,497)	(106,790)	(106,790)	(106,083)
<b>Internal borrowing</b>	<b>56,506</b>	<b>70,784</b>	<b>72,791</b>	<b>69,600</b>	<b>66,902</b>
Less: Usable reserves	(58,061)	(73,088)	(78,807)	(78,807)	(80,690)
Less: Working capital	(66,925)	(17,041)	(16,771)	(16,500)	(16,500)
<b>Investments</b>	<b>(68,480)</b>	<b>(19,345)</b>	<b>(22,787)</b>	<b>(25,707)</b>	<b>(30,288)</b>

\* shows only loans to which the Authority is committed and excludes optional refinancing

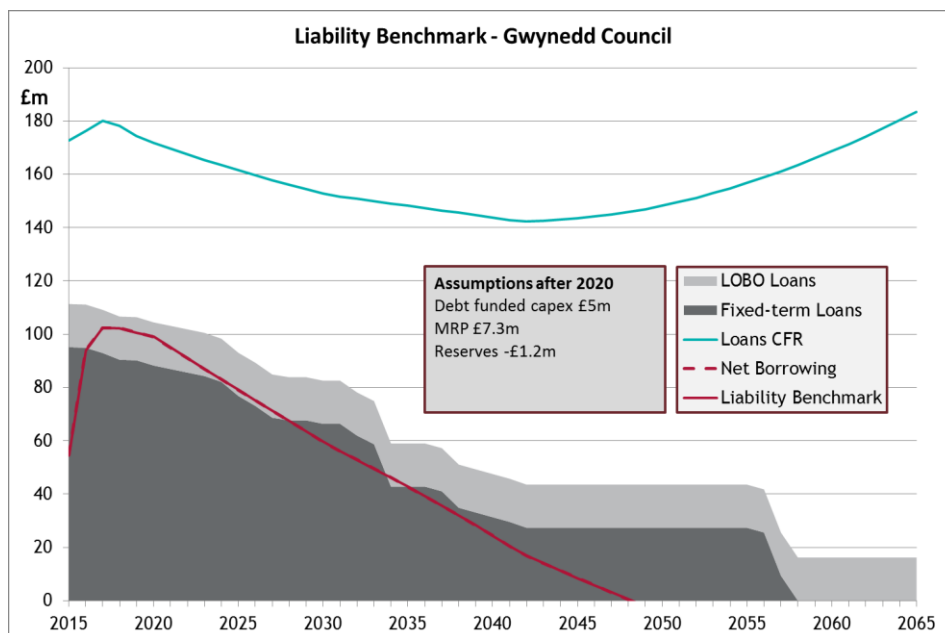
3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

Table 1 shows that the Council should not need to borrow during the next three years.

3.3 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2017/18.

3.4 To assist with its long-term treasury management strategy, the Authority and its advisers have created a liability benchmark, which forecasts the Authority's need to borrow over a 50 year period. Following on from the medium term forecasts in table 1 above, the benchmark assumes:

- capital expenditure funded by borrowing of £5m a year
- minimum revenue provision on new capital expenditure based on a 25 year asset life
- income, expenditure and reserves all increase by 2.5% inflation a year



The chart shows that borrowing is much lower than the CFR and that the Council has funds to invest. On the assumptions noted above this is likely to continue to be the position in the long term.

#### **4. Borrowing Strategy**

4.1 The Authority currently holds £109 million of loans, a decrease of £1m on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Authority does not expect to need to borrow in 2017/18. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £190 million.

#### **4.2 Objectives**

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

#### **4.3 Strategy**

Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2017/18 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively the Authority may arrange forward starting loans in 2017/18, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow short-term loans to cover unexpected cash flow shortages.

#### **4.4 Sources**

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see paragraph 5.5 below)
- any other bank or building society authorised to operate in the UK

- UK local authorities
- Capital market investors
- Special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

The Authority has previously raised the majority of its long-term borrowing from the Public Works Loan Board, but it may consider other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

#### **4.5 Short-term and Variable Rate Loans**

Short-term and variable rate loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

#### **4.6 Debt Rescheduling**

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall saving or reduction in risk.

## **5. Investment Strategy**

- 5.1 The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £38 and £87 million, and similar levels are expected to be maintained in the forthcoming year.

This includes the cash balances of Gwynedd Pension Fund which are pooled with the Council's funds for investment purposes. The Pension Fund requests this annually as the returns received are improved and the risks reduced by combining the cash with the Council's funds. The Pensions Committee will approve the relevant elements of this Strategy Statement and request the continuation of the pooling arrangements for 2017/18 at its meeting on 16 March 2017.

### **5.2 Objectives**

Both the CIPFA Code and the WG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority'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. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

### **5.3 Negative Interest Rates**

If the UK enters into a recession in 2017/18, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

### **5.4 Strategy**

Given the increasing risk and falling returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2017/18. The majority of the Authority's surplus cash is currently invested in short-term unsecured bank deposits, certificates of deposit and money market funds. This diversification will represent a continuation of the strategy adopted in 2015/16.

## 5.5 Approved Counterparties

The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and time limits shown.

**Table 2: Approved Investment Counterparties**

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	5% 5 years	10% 20 years	10% 50 years	5% 20 years	5% 20 years
AA+	5% 5 years	10% 10 years	10% 25 years	5% 10 years	5% 10 years
AA	5% 4 years	10% 5 years	10% 15 years	5% 5 years	5% 10 years
AA-	5% 3 years	10% 4 years	10% 10 years	5% 4 years	5% 10 years
A+	5% 2 years	10% 3 years	5% 5 years	5% 3 years	5% 5 years
A	5% 13 months	10% 2 years	5% 5 years	5% 2 years	5% 5 years
A-	5% 6 months	10% 13 months	5% 5 years	5% 13 months	5% 5 years
BBB+	2.5% 100 days	5% 6 months	2.5% 2 years	2.5% 6 months	2.5% 2 years
None	£1m 6 months	n/a	10% 25 years	£50,000 5 years	5% 5 years
Pooled funds	10% per fund				
Business loans to local companies*			£3m in total 10 years		

This table must be read in conjunction with the notes below.

\* Advancement of these loans will be approved by the procedure detailed in paragraph 5.9 below. Evaluation of the Business Loans is not part of the advice or services from the Council's treasury advisor.

## 5.6 Credit Rating

Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

## 5.7 **Banks Unsecured**

Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB are restricted to overnight deposits at the Authority's current account bank Barclays Bank plc.

## 5.8 **Banks Secured**

Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

## 5.9 **Government**

Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

## 5.10 **Corporates**

Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

## 5.11 **Registered Providers**

Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

## 5.12 **Pooled Funds**

Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility

will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

### **5.13 Local Loans Fund**

The Council has set up a Local Loans Fund which will make loans to local businesses. These investments are included in the Non-Specific Investments table above and will be for a maximum period of 10 years. The total value of the fund for such investments is £3million. Applications for loans under this scheme will not be part of the usual credit assessment for treasury management investment purposes but will be assessed by appointed consultants and any decision to lend will be made by the Investment Panel for the scheme.

### **5.14 Risk Assessment and Credit Ratings**

Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

### 5.15 **Other Information on the Security of Investments**

The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

### 5.16 **Specified Investments**

The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local authority, parish council or community council, or
  - a body or investment scheme of "high credit quality".

The Authority defines "high credit quality" organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

### 5.17 Non-specified Investments

Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement; those that are defined as capital expenditure by legislation, such as shares in money market funds and other pooled funds; and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

**Table 3: Non-Specified Investment Limits**

	<b>Cash limit</b>
Total long-term investments	£40m
Total shares in Money Market funds	£40m
Total shares in other pooled funds	£8m
Total investments without credit ratings or rated below [A-]	£8m
Total investments (except pooled funds) with institutions domiciled in foreign countries rated below [AA+]	£8m
Total non-specified investments	£80m

### 5.18 Investment Limits

The Authority's revenue reserves and Pension Fund cash available to cover investment losses are forecast to be £56 million on 31st March 2017. In order that no more than 15% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £8 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

**Table 4: Investment Limits**

	<b>Cash limit</b>
Any single organisation, except the UK Central Government	£8m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£8m per group
Any group of pooled funds under the same management	£20m per manager
Negotiable instruments held in a broker's nominee account	£40m per broker
Foreign countries	£8m per country
Registered Providers	£20m in total
Unsecured investments with Building Societies	£8m in total
Loans to unrated corporates	£8m in total
Money Market Funds	£ £40m in total

#### 5.19 **Liquidity management**

The Authority uses prudent cash flow forecasting techniques to determine the maximum period for which funds may prudently be committed.

## 6. Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

### 6.1 Security

The Authority 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 (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	Target
Portfolio average credit score	6.0

### 6.2 Liquidity

The Authority 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.

	Target
Total cash available within 3 months	£10m

### 6.3 Interest Rate Exposures

This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

	2017/18	2018/19	2019/20
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	50%	50%	50%

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

#### 6.4 **Maturity Structure of Borrowing**

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

	<b>Upper</b>	<b>Lower</b>
Under 12 months	25%	0%
12 months and within 24 months	25%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and within 20 years	100%	0%
20 years and within 30 years	100%	0%
30 years and within 40 years	100%	0%
40 years and within 50 years	100%	0%
50 years and above	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.

#### 6.5 **Principal Sums Invested for Periods Longer than 364 days**

The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
Limit on principal invested beyond year end	£20m	£10m	£10m

### 7. **Other Items**

7.1 There are a number of additional items that the Authority is obliged by CIPFA or WG to include in its Treasury Management Strategy.

#### 7.2 **Policy on Use of Financial Derivatives**

In the absence of any explicit legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

### **7.3 Investment Training**

The needs of the Authority's treasury management staff for training in investment management are assessed every year as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA and other appropriate organisations.

### **7.4 Investment Advisers**

The Authority has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. The quality of this service is monitored by the Head of Finance and the Investment Manager on a regular basis.

### **7.5 Investment of Money Borrowed in Advance of Need**

The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £195 million. The maximum period between borrowing and expenditure is expected to be two years, although the Authority is not required to link particular loans with particular items of expenditure.

## **8. Financial Implications**

The budget for investment income in 2017/18 is £0.17 million, based on an average investment portfolio of £69.1 million at an interest rate of 0.25%. The budget for debt interest paid in 2017/18 is £6.0 million, based on an average debt portfolio of £106.6 million at an average interest rate of 5.62%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

**9. Other Options Considered**

The WG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Head of Finance, having consulted the Cabinet Member for Resources, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

<b>Alternative</b>	<b>Impact on income and expenditure</b>	<b>Impact on risk management</b>
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses will be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses will be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income  High premia for early redemption of debt may outweigh any savings	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

## Arlingclose Economic & Interest Rate Forecast January 2017

### Underlying assumptions:

- The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the government is able to secure with the EU and other countries.
- The global environment is also riddled with uncertainty, with repercussions for financial market volatility and long-term interest rates. Donald Trump's victory in the US general election and Brexit are symptomatic of the popular disaffection with globalisation trends.
- Financial markets currently have priced in stronger global growth following significant global fiscal and monetary stimulus; the short term outlook for the global economy is indeed brighter than early 2016. US fiscal stimulus is also a possibility following Trump's victory. The potential rise in protectionism could, however, dampen growth prospects.
- Economic data have presented a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending. On the downside, the currency-led rise in CPI inflation (currently 1.6% a year/year) will continue, breaching the target in 2017.
- Over the coming years the rise in inflation will reduce household spending growth, while economic and political uncertainty will dampen investment intentions, prompting lower activity levels.
- The depreciation in sterling will, however, assist the economy to rebalance away from spending. The usual negative contribution from net trade to GDP growth is likely to diminish, largely due to weaker domestic demand. Export volumes will increase marginally.
- Given the pressure on household spending and business investment, the rise in inflation is unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led CPI spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.
- Bank of England policymakers have, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods, particularly if this feeds through to wage growth. Given this view and the current inflation outlook, further monetary loosening looks less likely.

## Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short/medium term than previously expected.
- The Arlingclose central case is for Bank Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. The Arlingclose central case is for yields to decline when the government triggers Article 50.

	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
<b>Official Bank Rate</b>													
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25
<b>Arlingclose Central Case</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>
Downside risk	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>3-month LIBID rate</b>													
Upside risk	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
<b>Arlingclose Central Case</b>	<b>0.25</b>	<b>0.25</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>	<b>0.30</b>
Downside risk	0.25	0.25	0.25	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>1-yr LIBID rate</b>													
Upside risk	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.60</b>	<b>0.70</b>	<b>0.85</b>	<b>0.90</b>	<b>0.90</b>	<b>0.90</b>	<b>0.95</b>
Downside risk	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
<b>5-yr gilt yield</b>													
Upside risk	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>Arlingclose Central Case</b>	<b>0.60</b>	<b>0.50</b>	<b>0.45</b>	<b>0.45</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.55</b>	<b>0.60</b>	<b>0.65</b>	<b>0.70</b>	<b>0.75</b>	<b>0.80</b>
Downside risk	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>10-yr gilt yield</b>													
Upside risk	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>Arlingclose Central Case</b>	<b>1.10</b>	<b>1.05</b>	<b>0.95</b>	<b>0.95</b>	<b>0.95</b>	<b>0.95</b>	<b>0.95</b>	<b>1.00</b>	<b>1.05</b>	<b>1.10</b>	<b>1.15</b>	<b>1.20</b>	<b>1.25</b>
Downside risk	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>20-yr gilt yield</b>													
Upside risk	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>Arlingclose Central Case</b>	<b>1.65</b>	<b>1.55</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.65</b>	<b>1.70</b>	<b>1.75</b>	<b>1.80</b>
Downside risk	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
<b>50-yr gilt yield</b>													
Upside risk	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
<b>Arlingclose Central Case</b>	<b>1.55</b>	<b>1.45</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.45</b>	<b>1.50</b>	<b>1.55</b>	<b>1.60</b>	<b>1.65</b>	<b>1.70</b>
Downside risk	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60

## Prudential Indicators 2017/18

### 1. Background

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

### 2. Estimates of Capital Expenditure

The Authority's planned capital expenditure and financing may be summarised as follows.

<b>Capital Expenditure and Financing</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
<b>Total Capital Expenditure</b>	<b>31,592</b>	<b>25,509</b>	<b>10,293</b>	<b>6,675</b>
Capital Receipts	515	1,256	0	0
Government Grants	10,540	6,713	2,525	2,525
Revenue	6,151	8,850	3,499	0
Supported Borrowing	4,136	4,150	4,150	4,150
Prudential borrowing	10,250	4,540	119	0
<b>Total Financing</b>	<b>31,592</b>	<b>25,509</b>	<b>10,293</b>	<b>6,675</b>

### 3. Estimates of Capital Financing Requirement

The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

<b>Capital Financing Requirement</b>	<b>31.03.17 Revised £'000</b>	<b>31.03.18 Estimate £'000</b>	<b>31.03.19 Estimate £'000</b>	<b>31.03.20 Estimate £'000</b>
<b>Total CFR</b>	<b>178,281</b>	<b>179,581</b>	<b>176,390</b>	<b>172,985</b>

The CFR is forecast to decrease by £5.296m over the next three years as capital expenditure financed by debt no longer outweighs resources put aside for debt repayment.

#### 4. Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

<b>Debt</b>	<b>31.03.17 Revised £'000</b>	<b>31.03.18 Estimate £'000</b>	<b>31.03.19 Estimate £'000</b>	<b>31.03.20 Estimate £'000</b>
Borrowing	107,497	106,790	106,790	106,083
Finance leases	0	0	0	0
PFI	0	0	0	0
<b>Total Debt</b>	<b>107,497</b>	<b>106,790</b>	<b>106,790</b>	<b>106,083</b>

Total debt is expected to remain below the CFR during the forecast period.

#### 5. Operational Boundary for External Debt

The operational boundary is based on the Authority's estimate of most likely, i.e. prudent, but not worst case, scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

<b>Operational Boundary</b>	<b>31.03.17 Revised £'000</b>	<b>31.03.18 Estimate £'000</b>	<b>31.03.19 Estimate £'000</b>	<b>31.03.20 Estimate £'000</b>
Borrowing	180,000	180,000	190,000	190,000
Other long-term liabilities	0	0	0	0
<b>Total Debt</b>	<b>180,000</b>	<b>180,000</b>	<b>190,000</b>	<b>190,000</b>

## 6. Authorised Limit for External Debt

The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

<b>Authorised Limit</b>	<b>2016/17 Revised £'000</b>	<b>2017/18 Estimate £'000</b>	<b>2018/19 Estimate £'000</b>	<b>2019/20 Estimate £'000</b>
Borrowing	190,000	190,000	200,000	200,000
Other long-term liabilities	0	0	0	0
<b>Total Debt</b>	<b>190,000</b>	<b>190,000</b>	<b>200,000</b>	<b>200,000</b>

## 7. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2016/17 Revised %</b>	<b>2017/18 Estimate %</b>	<b>2018/19 Estimate %</b>	<b>2019/20 Estimate %</b>
General Fund	5.95	5.78	5.81	6.07

## 8. Incremental Impact of Capital Investment Decisions

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the proposed capital programme.

<b>Incremental Impact of Capital Investment Decisions</b>	<b>2017/18 Estimate £</b>	<b>2018/19 Estimate £</b>	<b>2019/20 Estimate £</b>
General Fund - increase in annual band D Council Tax	0	0	0

## **9. Adoption of the CIPFA Treasury Management Code**

The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* at its full Council meeting on 3<sup>rd</sup> March 2011.

### Annual Minimum Revenue Provision Statement 2017/18

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Welsh Government's *Guidance on Minimum Revenue Provision* (Guidance 11c) most recently issued in 2010.

The broad aim of the WG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The WG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

For capital expenditure incurred before 1<sup>st</sup> April 2008, and for supported capital expenditure incurred on or after that date, MRP will be determined in accordance with the former regulations that applied on 31<sup>st</sup> March 2008.

For unsupported capital expenditure incurred after 31<sup>st</sup> March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant assets in equal instalments starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

For assets acquired by finance leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

Where loans are made to other bodies for their capital expenditure, no MRP will be charged. However, the capital receipts generated by the annual repayments on those loans will be put aside to repay debt instead.

Capital expenditure incurred during 2017/18 will not be subject to a MRP charge until 2018/19.

Based on the Authority's estimate of its Capital Financing Requirement on 31<sup>st</sup> March 2017, the budget for MRP has been set at £5.47m.

# Agenda Item 13

MEETING : COUNCIL  
DATE: 2 March 2017  
TITLE: Wales Investment Pool  
PURPOSE: Recommend an Inter-Authority Agreement to the full Council  
AUTHOR: Dafydd L Edwards, Head of Finance, Iwan Evans Head of Legal Services

**Recommendation(s):** It is recommended that Council:

1. Notes the content of the draft Inter Authority Agreement attached at Appendix A and delegates authority to the Head of Finance in consultation with the Chair of the Pensions Committee and the Head of Legal Services to approve and execute the final version of the IAA.
2. Approves the establishment of a joint committee (hereinafter referred to as the Joint Governance Committee) on conclusion of the IAA referred to in recommendation 1 above and on the basis of the terms of reference attached.
3. Delegates the exercise of certain functions to the Joint Governance Committee as set out in the terms of reference and notes those functions that are reserved to Council.
4. Approves the appointment of the Chair of the Pension Fund Committee or his/her Deputy nominated by the Pensions Committee to the Joint Governance Committee as Gwynedd Council representative.
5. Where specifically required to give effect to the terms of the Inter Authority Agreement delegates to the nominated representative of the Gwynedd Council authority to act within the terms of reference of the Joint Governance Committee to enable the exercise of any delegated function.
6. Approves that Carmarthenshire County Council (Dyfed Pension Fund) acts as Host Council with the responsibilities set out in the Inter Authority Agreement.

7. Delegates authority to the Head of Finance in consultation with the Head of Legal Services to agree any further minor amendments to the IAA.

## **Purpose**

This report sets out the background to the proposed investment pooling arrangements across the eight Welsh Local Authority Pension Funds and the requirement to formally enter into an agreement between the funds to establish administrative and governance arrangements to manage the pooling arrangements

## **1 Background**

1.1 The Gwynedd Council is the administering authority for the Gwynedd Council Pension Fund ('the Fund') which is part of the Local Government Pension Scheme (LGPS) for England and Wales. The Council's decision making functions relating to Pensions are delegated in the Council's Constitution to the Pension Committee and Council. The Fund currently comprises 48 contributing employing bodies and provides services to 16,152 employees, 8,788 pensioners and 10,586 deferred beneficiaries. The fund manages assets of approximately £1.76bn. The objective of the fund is to meet current and future pension liabilities of its members i.e. to pay members' accrued pensions when they fall due in accordance with LGPS Regulations.

1.2 There are 8 LGPS funds in Wales:

- Cardiff & the Vale
- City & County of Swansea
- Clwyd
- Dyfed
- Greater Gwent
- Gwynedd
- Powys
- Rhondda Cynon Taff

In total, the value of the assets of the above funds is approximately £15bn.

1.3 The 8 LGPS funds in Wales have a long tradition of working in a collaborative manner overseen by the Pensions Sub Group of The Society of Welsh Treasurers (SWT). To develop further efficiencies and benefits of collaboration, the Subgroup published a report "Welsh Local Government Pension Funds: Working Together" in 2013 which identified investment

management costs as the area where collaboration might yield the most significant savings. The Subgroup then commissioned Mercers Ltd to identify options for collaborative investing and in May 2015 their report recommending a Common Investment Vehicle (CIV) was published.

- 1.4 In the July Budget 2015, the Chancellor announced the Government's intention to work with Local Government Pension Scheme (the Scheme) administering authorities to ensure that they pool investments to significantly reduce costs while maintaining overall investment performance. Authorities were then invited to submit proposals for pooling which the Government would assess against the criteria in this document. The Chancellor announced that the pools should take the form of up to six British Wealth Funds, each with assets of at least £25bn, which were able to invest in infrastructure and drive local growth.
- 1.5 In December 2015, the Government issued its criteria and guidance for what it expected to see addressed in its received proposals from LGPS funds in respect of their pooling proposals. This was considered by the Pension Committee at its September 2015 meeting.
- 1.6 Following extensive work by the SWT Pensions Sub Group and their appointed advisors, Hymans Robertson, a joint submission was formulated in respect of the 8 Welsh Pension Funds. The Pension Fund Committee Chairman's nominee attended Joint Chairs meetings to agree the submission and the Pension Committee received a formal presentation of the final submission on the 9<sup>th</sup> June 2016. The Final submission was submitted to HM Government on 15<sup>th</sup> July 2016

## **2 Submission in respect of the 8 Welsh Pension Funds**

- 2.1 The submission in respect of the 8 Welsh funds although not satisfying minimum criteria in size made a compelling submission in respect of its linguistic, cultural, and regulatory differences which alongside the already fruitful collaborative work undertaken by the SWT Pension Sub Group convinced HM Government to approve the submission in Nov 2016.
- 2.2 The Welsh joint submission proposes the engagement of a Financial Conduct Authority (FCA) regulated Third Party Pool Operator to provide the Regulatory framework and mechanism with which to manage and reduce investment management expenses for the funds.

## **3 The Inter Authority Agreement & Governance**

- 3.1 It should be emphasised that the proposals contained in the joint submission do not amend the statutory responsibility of each Administering Authority in respect of its ability to set its own asset allocation, funding and investment strategy.

3.2 In developing the proposals and taking the work forward to date, the 8 Welsh Pension funds have operated under a Memorandum of Understanding which is not legally binding.

3.3 As the project moves into the next stage of engagement with an appointed ACS operator, there is a necessity to formalise the joint governance and decision making framework in which the 8 Pension funds shall work going forward to ensure the long term success and robustness of the work of the Pool.

3.4 The Inter Authority Agreement (IAA), which is attached to this report as Appendix A, has been developed as the legal framework for establishing a Joint Governance Committee (JGC) for the Wales Investment Pool. The IAA sets out the governance arrangements for the Pool, the rights and obligations of the eight participating authorities and the powers and responsibilities delegated to the JGC

3.5 The responsibilities of the JGC are listed in Schedule 4 of the IAA and include:

- Monitoring of the performance of the Pool Operator
- Making decisions on asset class sub-funds to be made available by the Operator to implement the individual investment strategies of the eight funds
- Providing accountability to the participating funds on the management of the Pool
- Having responsibility for reporting on the Pool to the UK Government and other stakeholders
- Having oversight of the Officer Working Group

3.6 The JGC will operate on a 'One Fund, One Vote' basis

The IAA sets out the terms of reference for the Officer Working Group which will act as advisors to the JGC

3.7 Under the new arrangements administering authorities will continue to retain control over setting their investment strategy and detailed asset allocation. This continues to allow the broad risk and return characteristics of the investment strategy to be set in conjunction with each pension fund's overall funding strategy. Funds will then invest in asset sub-funds which will be made available by the Operator of the Welsh Pool

3.8 The IAA can only be amended or terminated with the agreement of all eight constituent authorities

#### 4 **Host Authority ( Accountable Body)**

4.1 The IAA provides for one of the eight authorities to act as Host Authority and

Accountable Body for the JGC. The Host Authority will provide administrative and secretarial support to the JGC and will implement decisions made by the JGC. The Host Authority will liaise with the Operator on behalf of the participating authorities and will also be responsible for arranging training for members of the JGC.

- 4.2 It is proposed that Carmarthenshire County Council (administering authority of the Dyfed Pension Fund) act as Host Authority and Accountable Body for the Wales Investment Pool.

## **5 Project Timetable**

- 5.1 The tender documentation for the procurement of an ACS Operator is being finalised in readiness for issue with a view to the JCG making an appointment in the Summer of 2017 with planned initial assets being held within the ACS from April 2018.

## **6 Legal Implications**

- 6.1 11. The current legislative framework for the pension fund investments carried out by Administering Authorities is set by the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended). The law governing pensions is a complex and specialist area. The National Government's guidance indicates that the pooling of LGPS assets is permissible under current law (and of course the DCLG's guidelines insist that funds pool).

## **7 Financial Implications**

- 7.1 12. It is proposed that 'administrative' costs under the new arrangements, including governance costs of the Joint Committee, be divided equally between the eight Welsh funds, but that subsequent investment costs are allocated to specific investments, proportional to those investments.

## **8 Equality Impact Assessment Implications**

- 8.1 None

## **APPENDICES**

Appendix A- Inter Authority Agreement

## **Background Documents**

Local Government Pension Scheme: Investment Reform Criteria and Guidance



Dated \_\_\_\_\_ 2017

# DRAFT

## Inter-Authority Agreement between

Carmarthenshire County Council	(1)
City & County of Swansea Council	(2)
City of Cardiff Council	(3)
Flintshire County Council	(4)
Gwynedd Council	(5)
Powys County Council	(6)
Rhondda Cynon Taff County Borough Council	(7)
Torfaen County Borough Council	(8)

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**THIS DEED** is made on

2017

**BY**

- (1) **CARMARTHENSHIRE COUNTY COUNCIL** of County Hall, Carmarthen, Carmarthenshire, SA31 1JP ("**Carmarthenshire Council**")
- (2) **CITY & COUNTY OF SWANSEA COUNCIL** of [ADDRESS] ("**Swansea Council**").
- (3) **CITY OF CARDIFF COUNCIL** of [ADDRESS] ("**Cardiff Council**").
- (4) **FLINTSHIRE COUNTY COUNCIL** of [ADDRESS] ("**Flintshire Council**").
- (5) **GWYNEDD COUNCIL** of Shirehall Street, Caernarfon, Gwynedd LL55 1SH ("**Gwynedd Council**")
- (6) **POWYS COUNTY COUNCIL** of [ADDRESS] ("**Powys Council**")
- (7) **RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL** of Rhondda Cynon Taf County Borough Council, The Pavilions, Clydach Vale, Tonypany, CF40 2XX ("**Rhondda Council**")
- (8) **TORFAEN COUNTY BOROUGH COUNCIL** of Civic Centre Pontypool Torfaen NP46YB ("**Torfaen Council**")

(together referred to as the "**Constituent Authorities**" and individually as a "**Constituent Authority**")

## **BACKGROUND**

- (A) The Constituent Authorities are committed to the development of a formal joint committee pursuant to section 101 and section 102 of the Local Government Act 1972 to ensure the effective operation of the arrangements for asset pooling within the LGPS under a framework of strong internal governance to achieve economies of scale and improved investment infrastructure.
- (B) The Constituent Authorities are all councils responsible for the administration of local government within their areas as set out in the Local Government Act 1972. The Department for Communities and Local Government in its letter dated 23 November 2016 has confirmed that the Constituent Authorities have been granted permission for each Constituent Authority to continue to collaborate with every other Constituent Authority to form a pool of assets in respect of each of their respective funds under the LGPS.
- (C) The Constituent Authorities shall carry on the Pooling Collaboration (as defined below) under the terms of this Agreement to oversee its governance.

## AGREED TERMS

### 1 INTERPRETATION

1.1 The following definitions and rules of interpretation apply in this Agreement.

**Business Day** means a day other than a Saturday, a Sunday or a public holiday in England when banks in London are open for business.

**Business Plan** has the meaning given by clause 6.

**CIPFA Guidance** means the guidance published in October 2016 by the Chartered Institute of Public Finance and Accountancy entitled *investment pooling governance principles for LGPS Administering Authorities*.

**Commencement Date** means [ ] 2017.

**Constituent Authorities** means the parties to this Agreement, and all other administering authorities within the LGPS who are or become parties to this Agreement at any time.

**Financial Year** means in the case of the first Financial Year, the period from the Commencement Date to (and including) the following 31 March. For subsequent Financial Years the period between 1 April and 31 March (inclusive) and for the last Financial Year any lesser period necessary.

**Host Council** means the Constituent Authority appointed in accordance with clause 7 and whose duties are described within that clause.

**Investment Pool** means the pooled investments (whether held in single funds, multiple sub-funds or held in alternative structures outside of a collective investment vehicle) derived from assets held by the Constituent Authorities in their capacity as administering authorities within the LGPS for the purpose of the Pooling Collaboration described by this Agreement.

**Investment Regulations** means the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (SI 2016/946).

**Joint Governance Committee** means the joint committee formed by this Agreement.

**LGPS** the Local Government Pension Scheme established pursuant to regulations made by the Secretary of State in exercise of powers under section 7 and 12 of the Superannuation Act 1972 and the provisions of the PSPA 2013.

**Member** in this Agreement means a member of the Joint Governance Committee appointed in accordance with clause 3.3 or their deputy appointed in accordance with clause 3.4.

**Monitoring Officer** means the person designated by each Constituent Authority for the purposes of section 5 of the Local Government and Housing Act 1989.

**Operator** means the operator of the pooled investment vehicle being an Authorised Contractual Scheme (as defined by the Operator Contract) pursuant to the Operator Contract.

**Operator Contract** means the agreement between the Constituent Authorities and the Operator.

**OWG** means the Officers Working Group described in clause 4.

**Pension Board** means a local pension board or a joint local pension board within the meaning given to each phrase by regulation 106 of the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) and section 5 of the PSPA 2013.

**Pooling Collaboration** means the arrangements for asset pooling under the Investment Pool within a framework of strong internal governance to achieve economies of scale and improved investment in infrastructure carried on by the Constituent Authorities as described by this Agreement.

**Pooling Contribution** means as defined in clause 10.1.

**PSPA 2013** means the Public Service Pensions Act 2013.

**S151 officer** means the person appointed by each Constituent Authority for the purposes of section 151 of the Local Government Act 1972.

**Secretary of State** means the Department for Communities and Local Government or such replacement department which has responsibility for the LGPS.

**Submission** means the document created by the Constituent Authorities dated 15 July 2016 entitled "*Submission by the Wales Pool to the Department for Communities and Local Government (DCLG) In response to the publication in November 2015: LGPS: Investment Reform Criteria and Guidance*".

**Terms of Reference** means the governing framework document concerning the functions and operations of the Joint Governance Committee as set out in Schedule 4.

**TUPE** means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

- 1.2 Clause, schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having a separate legal personality).
- 1.4 The schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the schedules.
- 1.5 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.6 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and includes any subordinate legislation made from time to time under it.
- 1.9 A reference to **writing** or **written** includes faxes and email.
- 1.10 Documents in **agreed form** are documents in the form agreed by the parties and initialled by them or on their behalf for identification.
- 1.11 References to clauses and schedules are to the clauses and schedules of this Agreement; references to paragraphs are to paragraphs of the relevant schedule.
- 1.12 Any words following the terms **include, including, in particular** or **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding them.
- 1.13 Any obligation in this agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 1.14 Any reference to the title of an officer or any of the Constituent Authorities shall include any person holding such office from time to time by the same or any title substituted thereafter or such other officer of the relevant Constituent Authority as that Constituent Authority may from time to time appoint to carry out the duties of the officer referred to.

## **2 COMMENCEMENT AND CESSATION OF THE MEMORANDUM OF UNDERSTANDING**

2.1 The Agreement shall commence on the Commencement Date. For the avoidance of doubt, this Agreement is only effective when each Constituent Authority has executed it and each Constituent Authority shall be of equal status with equal rights except where expressly stated otherwise and shall continue on the terms of this Agreement until the earlier of the following:

- (a) all Constituent Authorities agree in writing to its termination; or
- (b) there is only one remaining Constituent Authority who has not exited this Agreement in accordance with clauses 21 or 22.

2.2 The Constituent Authorities confirm that the memorandum of understanding between them relating to *The procurement of services by the administering authorities of the local government pension scheme in Wales* shall cease to have effect from the Commencement Date.

## **3 FORMATION OF THE JOINT GOVERNANCE COMMITTEE**

3.1 The Constituent Authorities by this Agreement hereby form the Joint Governance Committee pursuant to section 101(5) and 102(1) of the Local Government Act 1972 for the purposes of overseeing and reporting on the performance of the Investment Pool. The Joint Governance Committee shall not be responsible for formulating or revising the investment strategy described by regulation 7 of the Investment Regulations in respect of each or any of the Constituent Authorities.

3.2 Meetings of the Joint Governance Committee are subject to the provisions of the Local Government Act 1972 including the provisions on access to information and meetings held in public.

3.3 The membership of the Joint Governance Committee shall be one elected member nominated by each of the Constituent Authorities provided that the elected member is a member of that [Constituent Authority and that] Constituent Authority's pensions committee (or equivalent body) for the purposes of the Local Government Pension Scheme Regulations 2013.

3.4 For the purposes of clause 3.3, each Constituent Authority may appoint a named deputy who must be an elected member of the same [Constituent Authority and the same] Constituent Authority's pension committee (or equivalent body) for the purposes of the Local Government Pension Scheme Regulations 2013 as the Member for whom they are acting as deputy

- 3.5 The Joint Governance Committee shall undertake its role and act in accordance with the Terms of Reference set out in Schedule 4 and undertake the matters set out in Schedule 3 and shall seek and have regard to the advice of the OWG and any professional advisors appointed in carrying out its functions under this Agreement.
- 3.6 Every meeting shall be governed by the procedure and requirements set out in Schedule 6.
- 3.7 A programme of training will be provided to Members and their deputies having regard to CIPFA Guidance and the training provided to Members in their roles on their respective Constituent Authority pension committees. In order to be eligible to participate in the Joint Governance Committee Members are required to attend and complete this training within 9 months of being appointed to the Joint Governance Committee and must thereafter attend update and refresher sessions provided at intervals deemed appropriate by the Joint Governance Committee. Any failure to undertake the required training shall be a matter for consideration of the relevant Member's Constituent Authority's Standards Committee who thereafter make a recommendation to the Constituent Authority as to whether or not the Member should remain appointed to the Joint Governance Committee.

#### **4 OFFICERS WORKING GROUP**

- 4.1 The Joint Governance Committee shall appoint the OWG on the following terms:
- (a) **Purpose:** the OWG shall support and advise the Joint Governance Committee on such matters as the Joint Governance Committee may reasonably request or any matters relating to the Pooling Collaboration which are raised by any Constituent Authority's Section 151 Officer or Monitoring Officer;
  - (b) **Membership:** each Constituent Authority shall nominate up to two officers employed by that Constituent Authority as its representatives on the OWG;
  - (c) **Remit:** the remit of the OWG shall be as set out in Schedule 8;
- 4.2 The OWG shall undertake its role and have regard to the Joint Governance Committee Terms of Reference .
- 4.3 Each Constituent Authority's Section 151 Officer and Monitoring Officer (or in their absence their deputies) shall, where they are not members of the OWG, have the right to attend meetings of the OWG and receive copies of any papers.

#### **5 DECISION MAKING**

- 5.1 The Constituent Authorities have identified the following two categories of decisions together with the means by which they will be taken:

- (a) **"Joint Governance Committee Matter"**: means a matter, identified in Schedule 3 which is to be decided upon at a quorate meeting of the Joint Governance Committee by those present and entitled to vote and any such decision will be binding on all of the Constituent Authorities;
- (b) **"Matters Reserved to the Constituent Authorities"**: means a matter identified in Schedule 2, which will have to be referred to each Constituent Authority for decision (having regard to any recommendation to be made thereon by the Joint Governance Committee). Such matter requiring a decision shall not be dealt with by the Joint Governance Committee until the matter has been determined by all of the Constituent Authorities. If the Constituent Authorities fail to reach a unanimous decision in respect of such matter then the matter shall be referred under clause 36 (Alternative Dispute Resolution) as a dispute for resolution.

## 6 BUSINESS PLAN

6.1 The Joint Governance Committee shall, with the support of the OWG, produce a draft Business Plan to cover the medium term (being up to five years) having regard to the electoral cycle and the operational requirements of the Constituent Authorities for consultation with the Constituent Authorities. The draft Business Plan shall have regard to:

- (a) the strategic objectives of the Pooling Collaboration over the relevant Business Plan period;
- (b) the financial budget for the relevant Business Plan period and/or any annual budget set;
- (c) the delivery plan produced by the Operator in connection with the Investment Pool including any costs or fees proposed by the Operator or any other supplier;
- (d) the requirements on each of the Constituent Authorities in their individual capacity as an administering authority pursuant to the Investment Regulations;
- (e) the requirements of each Constituent Authority's investment strategy;
- (f) the advice of appropriately qualified and authorised and regulated professional advisors;
- (g) the guidance issued from time to time by the Secretary of State as referred to in regulation 7(1) of the Investment Regulations;

- (h) such other matters that the Constituent Authorities may consider necessary to the furtherance of the Pooling Collaboration including (subject to clause 10.2), the proposal and development of ad hoc projects.
- 6.2 Consultation on the draft Business Plan shall be carried out by the OWG (with the the Operator (where appropriate) and the Constituent Authorities and such other parties as it may deem necessary) who shall report on the outcome of that consultation. The Joint Governance Committee shall hold a meeting to discuss and, having had due regard to the consultation response report and the advice of the appropriately qualified and regulated professional advisors, agree a final Business Plan which may include such revisions to the draft as the Joint Governance Committee considers appropriate.
- 6.3 Following approval by the Joint Governance Committee the Business Plan shall be sent to all Constituent Authorities for their written approval.
- 6.4 The Business Plan will be reviewed by the Joint Governance Committee and the Constituent Authorities annually. Where any revisions are agreed by the Joint Governance Committee the revised Business Plan shall be sent to all Constituent Authorities for their written approval.
- 6.5 For the avoidance of doubt, final approval of the Business Plan shall be treated as a Matter Reserved to the Constituent Authorities (as defined in clause 5).

## **7 HOST COUNCIL**

- 7.1 The Constituent Authorities (acting severally) have agreed, with effect from the Commencement Date, that Carmarthenshire County Council will be the Host Council for the Pooling Collaboration which shall be carried out for and on behalf of itself and the Constituent Authorities and Carmarthenshire County Council agrees to act in that capacity subject to and in accordance with and to the extent provided for by the terms of this Agreement. For the avoidance of doubt the role of Host Council includes:-
  - (a) to act as the employing authority for any staff engaged in the discharge of the Pooling Collaboration's functions (appointing, employing or accepting the secondment of staff) in accordance with this Agreement;
  - (b) being the point of contact for the purposes of managing the Pooling Collaboration;
  - (c) providing such administrative resources and facilities that may be necessary for the purpose of discharging the Pooling Collaboration and hold all Pooling Contributions;

- (d) providing such governance and administrative services that may be necessary for the purpose of supporting the Pooling Collaboration including arranging and clerking of meetings;
  - (e) providing training for Members to support their role on the Joint Governance Committee in line with the training plan and in accordance with clause 3.7.
  - (f) provide appropriately qualified and experienced officers who will act as the primary legal and financial advisers to the Pooling Collaboration;
  - (g) for the purposes of the Pooling Collaboration require their Section 151 Officer and Monitoring Officer (or in their absence their deputies) to undertake oversight and review of the operation of the Pooling Collaboration and decisions of the Joint Governance Committee on behalf of all of the Constituent Authorities;
  - (h) power to enter into contracts for supplies and services as required for the purposes of the Pooling Collaboration;
  - (i) liaise with the Operator on behalf of the Constituent Authorities pursuant to the terms of the Operator Contract and in the manner and to the extent set out in the Contract Management, Co-ordination and Liaison with the Operator policy and procedure to be approved in accordance with Schedule 5 and to provide any contract management and co-ordination services for the purposes of the Pooling Collaboration set out in that policy and procedure.
- 7.2 For the avoidance of doubt the duties and responsibilities of the Host Council pursuant to this Agreement shall only bind the Host Council to the extent that they have been resourced by the Constituent Authorities through this Agreement.
- 7.3 Save and except where otherwise required by law all staff employed by the Host Council pursuant to this Agreement shall be employed on the Host Council's relevant terms and conditions of employment and related staff policies including salary structures.
- 7.4 A replacement Host Council may be appointed by a majority decision of the Constituent Authorities provided that the replacement Host Council agrees.
- 7.5 If the Host Council withdraws from the Pooling Collaboration pursuant to clause 21 (Voluntary Exit) or clause 22 (Compulsory Exit) then a replacement Host Council will be appointed by a majority decision of the Constituent Authorities provided that the replacement Host Council agrees. The withdrawing Host Council will not have the right to vote in regard to any such appointment.

- 7.6 Where a replacement Host Council is appointed pursuant to Clause 7.4 or 7.5 above, any reference to Carmarthenshire County Council (in its capacity as the initial Host Council) shall be read with reference to the replacement Host Council from the effective date of the replacement.
- 7.7 Where TUPE applies in connection with the appointment of any replacement Host Council, then the Constituent Authorities shall comply with the provisions of Schedule 7.
- 7.8 For the duration of this Agreement, the Host Council shall act diligently and in good faith in all its dealings with the other Constituent Authorities.
- 7.9 For the duration of this Agreement, the Constituent Authorities shall act diligently and in good faith in all their dealings with the Host Council and shall use their reasonable endeavours to assist the Host Council to support the Pooling Collaboration.

## **8 OPERATOR CONTRACT**

- 8.1 Each Constituent Authority shall promptly execute the Operator Contract in counterpart and return the executed counterpart to the Host Council as soon as reasonably practicable following execution. The Host Council shall as soon as reasonably practicable confirm that the Operator Contract has been duly executed by all Constituent Authorities and is in force and effect.
- 8.2 The Constituent Authorities authorise the Host Council to exercise their rights, duties and obligations pursuant to clause 7.1(i).
- 8.3 For the avoidance of doubt, any allocation of liability arising under the Operator Contract shall be apportioned between the Constituent Authorities pursuant to the terms of the Operator Contract and/or clause 10 (as appropriate).

## **9 LIABILITIES AND INDEMNITIES FOR THE HOST COUNCIL**

- 9.1 Nothing in this Agreement will make the Host Council liable in respect of anything done or omitted to be done by a Constituent Authority up to the Commencement Date.
- 9.2 .The Host Council shall be indemnified from and against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential loss, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable costs and expenses) arising from the performance of its functions authorised pursuant to clause 7 save in the case of its wilful default or fraud.

## 10 COMMITMENT OF THE CONSTITUENT AUTHORITIES AND CONTRIBUTIONS

10.1 Subject to clause 10.2, the Constituent Authorities agree to pay the contributions, which shall be calculated equally, of the estimated governance, procurement and administration costs included within the Business Plan or additional expenditure later required as part of any revised estimated governance, procurement and administration costs contemplated by the Business Plan (the "**Pooling Contributions**") except where the Business Plan provides otherwise.

10.2 The Constituent Authorities shall meet the costs of ad hoc projects to which they are a party equally between the Constituent Authorities who are parties only and any non-participating Constituent Authorities shall not be liable for any proportion of such costs.

10.3 The Constituent Authorities agree to pay the Pooling Contributions to the Host Council on such dates, and at such frequency, as is determined by the Business Plan. Any costs incurred prior to the approval of the Business Plan shall be payable on being invoiced by the Host Council.

10.4 All Pooling Contributions shall be made by way of payment to the bank account notified to the Constituent Authorities by the Host Council for the purposes of the Pooling Collaboration. The Host Council shall maintain a separate account or accounts as appropriate for all monies received or expended in connection with the Pooling Collaboration in a manner which complies with their accounting arrangements.

10.5 Following the termination of this Agreement, once the costs of the Host Council have been met, the sum standing to the credit of the account or accounts in which Pooling Collaboration funds are held shall be returned to the then remaining Constituent Authorities in the proportions in which they were originally contributed.

10.6 Following the termination of this Agreement, where any further contribution is required, or repayments are to be made, the Constituent Authorities shall decide the following:

- (a) the total amount;
- (b) the apportionment of such contribution or repayment between the Constituent Authorities; and
- (c) the form of such contribution or repayment.

In the absence of any agreement to the contrary, such contributions or repayments shall be by or to all of the Constituent Authorities equally.

10.7 For the avoidance of doubt, any charges incurred in respect of investment management of the Investment Pool shall be attributed to each Constituent Authority by reference to the assets under management for that Constituent Authority and the investment

management charges applicable to each sub-fund (or assets held in any alternative investment structure), are not determined by this Agreement. The liability of each Constituent Authority to meet the fees of the Operator shall be determined by the Operator Contract and not this Agreement.

## **11 ACCOUNTS**

- 11.1 The Host Council shall keep proper books of account (which expression shall include any computerised accounting system for the time being used by the Pooling Collaboration) and shall be responsible for ensuring that full and proper entries of all receipts and payments are promptly recorded in them. The books of account shall be kept at the premises of the Host Council and be made available for inspection by all of the Constituent Authorities (who may also take copies). The Host Council shall make available on reasonable request such information as is required by any Constituent Authority to prepare their own accounts or respond to any internal or external audit.
- 11.2 The Host Council shall ensure that the contributions and payments made by each Constituent Authority shall be held in an account in the name of the Host Council which does not breach regulation 6 of the Investment Regulations.
- 11.3 The Host Council shall prepare annual accounts in relation to each Financial Year for the Pooling Collaboration in accordance with the appropriate code of practice on accounting and the regulations which relate to accounting and audit as applicable to local authorities by no later than 31 May in the following Financial Year.
- 11.4 . The Host Council shall be responsible for ensuring that the accounts relating to the Pooling Collaboration are audited where and when required by law or other competent authority and shall make copies of the audited accounts available to all of the Constituent Authorities
- 11.5 The Joint Governance Committee may hold a reserve of funds for the purposes of meeting the costs of the Pooling Collaboration. Where the reserve exceeds 40% of the budget for the forthcoming year then the amount by which the reserve exceeds that sum may be repaid to the Constituent Authorities and such repayment shall be in proportion to the total amount contributed by each unless the Joint Governance Committee decides to the contrary.

## **12 INVESTMENT MANAGEMENT COSTS**

- 12.1 In accordance with clause 10.7, each Constituent Authority shall bear its own costs in respect of investment management they incur or expect to incur in the Pooling Collaboration which shall include all transition costs for the investment and disinvestment of assets.

## **13 INTELLECTUAL PROPERTY**

- 13.1 Any intellectual property developed by any Constituent Authority for the purposes of the Pooling Collaboration shall be retained by the Constituent Authorities and each Constituent Authority will grant all of the other Constituent Authorities a non-exclusive, perpetual, non-transferable and royalty free licence to use, modify amend and develop it for the purpose of the Pooling Collaboration whether or not the Constituent Authority granting the licence remains a party to this Agreement. All costs and expenses relating to such intellectual property shall be borne by the Constituent Authorities and the other Constituent Authorities shall indemnify the Constituent Authority or Constituent Authorities in whom such property is vested against all liabilities that may arise directly or indirectly in respect of the use of it.

## **14 REPORTS**

- 14.1 The Joint Governance Committee shall oversee the Pooling Collaboration and ensure that it is provided in accordance with the Business Plan.
- 14.2 To ensure that the Constituent Authorities are kept up-to-date with the performance of the Pooling Collaboration, the Joint Governance Committee shall report quarterly and annually to the Constituent Authorities with progress measured against the Business Plan and the objectives of the Investment Pool.

## **15 INSURANCE**

- 15.1 Where the operation of the Pooling Collaboration is not covered by any existing insurance of the Constituent Authorities, the Host Council shall effect and at all times keep in force (for the benefit of the Members of the Joint Governance Committee and the officers appointed to the OWG) such policies of insurance for such amounts as it shall decide. Such policies shall be maintained at the expense of the Constituent Authorities and shall be an administration cost of this Pooling Collaboration for the purposes of clause 10.1.

## **16 DUTIES AND POWER**

Each Constituent Authority shall at all times:

- (a) use its reasonable skills and endeavours to promote and carry on the Pooling Collaboration for the benefit of the Constituent Authorities, and conduct itself in a proper and responsible manner;
- (b) devote such time and attention as the Constituent Authorities may decide in writing to be necessary and appropriate to the Pooling Collaboration;
- (c) comply with all legislation, regulations, professional standards and other provisions as may govern the conduct of the Pooling Collaboration, or be determined by the Constituent Authorities as standards to be voluntarily applied to the Pooling Collaboration;
- (d) show the utmost good faith to the other Constituent Authorities in all transactions relating to the Pooling Collaboration and give them a true account of, and full information about, all things affecting the Pooling Collaboration;
- (e) inform the Constituent Authorities without delay on becoming party to any legal proceedings in connection with the Pooling Collaboration;
- (f) punctually pay and discharge its present and future debts and financial obligations;
- (g) shall not do or fail to do anything which shall bring any of the other Constituent Authorities, or itself, into disrepute;
- (h) obtain all necessary consents sufficient to carry on their duties to the Pooling Collaboration.

16.2 No action which would otherwise be a breach of this clause shall constitute a breach where the Constituent Authority was required to carry out that action in compliance with a statutory duty or order of any court, tribunal or ombudsman.

## **17 DELEGATION**

17.1 Prior to the commencement of the Pooling Collaboration the Constituent Authorities shall put in place such authorisations as are required within their internal governance arrangements to:

- (a) delegate the making of the decisions set out in Schedule 3 (Joint Governance Committee Matters) to the Joint Governance Committee;
- (b) delegate any other matter which is required to comply with the obligations of this Pooling Collaboration, including delegations to its own officers and to the Host Council where required.

17.2 The Constituent Authorities shall review and where necessary amend their delegations throughout the duration of the Pooling Collaboration to ensure that they can comply with the provisions of this Agreement.

17.3 The Joint Governance Committee may appoint contractors or agents to undertake tasks, advise on or support the implementation of its functions.

## **18 OBLIGATIONS ON CONSTITUENT AUTHORITIES**

18.1 Without prejudice to the terms of this Agreement, the Constituent Authorities, on an individual basis, commit to the implementation of the Pooling Collaboration consistently with the Submission (subject to any variation agreed by the Constituent Authorities) and to use their reasonable endeavours to ensure the success of the Pooling Collaboration.

18.2 Nothing in this Agreement shall fetter the discretion of each Constituent Authority to formulate and revise an investment strategy appropriate for their fund within the LGPS pursuant to regulation 7 of the Investment Regulations.

18.3 It is acknowledged and agreed that the obligations and liabilities of each Constituent Authority shall bind any successor authority in the event of any local government re-organisation.

## **19 INDEMNITY**

19.1 Subject to clause 8.3, any Constituent Authority who is in material breach of any of the provisions of this Agreement shall indemnify the other Constituent Authorities from and against all liabilities, costs, expenses, damages and losses, (including but not limited to any direct, indirect or consequential loss, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable costs and expenses) resulting from that breach, without prejudice to any other right or remedy of the other Constituent Authorities howsoever arising.

## **20 POLICIES AND PROCEDURES**

20.1 The Joint Governance Committee shall prepare, maintain and adhere to the policies and procedures which are listed in Schedule 5 and any further policies and procedures which the Joint Governance Committee decides are appropriate, in accordance with applicable law and regulation, competent authority, and CIPFA Guidance, and having had regard to applicable guidance specific to local government management of funds or accounting and auditing requirements. The Joint Governance Committee shall provide them to the Constituent Authorities and OWG and provide them to sub-delegates and other necessary parties with the aim of achieving uniformity and efficiency in operating practices.

20.2 Where any policy or procedure provided for under this Agreement requires the Constituent Authorities to address or copy any communication or similar to any contract management or co-ordination function the Joint Governance Committee will advise the Constituent Authorities of that requirement in writing. As of the date of receipt of an advisory under this clause the Constituent Authorities shall address or copy any communication as advised.

## 21 VOLUNTARY EXIT

21.1 Any Constituent Authority (the "**VE Authority**") may exit from the Pooling Collaboration by giving not less than 18 (eighteen) months' written notice to the Host Council of its intention to exit the Pooling Collaboration and the date of expiration of that notice is the 31 March which next falls after or is coincident with the end of the 18 (eighteen) month notice period provided that the Constituent Authorities may agree with the VE Authority that a different notice period applies (the "**Exit Date**").

21.2 A VE Authority may exit the Pooling Collaboration and be released from its obligations under this Agreement (other than clause 23) provided that:

- (a) it has satisfied all of its obligations up to the Exit Date;
- (b) it has satisfied its share of the costs and expenses up to the Exit Date, as well as any necessary costs and expenses to facilitate the exit whether or not incurred after the Exit Date;
- (c) subject to clause 21.5 below, it redeems all of its investments from the Investment Pool;
- (d) its representatives on the Joint Governance Committee and the OWG resign on or before the Exit Date.

21.3 With effect from the date of the notice given by the VE Authority pursuant to clause 21.1 the Member (and any nominated deputy for the purposes of clause 3.4) nominated by the VE Authority for the purposes of clause 3.3 shall cease to have any voting rights for the purposes of the Joint Governance Committee and the VE Authority shall cease to be a Constituent Authority.

21.4 For the avoidance of doubt, the VE Authority shall remain liable to make the Pooling Contributions which are due prior to the Exit Date.

21.5 The Constituent Authorities recognise that there may be circumstances where the VE Authority may not be able to redeem all of its assets from the Investment Pool due to the nature of a particular investment (for example where an investment is illiquid or redeeming the asset would be in breach of contract) (the "**Retained Asset(s)**") provided that the Constituent Authorities and the VE Authority shall work together in good faith to

redeem the Retained Asset(s) as soon as reasonably practicable. In such circumstances the VE Authority shall continue to make Pooling Contributions after the Exit Date until all of the Retained Asset(s) are redeemed from the Investment Pool. The Pooling Contributions shall be determined by the Business Plan which shall have regard to the relative value of the Retained Assets when compared to the assets applicable to the Constituent Authorities in the Investment Pool.

## 22 COMPULSORY EXIT

22.1 The Constituent Authorities (other than the CE Authority) may by majority decision compulsorily require any Constituent Authority (the "**CE Authority**") to leave the Pooling Collaboration, by the Host Council (or in the case of the Host Council being the CE Authority, any other Constituent Authority) giving the CE Authority written notice if the CE Authority:

- (a) commits any serious breach or persistent breaches of this Agreement;
- (b) fails to pay any money owing by it to the Host Council within 28 (twenty-eight) days of a written request for payment from the Host Council;
- (c) fails to account for, or pay over or refund any money received and belonging to the Constituent Authorities within 28 (twenty-eight) days after being so required by notice from the Host Council;
- (d) wilfully neglects, refuses or omits to perform its duties, obligations and responsibilities under this Agreement; or
- (e) is guilty of conduct which, in the reasonable opinion of the other Constituent Authorities, is likely to have a serious adverse effect on the Pooling Collaboration;

provided that in each case the CE Authority is first given 28 days following receipt of the written notice to remedy the breach or issue described in paragraphs (a) to (e) and the CE Authority has failed to remedy such breach or issue or to take reasonable steps to do so.

22.2 The effective date of the CE Authority being required to leave the Pooling Collaboration is the 31 March which next falls after or is coincident with the period of 18 (eighteen) month after the notice given in clause 22.1 above provided that the other Constituent Authorities may notify the CE Authority that a different notice period applies (the "**Compulsory Exit Date**").

22.3 The CE Authority shall exit the Pooling Collaboration from the Compulsory Exit Date and must prior to the Compulsory Exit Date:

- (a) have satisfied all of its obligations up to the Compulsory Exit Date;
  - (b) have satisfied its share of the costs and expenses up to the Compulsory Exit Date, as well as any necessary costs and expenses to facilitate the exit whether or not incurred after the Compulsory Exit Date.
  - (c) subject to the same circumstances in clause 21.5, it redeems all of its investments from the Investment Pool;
  - (d) its representatives on the Joint Governance Committee and the OWG resign on or before the Compulsory Exit Date.
- 22.4 With effect from the date of the notice given by the Host Council to the CE Authority pursuant to clause 22.1 the Member (and any nominated deputy for the purposes of clause 3.4) nominated by the CE Authority for the purposes of clause 3.3 shall cease to have any voting rights for the purposes of the Joint Governance Committee and shall cease to be a Constituent Authority.
- 22.5 For the avoidance of doubt, the CE Authority shall remain liable to make the Pooling Contributions which are due prior to the Compulsory Exit Date and liable to the continuing liability provisions of clause 23.
- 22.6 The Constituent Authorities recognise that there may be circumstances where the CE Authority may not be able to redeem the Retained Asset(s) provided that the Constituent Authorities and the CE Authority shall work together in good faith to redeem the Retained Asset(s) as soon as reasonably practicable. In such circumstances the CE Authority shall continue to make Pooling Contributions after the Compulsory Exit Date until all of the Retained Asset(s) are redeemed from the Investment Pool. The Pooling Contributions shall be determined by the Business Plan which shall have regard to the relative value of the Retained Asset(s) when compared to the assets applicable to the Constituent Authorities in the Investment Pool.

## **23 FURTHER PROVISIONS RELATING TO A VE AUTHORITY OR A CE AUTHORITY**

- 23.1 When any Constituent Authority ceases to be a Constituent Authority by virtue of being a VE Authority or a CE Authority, the continuing Constituent Authorities shall publish notice of the change in the Pooling Collaboration and shall give notice in writing of the change in the Pooling Collaboration to all third parties who have in the last 12 (twelve) months had any dealings with the Pooling Collaboration (as advised by the Host Council and whether as suppliers to the Host Council or as clients or customers of it).
- 23.2 The VE Authority or CE Authority (as applicable) irrevocably agree and undertake to execute and deliver within 5 working days of request all deeds and documents and to do all acts and things necessary to give effect to the terms of this Agreement and for

vesting in the continuing Constituent Authorities the full benefit of the assets, rights and benefits to be transferred to the continuing Constituent Authorities under this Agreement.

#### **Continuing liability**

- 23.3 Where any Constituent Authority exits from this Agreement in accordance with Clause 21 or 22 they shall remain liable to the extent they would have been were they still party to this Agreement for any acts, omissions, costs and expenses arising from acts taken or decisions made during the period in which that Constituent Authority was a party to this Agreement.
- 23.4 Any Constituent Authority who enters this Agreement after the Commencement Date shall have liability for any acts, omissions, costs and expenses arising from acts taken or decisions made from the date of their entry only.

#### **24 NEW CONSTITUENT AUTHORITY**

- 24.1 The Constituent Authorities shall consider applications from other administering authorities of funds within the LGPS to join the Pooling Collaboration (a "**New Member Application**").
- 24.2 A New Member Application will be considered on the merits of its business case and the conditions which the Constituent Authorities consider appropriate from time to time.
- 24.3 A New Member Application will only be approved by the Constituent Authorities at their absolute discretion and, subject to regulation 8 of the Investment Regulations, there shall be no obligation under the terms of this Agreement for a New Member Application to be accepted.

#### **25 CONFIDENTIALITY**

- 25.1 For the purposes of this Agreement, **Confidential Information** means, any information which has been certified as exempt information in accordance with Section 100I of the Local Government Act 1972 and all confidential information (however recorded or preserved) disclosed by a Constituent Authority or its representatives or advisers to another Constituent Authority and his representatives or advisers (except where by law the information cannot be retained as confidential) concerning:
- (a) any information relating to the prospective business, technical processes, computer software or intellectual property rights of the Pooling Collaboration;
  - (b) all documents, papers and property that may have been made or prepared by, or at the request of, any Constituent Authority and which are marked as being exempt information or confidential and which come into any Constituent

Authority's possession or under its control in the course of the Pooling Collaboration; and

- (c) compilations of two or more items of such information and all information that has been, or may be, derived or obtained from any such information which, at any time, comes into any Constituent Authority's possession or under its control in the course of the Pooling Collaboration and which the Pooling Collaboration regards or could reasonably be expected to regard as confidential, whether or not such information is, in itself, confidential, marked as "confidential" or reduced to tangible form.

25.2 Save as provided otherwise in this agreement either expressly or by implication, each Constituent Authority undertakes that it shall not, at any time, disclose to any person any Confidential Information of the other Constituent Authorities and shall use its reasonable endeavours to keep all Confidential Information of the other Constituent Authorities confidential (whether it is marked as such or not) except as permitted by clause 25.3.

25.3 Each Constituent Authority may disclose the other Constituent Authority's Confidential Information:

- (a) to its representatives or advisers who need to know such information for the purposes of carrying out the Constituent Authority's obligations under or in connection with this Agreement. Each Constituent Authority shall ensure that its representatives or advisers to whom it discloses the other Constituent Authority's Confidential Information comply with this clause.
- (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority including an ombudsman.

## **26 PENSIONS**

26.1 The Constituent Authorities are scheduled employers in the LGPS. The employees employed by the Host Council in the Pooling Collaboration will be active members of the LGPS from and including the Commencement Date or later date of commencement of employment subject to the Local Government Pension Scheme Regulations 2013.

## **27 FREEDOM OF INFORMATION**

27.1 Each Constituent Authority acknowledges that the other Constituent Authorities and the Joint Governance Committee are subject to the requirements of the Freedom of Information Act 2000 ("**FoIA**") and each Constituent Authority shall where reasonable assist and co-operate with the other Constituent Authorities (at their own expense) to

enable the other Constituent Authorities to comply with these information disclosure obligations.

27.2 Where a Constituent Authority receives a request for information under the FoIA in relation to information which it is holding on behalf of any of the other Constituent Authorities in relation to the Pooling Collaboration, it shall:

- (a) transfer the request for information to the other Constituent Authorities as soon as practicable after receipt and in any event within 2 (two) Business Days of receiving a request for information;
- (b) provide the other Constituent Authorities with a copy of all information in its possession or power in the form that the Constituent Authorities reasonably require within 10 (ten) Business Days (or such longer period as the Constituent Authorities may specify) of the Constituent Authority requesting that information; and
- (c) provide all necessary assistance as reasonably requested by the other Constituent Authorities to enable the Constituent Authority to respond to a request for information within the time for compliance set out in the FoIA.

27.3 Where a Constituent Authority receives a request for information under the FoIA which relates to this Agreement or the Pooling Collaboration it shall;

- (a) advise the person making the request that the information is held by another public authority being the Joint Governance Committee and that the request has been passed to that public authority to respond;
- (b) transfer the request for information to the Host Council on behalf of the Joint Governance Committee as soon as practicable after receipt and in any event within 2 (two) Business Days of receiving a request for information;
- (c) provide the Host Council with a copy of all information in its possession or power in the form that the Host Council reasonably require within 10 (ten) Business Days (or such longer period as the Constituent Authorities may specify) of the Constituent Authority requesting that information; and
- (d) provide all necessary assistance as reasonably requested by the Host Council to enable the Host Council to respond to a request for information on behalf of the Joint Governance Committee within the time for compliance set out in the FoIA.

27.4 The Constituent Authorities or the Host Council shall be responsible for determining in their absolute discretion whether any information requested under the FoIA:

- (a) is exempt from disclosure under the FoIA;
- (b) is to be disclosed in response to a request for information.

27.5 Each Constituent Authority acknowledges that the other Constituent Authorities and the Joint Governance Committee may be obliged under the FoIA to disclose information:

- (a) without consulting with the other Constituent Authorities where it has not been practicable to achieve such consultation; or
- (b) following consultation with the other Constituent Authorities and having taken their views into account.

## **28 DATA PROTECTION**

28.1 The Constituent Authorities shall comply with the Data Protection Act 1998.

## **29 DISSOLUTION**

29.1 No Constituent Authority shall be capable of dissolving the Pooling Collaboration unilaterally by means of a notice.

29.2 The Pooling Collaboration and this Agreement shall be terminated upon the unanimous agreement of all of the Constituent Authorities.

29.3 Each Constituent Authority shall act in good faith in the wind up of the Pooling Collaboration following the unanimous decision to dissolve as soon as reasonably practicable thereafter, and all costs and expenses shall be borne equally by the Constituent Authorities.

## **30 ENTIRE AGREEMENT**

30.1 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

30.2 Each Constituent Authority acknowledges that, in entering into this Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement.

30.3 Each Constituent Authority agrees that it shall have no claim for innocent or negligent misrepresentation (or negligent misstatement) based on any statement in this agreement.

30.4 Nothing in this clause shall limit or exclude any liability for fraud.

### **31 NOTICES**

31.1 Any notice, demand or communication in connection with this Agreement will be in writing and may be delivered by hand, post, facsimile or email addressed to the recipient as set out in Schedule 1 or any other address notified to the other party in writing in accordance with this clause as an address to which notices, invoices and other documents may be sent. The notice, demand or communication will be deemed to have been duly served:

- (a) if delivered by hand during business hours, at the time of delivery;
- (b) if delivered by post, 48 hours after being posted (excluding Saturdays, Sundays and public holidays);
- (c) if delivered by facsimile during business hours, at the time of transmission, provided that a confirming copy is sent by first class post to the other party within 24 hours after transmission; or
- (d) if delivered by email or other electronic form of communication during business hours, at the time of transmission provided that a confirming copy is sent by first class post to the other party within 24 hours after transmission.

31.2 Where notice is served by hand, facsimile or email outside business hours, it will be deemed to have been served on the next business day.

### **32 CONTRACTS (THIRD PARTY RIGHTS)**

32.1 The Constituent Authorities as parties to this Agreement do not wish that any of its terms to be enforceable by virtue of the Contract (Rights of Third Parties) Act 1999 by any person not a party to this Agreement.

### **33 SEVERANCE**

33.1 If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

33.2 If one Constituent Authority gives notice to the other Constituent Authorities of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the Constituent Authorities shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended result of the original provision.

## **34 AMENDMENTS**

- 34.1 No amendment to this Agreement shall be binding unless it is in writing and signed by a duly authorised representative of each of the Constituent Authorities and expressed to be for the purpose of such amendment.

## **35 GOVERNING LAW AND JURISDICTION**

- 35.1 This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales as it applies in Wales.
- 35.2 Each party irrevocably agrees that the courts of England and Wales have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement, its subject matter or formation.

## **36 ALTERNATIVE DISPUTE RESOLUTION**

- 36.1 The Constituent Authorities agree:
- (a) to pursue a positive approach towards dispute resolution with an objective of reaching a consensus without formal dispute resolution and/or legal proceedings and maintaining a strong working relationship between the Constituent Authorities;
  - (b) that any dispute between the Constituent Authorities in relation to matters covered by this Agreement will be referred to in the first instance to the Chief Executives of the Constituent Authorities who may, at their sole discretion, delegate the dispute to the appropriate senior officer within 10 Business Days of written notice of the dispute;
  - (c) that if the Chief Executives or their delegates are not able to resolve the dispute within 5 Business Days of meeting or there is disagreement over a Member matter, then any Member may refer the matter to a mediation facilitated by the Welsh Local Government Association or to a suitably qualified and independent person, as recommended by the Chief Executives and the Constituent Authorities agree;
  - (d) that where any dispute is agreed to be of a legal or technical nature the parties to the dispute may (but not must) jointly take the opinion of an appropriate expert including opinion of senior legal counsel where appropriate. Such expert opinion must be instructed through the OWG and be instructed within 10 days of referral to Chief Executives under sub-clause (b) following which the opinion should be delivered within a further 10 days unless the nature and/or details of

the dispute or opinion dictate that an alternative timeframe needs to be followed.

- (e) that, if after exhausting other methods of dispute resolution, one of the Constituent Authorities commences legal proceedings then this will be subject to the exclusive jurisdiction of the Courts of England and Wales.

All costs are borne equally between the Constituent Authorities which are party to the dispute unless agreed otherwise by the Joint Governance Committee or ordered by the Courts.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

## Schedule 1

### Contact Details

Carmarthenshire County Council  
Chris Moore  
s. 151 Officer (tel. 01267 224160 and e-mail [CMoore@carmarthenshire.gov.uk](mailto:CMoore@carmarthenshire.gov.uk)); and

Linda Rees-Jones  
Monitoring Officer (tel. 01267 224010 / e-mail [LRJones@carmarthenshire.gov.uk](mailto:LRJones@carmarthenshire.gov.uk))

County Hall, Carmarthen, Carmarthenshire, SA31 1JP

City & County of Swansea Council  
[Contact Name and Details]

City of Cardiff Council  
[Contact Name and Details]

Flintshire County Council  
Philip Latham, Clwyd Pension Fund Manager  
Tel number - 01352 702264 e mail- [Philip.latham@flintshre.gov.uk](mailto:Philip.latham@flintshre.gov.uk)

Gareth Owens, Chief Officer (Governance)  
Tel number – 01352 702344 e mail [Gareth.legal@flintshire.gov.uk](mailto:Gareth.legal@flintshire.gov.uk)

Gwynedd Council  
Dafydd L Edwards, Head of Finance and Section 151 Officer  
Tel number -01286 682668 e mail-. [dafyddle@gwynedd.llyw.cymru](mailto:dafyddle@gwynedd.llyw.cymru)

Iwan G D Evans, Head of Legal Services and Monitoring Officer,  
Tel number -01286679015 e-mail- [iwangdevans@gwynedd.llyw.cymru](mailto:iwangdevans@gwynedd.llyw.cymru)

Powys County Council  
[Contact Name and Details]

Rhondda Cynon Taff County Borough  
Chris Lee, Deputy Chief Executive and Section 151 Officer  
Tel number - 01443 424026 and e mail-. [Christopher.d.lee@rctcbc.gov.uk](mailto:Christopher.d.lee@rctcbc.gov.uk)

Chris Jones, Director of Legal & Democratic Services and Monitoring Officer  
Tel number – 01443 424105 e-mail- [chris.b.jones@rctcbc.gov.uk](mailto:chris.b.jones@rctcbc.gov.uk)

Torfaen County Borough Council

Nigel Aurelius, Assistant Chief Executive Officer and Section 151 Officer,  
Tel number -01495 742623 and e mail- [Nigel.Aurelius@torfaen.gov.uk](mailto:Nigel.Aurelius@torfaen.gov.uk).

Graeme Russell, Head of Human Resources and Pensions  
Tel number- 01495 742625, e mail- [Graeme.Russell@torfaen.gov.uk](mailto:Graeme.Russell@torfaen.gov.uk)

Delyth Harries, Interim Monitoring Officer  
Tel number 01495 742652 and email- [Delyth.Harries@torfaen.gov.uk](mailto:Delyth.Harries@torfaen.gov.uk)

## **Schedule 2**

### **Matters Reserved to the Constituent Authorities**

- 1 Appointment, termination or replacement of the Operator following the making of a recommendation by the Joint Governance Committee.
- 2 Approval of additional expenditure not included within the Business Plan which exceeds 30 % of the approved budget in the Business Plan in any one Financial Year.
- 3 Formulation, approval or revisions of each respective Constituent Authority's investment strategy for the purposes of regulation 7 of the Investment Regulations.
- 4 Admitting a new administering authority within the LGPS to the Investment Pool as a Constituent Authority (pursuant to clause 24).
- 5 Amendment of this Agreement (pursuant to clause 34).
- 6 Termination of this Agreement (pursuant to clause 29).
- 7 Material change to the nature of the Operator Contract.
8. Approval of the initial strategic objectives to allow preparation of the first Business Plan (which objectives shall reflect the objectives set out in the procurement of the Operator).
- 9 Approval of any evaluation or scoring criteria for any procurement of a replacement Operator.
- 10 Approval of the Business Plan which shall include approval of the ongoing strategic objectives of the Investment Pool.
11. Determination of the timing of the transition of the assets held by the LGPS fund for which they are an administering authority into the Pooling Collaboration and the funds or sub-funds operated by the Operator.

### **Schedule 3**

#### **Joint Governance Committee Matters**

Subject to the terms of the Agreement, the Joint Governance Committee shall undertake those matters which are not Matters Reserved to the Constituent Authorities which shall include (without prejudice to the generality of the foregoing):

- 1 Making a recommendation on the appointment, replacement or termination of the Operator to the Constituent Authorities.
- 2 Appointing and replacing service providers, advisers to the Joint Governance Committee (other than the Operator).
- 3 Approving the creation of new pooled vehicles for the Operator.
- 4 Approving the creation of new sub-funds provided by the Operator.
- 5 Approving the termination of sub-funds provided by the Operator.
- 6 Preparing a plan relating to the overall transition of assets in accordance with each Constituent Authority's asset transition plan.
- 7 Approving changes to the Operator Contract which are not material changes to the nature of the Operator Contract.
- 8 Dealing with the necessary general ongoing management of the Pooling Collaboration.
- 9 Delegation of tasks to the OWG, including the preparation of reports and draft documents and the undertaking of consultations.
- 10 Liaison with Pension Boards as appropriate in line with CIPFA Guidance, guidance issued by the Pensions Regulator and other applicable legislation or regulatory guidance.
11. Determining the best means of alternative investment structures for assets where a sub-fund is not being provided by the Operator.

Notwithstanding the above, for the avoidance of doubt, the Joint Governance Committee may not delegate its responsibilities.

## **Schedule 4**

### **Joint Governance Committee - Terms of Reference**

The Joint Governance Committee responsibilities are:

- Making recommendations to the Constituent Authorities on the termination of the Operator Contract before the conclusion of the fixed term contract, where the performance of the Operator is considered unacceptable;
- Ensuring that there are an appropriate range of sub-funds available in order to allow the Constituent Authorities to meet their strategic investment aims. Following representation from any, some or all of the Constituent Authorities, the Joint Governance Committee may direct the Operator to set up a sub-fund in a particular asset class. The Joint Governance Committee must be mindful at all times of the need to balance the requirement to provide a particular sub-fund with the benefits of holding aggregated assets;
- Monitoring the performance of the Operator against the agreed set of key performance indicators;
- Reporting on the performance of the Investment Pool, its costs and other activities, but not limited to, the Constituent Authorities, government, the Scheme Advisory Board and the general public;
- From time to time, to review the appropriateness of the existing structures, including the number and make-up of sub-funds and to make recommendations to the Constituent Authorities as to the respective merits of procuring Operator services by means of a third party or through ownership by the Constituent Authorities of the Operator;
- Liaising with the Operator, in such areas as the Operator seeks the preferences and views of the Joint Governance Committee, on the appointment of suppliers, for example manager preferences or the appointment of depositories;
- Liaising with the Constituent Authorities on the appropriate range of sub-funds to be provided in the Investment Pool;
- From time to time reviewing policies in respect of ethical, social and governance matters and voting rights and where appropriate make recommendations to the Constituent Authorities as to any changes deemed necessary;
- Applying any processes or policies that are assigned to it within this Agreement;

- Recommend a high level plan for initial transition of assets to the pool and further asset transitions in the event, for example, of new sub-funds being created or manager changes within sub-funds;
- Ensuring that the OWG acts within its remit as set out in clause 4 and Schedule 8 of this Agreement;
- Providing any analysis or commentary on annual accounts to the Constituent Authorities;
- Monitoring the implementation and effectiveness of the policies listed in Schedule 5 and initiating reviews of these where required;
- Delivery and ongoing monitoring against the Pooling Collaboration objectives, Business Plan and budgets;
- Approving responses from the Pooling Collaboration in relation to consultations or other matters considered appropriate;
- Seeking advice from professional and authorised and regulated advisers where necessary;
- Agreeing the Business Plan to be put forward to the Constituent Authorities for approval;
- Report to the Constituent Authorities quarterly (and at any other time when the Joint Governance Committee considers it to be necessary) on the matters within their remit including but not limited to the performance of the Operator, the structure of the funds and the ongoing monitoring of the Business Plan;
- Agreeing criteria for the evaluation of bids or tenders for any procurement (other than the first appointment of the Operator) to be put forward for the approval of the Constituent Authorities.

## **Schedule 5**

### Policies and Procedures

- Training and Competence
- Complaints
- Breaches and Errors
- Conflicts of Interests
- Business Continuity Planning
- DSAR/FOI
- Contract Management, Co-ordination and Liaison with the Operator

## **Schedule 6**

### **Joint Governance Committee Procedure**

#### **1 MEMBERSHIP**

- 1.1 The membership of the Joint Governance Committee shall consist of one elected member (or their appointed deputy) per Constituent Authority.
- 1.2 No substitutes other than deputies shall be allowed.
- 1.3 The Joint Governance Committee shall not include any non-voting or co-opted members.

#### **2 MEETINGS**

- 2.1 Meetings shall be held a minimum of four times per municipal year (being May to May). The anticipated schedule of meetings and the locations in which they will be held will be agreed in advance of the commencement of the next Financial Year no later than the final meeting of the current Financial Year.
- 2.2 A meeting may be held at such time and place as the Chair of the Joint Governance Committee thinks fit provided that at least two meetings per annum shall be held in rotating locations between the Constituent Authorities to facilitate public access. The Constituent Authorities shall make available suitable accommodation for the holding of such meetings in public including the provision of Welsh Language translation, video-conferencing and webcasting services as appropriate.
- 2.3 All agendas, reports and minutes in relation to the Joint Governance Committee shall be in both Welsh and English, and simultaneous translation of proceedings will be available throughout all meetings of the Joint Governance Committee.
- 2.4 The Joint Governance Committee may decide to allow remote participation in meetings via video-conference or any similar medium. Any Member attending by video-conference shall be held to be in attendance at the meeting for the purposes of this Schedule.
- 2.5 A meeting of the Joint Governance Committee may be called by a proper officer of the Host Council on the request of the Chair. Members must declare any conflict of interest in respect of any business being conducted at the meeting which would likely to be regarded to prejudice the exercise of a person's function as a participant in the meeting.
- 2.6 The Chair is responsible for the running of meetings. The Chair shall invite Members expressing a desire to speak in turn. All discussion and debate shall be held through the

Chair and the Chair may draw a discussion to a vote at any time where they consider that every Member has been given a fair opportunity to speak.

2.7 Minutes will be kept of all meetings. The Chair will sign the minutes of the proceedings at the next suitable meeting.

2.8 Notice of meetings

(a) A notice of meeting specifying the place, date and time of the meeting and containing a statement of the matters to be discussed at the meeting, shall be served on all of the Members of the Joint Governance Committee by the appropriate governance officer of the Host Council;

(b) Subject to clause 2.8(c), notice of each meeting, copies of the agenda and any reports to be presented at the meeting, shall be given to all Constituent Authorities by the Host Council no later than 7 clear days before the date of the meeting. The Constituent Authorities shall ensure that a minimum of five clear days' notice of all meetings is given in accordance with their normal procedures for notification of Council meetings and all papers made available at all of the Constituent Authorities head offices for inspection for those five days unless certified as confidential in which case agendas and any non-certified items are made available only.

(c) If a meeting is required to be held with less than 5 days' notice, the Chair must agree it is required urgently, approve the shortened notice period and allow as much notice as possible to be given. Notice should be given in the same manner, and the documents should be made available to all of the Constituent Authorities for as many days as practicable before the meeting.

2.9 Exclusion of the public and press

(a) Where any item to be discussed forms exempt information the Chair shall move that the public and press are excluded from the meeting for the duration of the discussion and voting on that item. Motions to exclude the press and public do not require to be seconded and shall be determined by simple majority vote of the Members present.

(b) Where the press and public are excluded under (a) above the Chair may invite any person to remain in the meeting where they consider it to be necessary or appropriate to do so and any members of the OWG present shall be presumed to be invited to remain unless the Chair specifies otherwise.

(c) Any person may be excluded from a meeting or required to leave a meeting where in the opinion of the Chair they are causing a disturbance to the running

of the meeting and have not desisted from doing following a request; or where any person is so disruptive that their conduct if allowed to remain would prevent the meeting from proceeding in a fair and acceptable manner.

- 2.10 The Joint Governance Committee may, through the Chair, invite any person to speak at a meeting.
- 2.11 Officers of the OWG presenting reports to the Joint Governance Committee may be asked questions following such presentation.
- 2.12 Section 151 Officers and Monitoring Officers (and in their absence their deputies) of any Constituent Authority are entitled to attend all meetings including any part of any meeting which is closed to the public and press.

### **3 QUORUM**

- 3.1 The quorum shall be five Members.
- 3.2 Where a quorum is not present within 15 minutes of the start of the meeting and the Chair has not been notified that one or more Members have been delayed but will be attending, the meeting shall not be held and the Host Council will be ask to schedule and give notice of a replacement meeting.
- 3.3 Where, during any meeting there is no quorum present, then the meeting will adjourn immediately. If the Chair has been unable to ascertain within 15 minutes that the quorum can be restored the remaining business will be considered at another time and date fixed by the Chair.

### **4 CHAIR AND VICE CHAIR.**

- 4.1 The Chair and Vice-Chair shall be Members and shall be appointed by vote for a term of 12 calendar months.
- 4.2 In the absence of the Chair, the Vice-chair shall be entitled to exercise all of the functions of the Chair.
- 4.3 The decision of the Chair of the meeting on all points of procedure and order and the Chair's interpretation of any rule in this schedule shall be final and no debate may ensue thereon. The Chair shall be entitled to take the advice of a governance officer in interpreting any rule or objection on procedure.
- 4.4 The Chair may be assisted during meetings by a governance officer on procedural matters and such administrative officers as the Chair considers appropriate. Such governance and secretarial officers shall be entitled to remain in the meeting where the public and press are excluded.

## **5 AGENDA**

- 5.1 An agenda shall be produced in advance for each meeting by the Host Council following consultation with the Chair.
- 5.2 The agenda for each meeting shall contain as the first substantive item the approval of the minutes of the previous meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the previous minutes that can be discussed is their accuracy and any matters arising from those previous minutes shall be regarded as new items on the agenda of the current meeting.
- 5.3 The OWG and the Constituent Authorities may ask the Chair to include any matter on the agenda which they consider should be discussed by the Joint Governance Committee.
- 5.4 The decision on whether to allow discussion on any other matter not on the agenda of a meeting at that meeting shall be made by the Chair.

## **6 MOTIONS**

- 6.1 Any Member may propose a motion. All motions must be seconded. Motions which are opposed shall be put to a vote in accordance with the voting provisions of this schedule.
- 6.2 A Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the provisions of this Schedule, or the law or other competent authority. The Member must indicate the provision or law or regulation and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final. The Chair may take advice on the point of order from the appropriate officer.

## **7 VOTING**

- 7.1 The Chair shall seek consensus wherever possible however where a vote is required the provisions of this section shall apply.
- 7.2 Each Member present will have one vote and voting will be by means of a show of hands. In the event of a tied vote, the Chair shall have a second or casting vote.
- 7.3 All decisions will be determined by simple majority.
- 7.4 In the event that a vote is taken, the voting positions and any abstentions of members will be recorded in the minutes.

## **8 SUB-COMMITTEES AND WORKING GROUPS**

- 8.1 The Joint Governance Committee shall form such sub-committees and working groups as it considers expedient to performing its function. The Joint Governance Committee shall at the time of forming sub-committees or working groups set out the remit of the sub-committees or working groups, what the sub-committees or working groups are required to deliver and the timescale for that delivery.
- 8.2 Sub-committees and working groups shall be entitled to request the input and support of the OWG in the same manner as the Joint Governance Committee.
- 8.3 Each sub-committee and working group shall appoint a chair for that sub-committee or working group, who is to be one of the Members of the sub-committee or working group.
- 8.4 Working groups may invite any person who is not a Member to join the group in order to assist in carrying out its function.
- 8.5 The Chairs of sub-committees and working groups shall report to Joint Governance Committee at each meeting of that committee on the process of the matters within their remit.
- 8.6 Sub-committees and working groups may be disbanded at any time on the vote of the Joint Governance Committee.
- 8.7 The provisions of paragraphs 5-7 (Agenda, Motions and Voting) of this Schedule shall apply to any sub-committee and working group meetings.

## Schedule 7

### TUPE

#### **1 DEFINITIONS**

1.1 The following definitions shall apply in this Schedule:

**Data Protection Legislation** means the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000, the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner.

**Expected Transferring Employees** means those Host Council Personnel who are reasonably expected by the Host Council to be a Transferring Employee.

**Future Host Council** means any relevant Constituent Authority who provides services which are identical or substantially similar to any of the Host Council Services (directly or indirectly) following the termination or expiry of this Agreement or the termination of the provision of any of the Host Council Services by the Host Council.

**Host Council Personnel** means the individuals employed or engaged by the Host Council or any other person in the provision of the Host Council Services under this Agreement from time to time.

**Host Council Services** means the services to be provided by the Host Council under this Agreement as more particularly described at clause 7.

**Redundancy Costs** means any notice pay (including payment in lieu of notice), holiday pay and statutory and/or contractual redundancy payments.

**Sub-Contractor** means any person to whom the provision of any of the Host Council Services may be sub-contracted by the Host Council.

**Subsequent Transfer Date** means the date on which responsibility for the provision of the Host Council Services, or any part of the Host Council Services, transfers from the Host Council to the Future Host Council.

**Transferring Employee** means an individual whose contract of employment has effect from and after the Subsequent Transfer Date, by virtue of the operation of TUPE, as if originally made between such person and the Future Host Council.

## **2 NO TRANSFER ON COMMENCEMENT**

- 2.1 The Constituent Authorities agree that the neither the commencement of this Agreement nor the implementation of any of the arrangements contemplated within it shall give rise to a "relevant transfer" within the meaning of TUPE on or around the Commencement Date.

## **3 EMPLOYEE INFORMATION ON TERMINATION**

- 3.1 Subject to the Data Protection Legislation, during the period of twelve months preceding the expiry of this Agreement, or at any time after the Host Council has given notice to withdraw from the Pooling Collaboration or at any time after the Host Council has actually ceased to provide any of the Host Council Services:

- (a) the Host Council shall within 28 days of the reasonable request by any Future Host Council disclose to that Future Host Council details of the number, age and terms and conditions of employment, in relation to any Host Council Personnel assigned to the provision of the Host Council Services or any relevant part of the Host Council Services;
- (b) the Host Council shall not and, if relevant, shall procure that any Sub-Contractor shall not, save in the ordinary course of business, materially vary the terms and conditions of employment or engagement of any Host Council Personnel or redeploy, replace or dismiss any Host Council Personnel, or employ or engage any additional individual in the provision of the Host Council Services, without the prior written consent of the Future Host Council (such consent not to be unreasonably withheld or delayed).

## **4 EMOLUMENTS**

All wages, salaries, bonus and commission payments, contributions to pension schemes, entitlement to holiday pay and any other emoluments (whether monetary or otherwise), tax and national insurance contributions relating to the Transferring Employees shall be paid or borne by the Host Council (or Sub-Contractor) in relation to the period before the Subsequent Transfer Date (and the Host Council shall procure such payment by any Sub-Contractor) and by the relevant Future Host Council thereafter (and the Constituent Authorities shall procure such payment by any Future Host Council), and all necessary apportionments shall be made.

## **5 COMPLIANCE AND INDEMNITIES**

- 5.1 The Host Council shall and/or, if relevant, shall procure that any Sub-Contractor shall:
- (a) comply with its or their obligations to inform and consult the Expected Transferring Employees pursuant to Regulation 13 of TUPE;

- (b) use reasonable endeavours to agree with the Future Service Provider, and deliver to the Expected Transferring Employees prior to the Subsequent Transfer Date, a suitable joint statement regarding the proposed transfer of their employment to the Future Host Council on the Subsequent Transfer Date; and
  - (c) give employees of the Future Host Council such access to the Expected Transferring Employees prior to the Subsequent Transfer Date as the Future Host Council may reasonably require for the purposes of consultation or of effecting an efficient transfer of the Host Council Services and Transferring Employees with effect from the Subsequent Transfer Date.
- 5.2 The Host Council shall indemnify and keep indemnified the Future Host Council against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought against the Future Host Council in relation to:
- (a) the employment or termination of employment of any Transferring Employee during the period before the Subsequent Transfer Date; or
  - (b) the Host Council's failure or alleged failure to comply with its obligations under Regulation 13 of TUPE, save to the extent that any such failure or alleged failure is as a result of or in consequence of a failure by the Future Host Council to comply with its obligations under Regulation 13(4) of TUPE.
- 5.3 If a claim or allegation is made by any person who is not a Transferring Employee (a **"Non-Disclosed Transferring Employee"**) that his contract of employment has or should have effect as if originally made between himself and the Future Host Council by virtue of the operation or alleged operation of TUPE:
- (a) the Future Host Council shall notify the Host Council in writing as soon as reasonably practicable of any such claim or allegation and the Future Host Council shall then allow the Host Council (or any relevant Sub-Contractor) a period of 10 working days to consult with any such Non-Disclosed Transferring Employee concerning his claim or allegation;
  - (b) the Future Host Council shall give to the Host Council (or any relevant Sub-Contractor) such co-operation or assistance as the Host Council (or relevant Sub-Contractor) may reasonably require;
  - (c) if, following the period of 10 working days referred to in paragraph 4.3(a) above, any Non-Disclosed Transferring Employee continues to assert that his contract of employment has or should have effect as if originally made between himself and Future Host Council, the Future Host Council may, within a further period of

20 working days (or such other period as may be agreed in writing between the Host Council and Future Host Council), serve notice to terminate the employment or alleged employment of such Non-Disclosed Transferring Employee with immediate effect; and

- (d) subject to the Future Host Council's compliance with this paragraph 5.3, the Host Council shall indemnify and keep indemnified the Future Host Council against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought by any such Non-Disclosed Transferring Employee in relation to any sums paid or payable to such Non-Disclosed Transferring Employee up to the date of the termination of such Non-Disclosed Transferring Employee's employment or alleged employment, and in relation to such termination.

5.4 The Future Host Council shall indemnify and keep indemnified the Host Council (for itself and any Sub-Contractor) against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought:

- (a) by any Transferring Employee in relation to any act or omission of the Future Host Council on or after the Subsequent Transfer Date and/or in relation to any events or circumstances relating to the employment or termination of employment of any Transferring Employee occurring or arising on or after the Subsequent Transfer Date;
- (b) in relation to any failure or alleged failure of the Future Host Council to comply with their obligations under Regulation 13 of TUPE; or
- (c) in relation to any substantial change made or proposed by the Future Host Council in the working conditions of any of the Transferring Employees, or any individual who would have been a Transferring Employee but whose employment terminated prior to the Subsequent Transfer Date, where that change is to the detriment of such Transferring Employee(s) or such individual(s).

## **6 REDUNDANCY COSTS**

6.1 The Constituent Authorities shall indemnify and keep indemnified on a joint and several basis the Host Council (for itself and any Sub-Contractor) against all and any Redundancy Costs arising out of or in connection with any claim, demand, action or proceeding which is made or brought against the Host Council (or Sub-Contractor) arising out of or in connection with the termination or alleged termination of employment of any Host Council Personnel by reason of redundancy within 6 months of the

Subsequent Transfer Date, where the employment such Host Council Personnel does not transfer to a Future Host Council (under TUPE or otherwise) on the cessation of the provision of any or all of the Host Council Services, provided that the Host Council shall, or shall procure that any Sub-Contractor shall, use reasonable endeavours to:

- (a) mitigate the amount of any such Redundancy Costs;
- (b) search for and, if available, offer alternative employment within the Host Council's or the Constituent Authorities' (or, as the case may be, the Sub-Contractor's) organisation to any Host Council Personnel at risk of redundancy and shall give that Host Council Personnel a reasonable opportunity to accept any such offer of alternative employment before terminating that Host Council Personnel's employment; and
- (c) comply with any applicable statutory obligations.

### **Schedule 8 - Officers Working Group Remit**

The remit of the OWG shall include:

- (a) proposing to the Joint Governance Committee and procuring external support requirements (including legal, governance, tax and other financial support) relevant to the Pooling Collaboration;
- (b) proposals to the Joint Governance Committee on governance arrangements including how the Operator should be held to account by reference to the Operator Contract;
- (c) proposals to the Joint Governance Committee on the most appropriate means of accessing different asset types, the structure of the Investment Pool including the number and make-up of sub-funds and where appropriate use of any external or national investment vehicles;
- (d) proposing high level transition plans for the transfer of assets to the Investment Pool;
- (e) challenging and contributing to the development of the Pooling Collaboration to enable the Pooling Collaboration and the Joint Governance Committee to achieve its objectives;
- (f) making recommendations to the Joint Governance Committee on the appointment, replacement or termination of the Operator including recommendations on whether to use a third party supplier or an owned entity;
- (g) monitoring and reviewing the performance of the Operator in meeting its objectives, service levels and key performance indicators and reporting to the Joint Governance Committee within the quarterly reports and on other occasions as required;
- (h) receiving reports on performance of the assets and reporting to the Joint Governance Committee;
- (i) external reporting on the Pooling Collaboration and its performance no less than quarterly to professional advisors or competent authorities if required;
- (j) liaison with other pools as required;
- (k) considering and making recommendations to the Joint Governance Committee in relation to the Business Plan, prepare a draft Business Plan for consideration by the Joint Governance Committee, consulting upon the approved draft Business Plan and reporting on the outcomes of such consultation including

proposing any revisions to the draft Business Plan to the Joint Governance Committee;

- (l) developing and keeping under review the programme of training to be delivered to Members ensuring that it complies with all relevant regulations and applicable guidance, which programme of training shall have regard to the training undertaken in Members' roles on their respective Constituent Authority pension committees and shall seek to avoid duplication of training;
- (m) seeking advice from professional advisors that are authorised and regulated by competent authorities;
- (n) managing the procurement process for the procurement of any replacement Operator including proposing criteria for the evaluation of bids or tenders
- (o) such other matters as the Joint Governance Committee shall request or delegate to the OWG.

*[Execution clauses to be inserted]*

[The Common Seal of Gwynedd Council was hereunto affixed in the presence of an Authorised Officer]

[The Common Seal of Rhondda Cynon Taf County Borough Council was hereunto affixed in the presence of an Authorised Officer]

[The Common Seal of Torfaen County Borough Council was hereunto affixed in the presence of Authorised Officer]

[The Common Seal of Flintshire County Council was hereunto affixed in the presence of Chair / Legal Services Manager/Chief Officer Governance]

# Agenda Item 14

<b>MEETING</b>	<b>FULL COUNCIL</b>
<b>DATE</b>	<b>2<sup>ND</sup> MARCH, 2017</b>
<b>SUBJECT</b>	<b>REVIEW OF THE SCRUTINY SYSTEM</b>
<b>AUTHOR(S)</b>	<b>Councillor Trefor Edwards (Chair of the Audit Committee)</b>
<b>PURPOSE</b>	<b>To submit the recommendations of the Audit Committee on a new scrutiny model for May, 2017</b>
<b>CABINET MEMBER</b>	<b>Councillor Dyfrig Siencyn (Deputy Council Leader)</b>
<b>OFFICER</b>	<b>Arwel E Jones (Senior Manager – Corporate Support)</b>

1. After criticism of the Council’s Scrutiny arrangements by the Wales Audit Office, the Audit Committee decided, at its meeting on 21 January 2016, to establish a small Sub-group of Audit, Scrutiny and Cabinet Members that would:-
  - a) consider the work-load of the committees and investigate other scrutiny models, including support arrangements
  - b) interview others regarding the possible models
  - c) introduce a simple procedure of recording how much pre-scrutiny (before decisions are made) takes place

The proposal was for the Sub-group to draw up recommendations for consideration before the Council commenced its new term in May, 2017.
2. The group met on several occasions over the past year, and it attempted to learn from good practice from other councils, sought advice from the Wales Audit Office and held discussions with other Councils in Wales about their arrangements.
3. The work of the sub-group led to initial proposals that were the subject of discussions at two formal workshops and during informal discussions following meetings of the Area Forums. At those various meetings, and in the Sub-group's work, an opportunity was available to discuss the possible proposals with 40 of the members from the 75 invited.
4. This led to preparing two possible models for the Council to consider, a model adapted from the current arrangements with three scrutiny committees (Education and Economy, Care and Communities) with corporate matters being scrutinised by the Audit Committee and a model that establishes one Principal Scrutiny Committee but with more investigations (up to eight at once compared to three under the other model)
5. Both models were discussed by the Sub-group and presented to the Audit Committee, at its meeting on 9<sup>th</sup> February, drawing attention to their advantages and disadvantages. **The recommendation of the Audit Committee is to adopt the One Scrutiny Committee model (see Appendix 1).**
6. The Council should bear in mind that the aim noted at the beginning of the work was to respond to a critical external report and self-assessment regarding our scrutiny work and address the four basic weaknesses in the Council's scrutiny arrangements that were identified by the Sub-group itself at the start of the work, namely:-

- The need to strengthen the connection through dialogue between Scrutiny and the Cabinet by undertaking more joint policy development (Scrutineers and the Cabinet).
- The need for clarity regarding why an issue needs to be scrutinised with appropriate resources and skills to undertake the work.
- Boundaries of committee work have been too sacred and inconsistent workloads.
- The slowness of completing work and frustration about meeting frequency.

NB When considering the two models, the Audit Committee weighed up their advantages and disadvantages against these four points.

7. An important point to remember here is that these proposals only effect the scrutiny committee(s). The remainder of the Councils' committee system of Planning, Licensing and Language Committees etc will as it is at the moment
8. Another important point to remember, in terms of scrutiny arrangements, is that the implementation of the model will be crucial. By having the correct skills and attitudes amongst the people responsible for its implementation (both members and officers), we can make whatever model work better than the current arrangements. However, which model is in place creates the environment for scrutiny and sets the climate for success or failure. Therefore, as we adopt a model, we must ensure that we create an environment that makes good and effective scrutiny easier.
9. However, as noted in the workshops held with members, regardless of the model adopted, some things must be changed and these can be seen in the points below. Therefore, the Committee, in addition to recommending a model to the Council, recommends a series of recommendations to be implemented:-

9.1 Strengthen the dialogue between the Cabinet and the rest of the Council and improve discussion and briefing arrangements - The formal arrangements for this are different in the two models. However, **recommendation (a) is that we establish a procedure of regular discussion sessions.** One possibility, subject to the requirements of the programme of subjects requiring attention, would be to designate dates in the meetings calendar to hold discussion sessions for all Council members on individual subjects. This could involve workshops, as held during the Gwynedd Challenge, or a less formal discussion session. The programme of subjects would be decided upon after looking at the longer-term issues that would benefit from having a broader discussion about them. Filming those sessions is also proposed so that members who are unable to attend can have a taster of what was discussed. Another possibility would be to further develop the area arrangements that we have been implementing for two or three years now and use those vehicles to undertake discussion work.

9.2 More joint policy development work (pre- scrutiny) - Over the past two years, scrutiny agendas have included much more pre-scrutiny and joint policy development. **Recommendation (b) is that the work programme for the year again includes a higher proportion of matters that will be submitted for pre-scrutiny** with those matters being identified and recorded as pre-scrutiny matters. It is also suggested in **recommendation (c) to have a procedure where Cabinet Members invite scrutiny members to join them**

to undertake specific work on policy development in areas of interest to them. **Suggestion (ch)** is that the main way of achieving this will be for the Leadership Team to regularly monitor the Council's Corporate Risk Register with the scrutiniseers along with policy development matters and issues of concern about performance or service provision to identify matters that require attention soon enough, which could lead to a briefing / discussion session, an item on a scrutiny committee's agenda or to an investigation.

9.3 Further clarity on why scrutiny and dialogue is needed regarding the work programmes - Criticism was received regarding the scrutiny work programme and the grounds for including some items and the new model proposes a dialogue with the Cabinet regarding the work programme. **Recommendation (d)** is that more emphasis is placed on justifying why a matter is being scrutinised and to do so by focusing on what Scrutiny is attempting to improve, with this being noted prior to the commencement of any work or challenging. This can sometimes be difficult as it is not always evident at the start whether an issue merits being scrutinised or not. **Recommendation (dd)** therefore is to present a new concept of "Gwyntyllu" namely that any new matter, where a member has already attempted to make ground with the department, is raised and taken through the procedure. The purpose of this procedure, which would be logged, would be to discuss with Cabinet Members and departments to see whether there is evidence that a matter merits formal scrutiny, either at a Committee or in an investigation. This would mean that items would be in the "Gwyntyllu" procedure until it can be seen whether they are suitable for scrutiny.

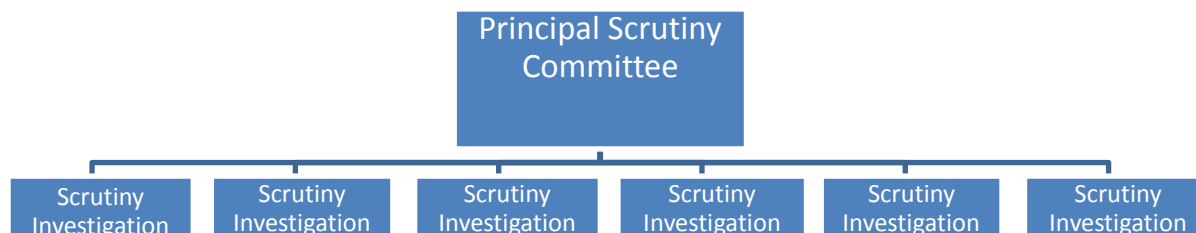
9.4 Improved grasp on scrutinising performance - It appears that the pilot of having scrutiny members attending the performance meetings of Cabinet Members was a success with members from both sides seeing the benefit and Heads also saw it as an improvement from the previous arrangements. **Suggestion (e)** therefore is that the performance scrutiny pilot becomes a part of the Council's regular arrangements but with the following minor changes. Firstly, one of the scrutiny members should attend each departmental meeting for about a year or two in order to develop their understanding of the field with those members then being changed in order to extend this to more members over time. Secondly, clearer guidance will need to be provided on the roles of the scrutiny members at the meeting and there will be a clear expectation for those members to report back on their findings.

9.5 Work better with member interests - It is obvious that members work better in fields of interest to them and/or fields where they have particular interests and / or skills. Unfortunately, the political balance process restricts the Council's ability somewhat to appoint members to committees according to their interests and skills. Regardless of the model selected, **recommendation (f)** is that the Council identifies the fields of interest and skills of individual members early. This will allow for information to be forwarded to political groups regarding which members would be suitable to nominate to individual committees or scrutiny investigations and working groups according to their interests and skills.

**10. The Committee is invited to:-**

- 1. Adopt the recommendation of the Audit Committee to move to a one Scrutiny Committee model shown in Appendix 1, with the advantages and disadvantages shown as the model that best addresses the weaknesses identified at the start of the review and that offers the best chance for scrutiny to add value.  
(NB The details, advantages and disadvantages of the other option considered are shown in Appendix 2 for the Council's information)**
- 2. adopt recommendations (a) to (f) in paragraphs 9.1 to 9.5, as follows:-**
  - a) we establish a procedure of regular discussion sessions**
  - b) the work programme for the year again includes a higher proportion of matters that will be submitted for pre-scrutiny**
  - c) to have a procedure where Cabinet Members invite scrutiny members to join them to undertake specific work on policy development**
  - ch) the Leadership Team to regularly monitor the Council's Corporate Risk Register with the scrutiniseers**
  - d) more emphasis is placed on justifying why a matter is being scrutinised**
  - dd) to present a new concept of "Gwyntyllu"**
  - e) that the performance scrutiny pilot becomes a part of the Council's regular arrangements**
  - f) that the Council identifies the fields of interest and skills of individual members early**
- 3. Subject to the decision on recommendations 1 and 2 above, that the Monitoring Officer submits a report to the next meeting of the Council recommending consequential amendments to the Constitution to implement the Council's decision.**

## ONE PRINCIPAL SCRUTINY COMMITTEE MODEL



BODY / MEETING	DESCRIPTION
<p><b>Principal Scrutiny Committee</b></p>	<p>One Scrutiny Committee of 15 members meeting every six weeks with meetings aligned with Cabinet meetings. In addition, the committee would include all the Education co-opted members when discussing Education matters. The committee would be responsible for scrutinising the work of the Public Services Board. The Audit Committee would continue to be responsible for governance matters. The following remit is noted:</p> <p><b>The Work</b> The committee will:-</p> <ul style="list-style-type: none"> <li>a) Establish its own annual programme in a workshop and commission a comprehensive programme of up to 8 investigations at a time and set a timetable for reporting back and specific responsibilities for those investigations.</li> <li>b) Act as a body that meets every six weeks to independently scrutinise matters of concern that do not require a specific investigation to hold the Cabinet and departments accountable in public (can arise in terms of performance and other fields)</li> <li>c) Discuss some but not all matters arising or have arisen from the most recent meetings and the next Cabinet meetings</li> </ul> <p><b>The Arrangements</b></p> <ul style="list-style-type: none"> <li>a) A comparatively small committee of 15 members chosen based on political balance but referring specifically to scrutiny skills. The members would include a Chairman and Vice-chairman and other members who could shadow specific areas and would be responsible for leading on individual investigations that would also include front-line members (according to their interests)</li> <li>b) A consistent dialogue between the Principal Committee and the Cabinet to review the annual programme and to agree on fields where investigations could add value by holding joint-meetings of both bodies once every six weeks to consider the Risk Register, policy and performance or service provision matters, in order to consider the progress of the investigations in progress and to joint-plan the next</li> </ul>

	<p>ones. An informal discussion would also be held on the matters that are part of the new "Gwyntyllu" system (para 6.3 above)</p> <p>c) A preparatory meeting procedure will not be a part of this pattern. At the end of every formal committee meeting, an informal meeting will discuss the agenda of the next meeting or two meetings of the Principal Scrutiny Committee and also report from the scrutiny performance monitoring process.</p> <p>ch) A procedure to review messages from the Council's engagement work to identify matters of concern for residents</p>
<p><b>Scrutiny Investigations</b></p>	<p><b>The Work</b></p> <p>Up to eight Scrutiny Investigations under-way at any time investigating fields which have been identified by the Principal Scrutiny Committee, looking at policy development or cases of concern about performance or service provision</p> <p><b>The Arrangements</b></p> <p>a) Each investigation would be led by a member of the Scrutiny Committee and an officer who is independent of the service acting as project manager of the investigation</p> <p>b) With up to eight Investigations under-way at any one time, up to 48/50 non-Cabinet members (both members and non-members of the committee) will be able to be part of a scrutiny investigation at any given time but a procedure will be required to identify individual members' interests in order to identify those fields where members' contribution could add value to the work of investigations in particular fields</p> <p>c) A director can be identified to mentor and advise on each investigation - this mentoring role would involve advising and approving the brief, acting as a sounding board as and when necessary during the Investigation, stepping in, if necessary, to resolve problems and also to check the final report of the Investigation before reporting back to the Scrutiny Committee.</p> <p>ch) Once recommendations are submitted to be adopted by the individual Scrutiny Committee, the Cabinet Member will then report publicly at the Committee whether he/she intends to implement the recommendations or not. A specific process should also be in place in departments to act upon the recommendations and report back on them. It will be possible to keep a public log of that and the Principal Scrutiny Committee will review it regularly to ensure implementation</p>

NB As the density and length of investigations can be so varied, it is suggested there be two kinds of investigations, a full investigation that could take many months and much engagement, research and discussions, and some less intense (referred to as Scrutiny Working Groups) where it is thought that work can be undertaken as a task and finish group at two or three meetings.

## Remit of the Committee

Principal Scrutiny Committee (that would include all the Education co-opted members when discussing Education matters) - Scrutinise the most important elements of the Executive's work (Cabinet and officers) across all Council services, the work of the Public Services Board and manage all of the Council's scrutiny work and commission and coordinate a series of Scrutiny Investigations and Scrutiny Working Groups that will consider subjects in detail and draw-up recommendations for improvement and propose them to the relevant Cabinet Members.

### MAIN ADVANTAGES AND DISADVANTAGES

#### Main Advantages

- Better management of the scrutiny work programme so that the structure of the committees does not drive the matters requiring attention
- Capacity to support more pre-scrutiny investigations being supported by directors and other officers with a quality assurance process
- Scrutiny committee meetings held more often - the ability to act sooner and more flexibly
- Possible to link members' interests with investigation fields
- Focus the attention of members with robust scrutiny skills on one committee in order to improve the quality of scrutiny
- Other members having a less public experience of leading investigations to nurture and develop their chairperson-ship and leadership skills
- Up to 50 members able to be a part of a detailed investigation at any given time

#### Main Disadvantages

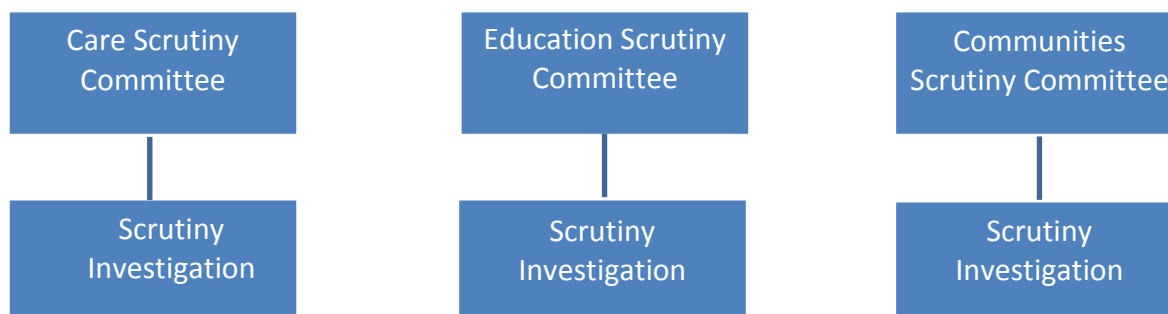
- Some concern about the work load on some members, in particular those serving on the new Principal Committee
- Risk that the work of the committee itself becomes too superficial as the fields are so broad
- Uncertainty regarding its impact on empowering front-line members
- Creation of 2 tiers of councillors in terms of members' status outside the Cabinet
- Less public scrutiny as more of the detailed scrutiny work takes place in investigations and working groups
- Likelihood that the increased number of investigations will make more demands on the service than the current investigations
- Fewer opportunities for members to develop by taking the chairs of committees
- Some risk of experiencing difficulty to fill a committee agenda every six weeks
- Risk for members who are not on the committee to be unprepared to participate in investigations, leading to the risk of becoming dependent on the same members repeatedly, as we currently are.

### ASSESSMENT AGAINST THE WEAKNESSES

- Strengthen the dialogue between the Cabinet and Scrutiny - the model addresses the need to align the meetings of the Cabinet and Scrutiny and enforces an agreement between the Cabinet and Scrutiny on the programme of investigations. Allows for more

pre policy development and scrutiny work to take place by increasing capacity to undertake further detailed investigations

- Refine and manage the scrutiny programme - this model addresses the need as only one work programme will be in place
- Inconsistent work pressure and committee boundaries that are too sacred - The model addresses the problem in terms of the current lack of balance in the committees' work load by having one committee only and prioritise attention to fields in investigations
- Slowness in completing work and frustration regarding the frequency of meetings - The model addresses the matter by creating additional capacity for undertaking investigations and also as the Principal Scrutiny Committee meets every six weeks.

**THREE SCRUTINY COMMITTEE MODEL**

<b>BODY / MEETING</b>	<b>DESCRIPTION</b>
<b>Scrutiny Committees</b>	<p>Three Scrutiny Committees of 18 members for the fields of Care, Education and Communities meeting five times a year. Note, that under this model, the Audit Committee would become responsible for scrutinising corporate matters in addition to the current governance matters. The following work fields are noted</p> <p><b>The Work</b> The 3 committees will:-</p> <ul style="list-style-type: none"> <li>a) Manage their own work programmes by determining an annual work programme at workshops and this will then be periodically reviewed and updated during the year at preparatory meetings. The three committees will undertake one scrutiny investigation at any given time.</li> <li>b) Ensure open public scrutiny on everything within their work programmes and undertake more probing investigations during the year on matters requiring more detailed attention (with the number dependent on the speed of the investigations).</li> </ul> <p><b>The Arrangements</b></p> <ul style="list-style-type: none"> <li>a) Three committees of 18 members selected according to political balance.</li> <li>b) An informal dialogue taking place with the Cabinet through the Scrutiny Forum when drawing up the annual work programmes of the committees and to agree on fields where investigations could add value. This would take place by holding two meetings each year but also an informal discussion would be held on the matters subject to the new "Gwyntyllu" procedure (see 9.3 above)</li> <li>c) Preparatory meetings system continuing to ensure that the work programmes are reviewed regularly and to prepare for the public scrutiny that takes place at the committees themselves, including reports from the performance monitoring scrutiny procedure</li> </ul>
<b>Scrutiny Investigations</b>	<p><b>The Work</b> Up to three Scrutiny Investigations under-way at any given time</p>

	<p>investigating fields identified by the individual scrutiny committee, looking at policy development, matters arising from the Risk Register or where there is concern about performance or service provision</p> <p><b>The Arrangements</b></p> <p>a) Each investigation would be led by a member of the relevant Scrutiny Committee and an officer independent of the service acting as project manager of the investigation</p> <p>b) With up to three Investigations under-way at any one time, it will be possible for up to 18/20 members who are non-Cabinet members to participate in a scrutiny investigation at any given time. These Members will be drawn from the members of the relevant committees that will, hopefully, have been placed by the political groups, on committees that are in accordance with their interests.</p> <p>c) A director can be identified to mentor and advise on each investigation - this mentoring role would involve advising and approving the brief, acting as a sounding board as and when necessary during the Investigation, stepping in, if necessary, to resolve problems and also to ensure the quality of the final report of the Investigation before reporting back to the Scrutiny Committee.</p> <p>ch) Once recommendations are submitted to be adopted by the individual Scrutiny Committee, the Cabinet Member will then report publicly at the Committee whether he/she intends to implement the recommendations or not. A specific process should also be in place in departments to act upon the recommendations and report back on them. It will be possible to keep a public log of this and the relevant Scrutiny Committee will review it regularly to ensure implementation.</p>
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NB As the density and length of investigations can be so varied, it is suggested there be two kinds of investigations, a full investigation that could take many months and much engagement, research and discussions, and some less intense (referred to as Scrutiny Working Groups) where it is thought that work can be undertaken as a task and finish group at two or three meetings.

### **The Remit of Scrutiny Committees**

Care Scrutiny Committee - To scrutinise matters relating to care services such as Older People and Adults, Families, Children and Young People and Health

Education and Economy Scrutiny Committee (that would include the co-opted Education members) - To scrutinise matters relating to Education and Economy such as Education and Employment Pathways, Regeneration and the Economy

Communities Scrutiny Committee - To scrutinise matters relating to services to the wider community such as, the Environment, Transportation and Community Transport, Waste and Recycling, Housing, Carbon Footprint Reduction and the Local Development Plan and the work of the Public Services Board

(NB The scrutiny of work on the Welsh Language will be left to the Language Committee)

Audit Committee - To undertake all Audit Committee functions and scrutinise matters relating to the internal operation of the Council such as Corporate Strategies, Partnerships, Engagement, Business Transformation, Efficiency and the Workforce

<b>MAIN ADVANTAGES AND DISADVANTAGES</b>
<p><b>Main Advantages</b></p> <ul style="list-style-type: none"> <li>• A more balanced workload across the three committees</li> <li>• An opportunity to develop member expertise within each committee; members being able to identify their fields of interest.</li> <li>• An opportunity for a number of members to be a part of a scrutiny committee (54 seats in total on three committees)</li> <li>• The pattern of the current investigations that has worked well on the whole will continue</li> <li>• A more familiar model to the members who have been members of the former council</li> </ul>
<p><b>Main Disadvantages</b></p> <ul style="list-style-type: none"> <li>• Lack of overview of various fields / committees at present and a weakness in the management of the scrutiny programme as a whole - matters can fall between two stools</li> <li>• Scrutiny work load falling on Education and Adults and taking resources from those fields to feed "scrutiny" rather than delivering services for residents</li> <li>• Lack of effective overview can lead to a risk of failing to scrutinise a priority field at one committee whilst giving attention to something less important in another committee.</li> <li>• Boundaries still exist between the remits of the three committees</li> <li>• Uncertainty whether there are enough skills and scrutiny capacity amongst the members and officers</li> <li>• Only possible to support three investigations at a time and fewer fields given detailed attention as a result</li> <li>• Potential for external criticism for a lack of response to the negative comments regarding the existing system e.g. - management of the scrutiny programme and slow response.</li> <li>• Risk of being dependent on the same members repeatedly, as we currently are</li> </ul>






**ASSESSMENT AGAINST THE WEAKNESSES**

- Strengthen the dialogue between the Cabinet and Scrutiny - this model addresses the need partially with its success dependent on the work of the Scrutiny Forum. The model also addresses the need to undertake more policy development and prior scrutiny work in part, but still allows for the work programmes of the individual committees to be flexible and responsive. However, the model does not allow for making any increase in the capacity to undertake additional detailed investigations
- Refine and manage the scrutiny programme - this model partially addresses the need and depends on the Scrutiny Forum to do so; however, individual committees retain the right to call-in individual matters, regardless of their priority - risk that the work will increase in some fields as there is a committee for them

- Inconsistent work pressure and committee boundaries that are too sacred - This model addresses the problem in terms of the current lack of balance in the committee's work load but specific boundaries will continue for the new committees
- Slowness in completing work and frustration regarding the frequency of meetings - The model neither releases additional capacity so that investigations can act sooner nor does it address the issue of slow response as it will not be possible to hold meetings more often under this model.

<b>MEETING</b>	<b>FULL COUNCIL</b>
<b>DATE</b>	<b>2 MARCH 2017</b>
<b>TITE OF THE REPORT</b>	<b>COMMITTEES CALENDAR 2017/18</b>
<b>PURPOSE</b>	<b>ADOPT THE COUNCIL'S COMMITTEES CALENDAR FOR 2017/18</b>
<b>AUTHOR</b>	<b>GERAINT OWEN, HEAD OF DEMOCRATIC SERVICES</b>

## **1. BACKGROUND**

1.1 During the process of creating the Council's Committees Calendar for 2017/18, members were invited through *Rhaeadr* to express their opinion on the timetable for the Council's Committee meetings for 2017/18.

1.2 The purpose was to ensure that the Council allows all members the opportunity to participate in the democratic process, therefore making every effort to hold meetings at suitable locations and at a reasonable time so as to assist members to fulfill their roles effectively.

No comments have been received in response to the request issued in *Rhaeadr* so far.

1.3 The Audit Committee established a small sub-group of Audit, Scrutiny and Cabinet Members in response to the criticism of the Scrutiny Arrangements. At its meeting on 9 February 2017, the Audit Committee decided to recommend one Scrutiny Committee with a series of investigations as the arrangement for the new term of the Council from May 2017.

1.4 The Council Committees Calendar for 2017/18 reflects the Audit Committee's recommendation for one Scrutiny Committee. Note that the Full Council will also discuss and decide upon the final scrutiny arrangements for 2017/2018.

1.5 Discussions have been held with Snowdonia National Park to ensure that there are no clashes between the two organisations.

**2. 2017/2018 COMMITTEES CALENDAR**

2.1 The Committees Calendar for 2017/18 is presented overleaf.

2.2 The dates are current committee dates for now, it may be necessary to hold additional meetings in order to ensure smooth running of Council business.

**3. Member Training**

3.1 Some member training dates clash with other meetings. To overcome the difficulty some members may face due to the clashes, additional training sessions have been added to ensure a choice of dates for members.

**4. RECOMMENDATION**

The Council is asked to adopt the final Committees Calendar.

	2017 2018	Meeting Time	May	June	July	August	September	October	November	December	January	February	March	April	May
<b>COUNCIL</b>		pm	*18	15				5		14			1		3
Cabinet		pm		6/27	18	1	12	3/24	21	12	16	13	13	10	
<b>Member Training</b>		am/pm	9 +10	7/14	5/14 /19		7/20		8/15/ 22	13	10/31	21	21		
Scrutiny Committee		am/pm		13	20		26		2	19	30		8	19	
Audit Committee		am		6/22	13		28		30			8			10
Democratic Service Committee		am/pm		20			19			5				12	
Planning Committee		am/pm		5	3/24		4/25	16	6/27	18	15	5/26	19	16	
Joint Planning Policy Committee		am/pm		28 am			22 pm		10		26		9		
Central Licensing Committee		am		19			11			11			5		
Standards Committee		am			10			2			22		12		
SACRE		pm		14					8			7			
Language Committee		am			4			12			25			24	
Local Joint Consultative Committee		am			7										
Employment Appeals Committee		am/pm		9	14		15	6	17	1	19	9	23	27	
Pensions Committee		pm		12			14*		9		18		15		
Porthmadog Harbour Consultative Committee		pm						11					7		
Pwllheli Harbour Consultative Committee		pm						17					20		
Aberdyfi Harbour Consultative Committee		am						10				27			
Barmouth Harbour Consultative Committee		am							7				6		
<b>SCHOOL HOLIDAYS</b>			1, 29 - 30	1-2	24 - 31	1- 31		30-31	1-3	25-29	1-5	12-16	26-30	2-6	7

\*Cyfarfod Blynyddol / \*Annual Meeting  
am - bore/morning pm – pnawn/ afternoon

•Yn ol yr angen / •As required  
Am/pm – trwy’r dydd / all day

These are the dates we are currently programming, other meetings may be required in order to implement the Council's business.

# Agenda Item 16

Meeting	THE COUNCIL
Date	2 March 2017
Topic	Appointing a Lay Member to the Audit Committee
Author	Dafydd Edwards, Head of Finance Iwan Evans , Monitoring Officer.
Cabinet Member	Cllr Peredur Jenkins

1. In accordance with the requirements of the Local Government (Wales) Measure 2011, Sections 81 and 87, it is necessary for the Council to appoint an Audit Committee to monitor and scrutinise financial matters, risk management and corporate governance.

2. It is necessary to have at least one lay member on the committee and up to a third of the membership can be lay members. All the lay members have the right to vote and will receive a co-opted member's salary of £198 a day. The term of the current member comes to an end in June of 2017

3. There is no specific procedure designated for appointing the lay member to the committee. The guidelines by the Welsh Government recommends that the post should be publicly advertised. They recommend that individuals should be independent of the Council, with no business connection to it, and should possess a knowledge of local government. It is suggested that individuals whose political allegiances are known should not be appointed. The attached document contains criteria for appointing the lay member adopted in May 2012.

4. It is recommended to advertise in the local press/regional press for a declaration of interest from those who wish to serve as lay members on the Audit Committee. It is also recommended that a panel consisting of the Council Chair, Chair of the Audit Committee and the Cabinet Member for Resources advised by the Head of Finance and the Monitoring Officer consider the applications and submit a recommendation to the full Council, who will then appoint a member to serve on the committee for a term of 4 years.

## **RECOMMENDATION.**

The Council is requested to approve the appointment procedure recommended in the report.

## **Appointment of lay member onto the Audit Committee**

## Criteria

Applicants will need to demonstrate independence and impartiality in assisting the Audit Committee to

Review, scrutinise and issue reports and recommendations in relation to the council's financial affairs.

- Review, scrutinise and issue reports and recommendations on the authority's risk management, internal control and corporate governance arrangements.
- Oversee its audit arrangements and review its financial statements.

Applicant should meet the following criteria:

- Be able to demonstrate an understanding of the value of the audit function.
- Be able to demonstrate knowledge of how local government functions
- Be able to demonstrate independence of thinking and unbiased attitudes
- Be able to meet the time commitment involved
- Be able to provide two references

Individuals who have business connections with the Council or who have connections with a political party are ineligible for appointment

The ability to speak Welsh will be considered an advantage and the need to achieve a balance of skills, qualities and expertise on the Committee as well as the need to represent the community as a whole and achieve a geographical spread will be taken into account.

# Agenda Item 17

<b>MEETING</b>	<b>FULL COUNCIL</b>
<b>DATE</b>	<b>2 MARCH, 2017</b>
<b>SUBJECT</b>	<b>WHITE PAPER – LOCAL GOVERNMENT - RESILIENCE AND RENEWAL</b>
<b>AUTHOR(S)</b>	<b>Councillor Dyfed Edwards (Council Leader)</b>
<b>PURPOSE</b>	<b>Submit draft observations in response to the White Paper</b>

1. Welsh Government has published a White Paper outlining some proposals to reform Local Government. This is partly in response to a consultation carried out around 18 months ago on proposals which, at the time, included local government reorganisation through the merging of councils. The White Paper builds on a statement by the Minister in October 2016 recommending strengthening regional working rather than enforced merging of local authorities as suggested in 2015.
2. The timetable for submitting observations on the paper is extremely unfortunate considering that the closing date for the consultation is 11 April 2017, a date which coincides with the Election Period.
3. In order to ensure members' input to the Council's opinion, five workshops were arranged to gather members' opinions on various elements of the White Paper. The aim was to include those opinions in the observations submitted to the Council today. 25 members attended those workshops.
4. At the workshops, some of the main White Paper proposals were outlined and the opinion and observations of members were sought on those main proposals. Clearly, opinions were divided at those meetings but this report attempts to summarise the main points where consensus was reached, noting the main observations made about the different elements.
5. One fundamental aspect to note is that expanding fields of regional working in order to be more effective or efficient is, of course, appropriate. However, if this diminishes accountability, then what we would have is a regional government as opposed to a local government. The White Paper seems to suggest that it is possible to have both. Yet, considering some of the proposed governance models described in the document, one questions whether this is true.
6. The remainder of the document offers draft observations responding to the main proposals and questions posed by the paper and upon which the Council's response will be based. They are set out below for the Council to accept or amend.

## **6.1 Regional Working Tests**

**Proposal** - The White Paper emphasises that regional working should not happen "if that is not the best way of working." The Government has developed a series of 'tests' that could help when considering whether regional working is suitable or not.

**Draft Observations** - In general, the statement "regional working should not happen if that is not the best way of working" is welcomed; but, an important question to consider

is who eventually decides this. That is, something could be better for the region but worse for an individual council area.

The tests are numerous and complex and are likely to be fertile ground for disagreement. There may be room to simplify and ask whether the proposal will lead to a more efficient and effective service, and whether it is likely to increase bureaucracy and, finally, whether it diminishes accountability.

Two items are missing from the tests, namely, that services and decisions related to services are accountable, and that it is possible to provide the regionalised services through the medium of Welsh.

Another suggestion is to structure the tests as obstacles that have to be crossed - if the answer to those tests or questions is 'no', then joint working should not take place.

## 6.2 The Collaboration Area

**Proposal** - The Government proposes four possible options for a regional footprint for collaboration. It varies from Welsh Government determining the area and services, to considering each case individually.

**Draft Observations** - The general observation on this element is, if the Government is serious in its intention to use tests for any collaboration, that pre-empting areas for collaboration and, in fact the fields of collaboration (see 5.3 below), is premature. Although some difference of opinion exists on this matter, the majority of those who voiced their opinion were in favour of discussing each service individually and on a case-by-case basis, since pre-empting a generalised response suitable for every Service is foolish.

Another important point raised is that the document only mentions Regional collaboration, where, in fact, sub-regional collaboration (Gwynedd and Anglesey, or Gwynedd, Anglesey and Conwy) would likely be more successful. The Government's final proposals should leave room for this.

## 6.3 Service areas for collaboration

**Proposal** - The Government states six service areas that should be provided regionally and three areas that could be provided regionally.

**Draft Observations** - As noted above, if the Government is serious in its intention to use tests for any collaboration, pre-empting the Service fields for collaboration is premature. Certainly, stating that some services "should" be provided regionally before giving them thorough consideration is foolish, to say the least.

However, based on this, the following observations based on each service area are proposed:-

**Economic Development** - The majority saw this as a service with elements that could be improved at a North Wales level; building, perhaps, on the work of the Ambition Board on strategic matters and attracting more funding to develop the economy. Concerns were expressed, however, that rural areas such as Gwynedd could lose out under such

an arrangement in relation to supporting small businesses and tourism. Certainly, the importance of the Welsh Language and the importance of rural economies in sustaining our communities would have to be acknowledged.

Land Use Planning and Building Control - A clear majority opposed this field as local area knowledge is required and there were concerns that this would be lost as a result of working regionally and that a sub-regional model of Gwynedd and Anglesey would be better.

Social Services - A clear majority opposed this because of the importance of local area knowledge. A move toward service provision over a wider area would also mean more unproductive time for managers who travel to meetings, and a greater emphasis on committee-based work as opposed to considering what works on the level of the relationship with the individual. No evidence exists to support the claim that regional working would lead to better results. Furthermore, clear and robust accountability is needed and regionalisation would likely complicate the situation. Regionalising everything to the same degree is not suitable and in our experience working on a sub-regional basis, Gwynedd and Anglesey is more efficient and offers a better service. Proposing further changes beyond what is already in the pipeline would be premature and has the clear potential to have a detrimental impact on services and the vulnerable people who use them. A Regional Partnership Board exists to supervise and advise the partners on alternative and better ways of delivering; this is the route to achieving changes.

Education Improvement - Opinion was divided on this matter. Obviously, GwE already operates across North Wales; and, despite concerns about this, there were more widespread advantages in continuing with that model if the local education authorities could be assured of the quality of the provision and Welsh language provision. Recent reports produced raise concerns about having two organisations now in charge of Education in North Wales (the Local Government and GwE) and a lack of clarity surrounding accountability as a result of this. This is a field where collaboration with adjoining counties could be considered rather than across the whole of the North.

Additional Learning Needs - The majority of those who expressed strong opinions disagreed on this matter. This is because smaller regions are unique, though there is some willingness to collaborate where practical within smaller sub-regional areas such as Gwynedd and Môn.

Public Protection - A clear majority saw some sense in this suggestion because the standards to which these services work and enforce are similar across North Wales, and finding expertise in some fields is difficult. However, there was concern that managers could have more unproductive time as a result of travelling to meetings over a wider area.

Housing - There was clear and definite opinion that this should not be regionalised as the nature of the housing market and requirements of individual council areas were so different

Community Safety and Youth Justice - Some elements of this field already operate on a regional basis and it is not clear what benefits would stem from further regionalisation as the existing patterns are effective and meet the local needs of our residents with respect to language and culture in a very rural area.

Waste - There was consensus that that the ongoing work in the field on a regional basis provides a template for the future in order to achieve consistency with some operational elements, but that an understanding of local needs would be required within that.

#### **6.4 Back Office Services**

**Proposal** - The Government proposes that back office Services such as finance, legal, internal audit, asset management, Welsh language, could be provided regionally.

**Draft Observations** - Even though some could see some logic to the proposals in some fields, the majority disagreed, mainly because of concerns about the ability to provide these services through the medium of Welsh and the impact on local employment in areas that are heavily dependent on the public sector.

#### **6.5 Regional Governance**

**Proposal** - The Government proposes the establishment of **Joint Governance Committees** to supervise the regional service under the leadership of the relevant cabinet members. The alternative option to Combined Authorities.

**Draft Observations** - The options proposed in this field highlight a fundamental weakness of the collaboration model, namely that it will complicate governance and make it even more difficult to determine accountability for services. There was clear dissatisfaction about this and, consequently, of the Combined Governance Committees and the Joint Authority options. But, one member argued that if working regionally then one body should manage.

#### **6.6 Funding Regional Arrangements**

**Proposal** - The Government proposes the development of a **mandatory financial framework** which would ensure that the expenditure of each Joint Governance Committee is met by combining contributions of each participating local authority

**Draft Observations** - Whilst the idea appears attractive at first glance, in that there would be less debate and discussion on individual Service fields, further consideration gives way to grave concerns and what would form the basis of this financial framework. Should it be established, it would have to be tailored; and dissatisfaction also exists around the enforcement element of any framework. The risk of funding going to areas of greatest need thus neglecting other areas was also identified.

#### **6.7 Voluntary Mergers**

**Proposal** - The Government continues to support voluntary mergers between authorities and offers support to do this.

**Draft Observations** - Some time ago, this Council expressed its willingness to consider merging with adjoining councils if the benefits could be shown to the people of Gwynedd. The Council's standpoint on this matter remains and we will support the provision for councils to be able to merge voluntarily.

#### **6.8 Local Leadership**

**Proposal** - The Government states the need to build on the respect and trust which exists between local government and Welsh Government.

**Draft Observations** - Obviously, a good relationship between local government and central government is important as is mutual trust. The Council is of the opinion that it does not sense this kind of trust from Welsh Government at present and would welcome any improvements in that respect.

#### **6.9 Power of General Competence**

**Proposal** - The Government proposes giving **Power of General Competence** to local governments to enable them to work in a more innovative and flexible way.

**Draft Observations** - The Council and other local authorities have been pressing for this for some years. We would welcome this greatly but, it is clear, that detailed work needs to be done to ensure that the proposed changes do not lead to further legal complications.

#### **6.10 Role of Councillors**

**Proposal** - The Government proposes numerous ideas on such varying issues as standards of conduct, broadcasting meetings, local consultation and regional committees.

**Draft Observations** - There is some discontent that the Government finds it necessary to tell councils and councillors how to do their jobs but, in relation to the points raised, the majority are good ideas but they should not be enforced. It is entirely appropriate for the Government to set the standards in the field but it should also allow councils and individual councillors to make decisions and be accountable for these choices. It was also questioned if moving to a regional model would make it more difficult to engage with the public.

#### **6.11 Committees Procedure**

**Proposal** - The Government proposes the option to allow a committees procedure rather than a leadership and cabinet model for local government

**Draft Observations** - Whilst opinions differed about the existing arrangements: some were in favour of the Cabinet and Scrutiny System as being more effective and accountable, whilst others saw it as being less open and inclusive, opinion was strongly in favour of allowing councils to choose their own procedure.

### **6.12 Community Councils**

**Proposal** - The Government proposes numerous ideas on such varying issues as the powers of community councils, improving the relationship with county councils, council clusters, training and power of competence.

**Draft Observations** - The relationship between the Council and the area's community councils is vitally important, especially in considering the joint-provision of services in future and the Council would welcome the opportunity to work with community councils in order to enable them to develop and form clusters on the basis of successful local examples. However, this cannot be done by enforcing documents and standards on community councils.

### **6.13 Elections and Voting**

**Proposal** - The Government proposes numerous ideas on such varying issues as electronic voting, electronic registration and different voting locations and dates, as well as allowing 16 year olds and over to vote, and allowing local authorities to choose their voting system.

**Draft Observations** - There is some suspicion about some of these proposals with concerns being raised about deception and electronic voting. The Council would welcome allowing those who are 16 years of age and above to vote, but, in general, every local government as a whole should have the same voting system which must be appropriate for situations where a substantial proportion of candidates are independent and are not members of any parties.

### **6.14 Election Candidates**

**Proposal** - The Government proposes that candidates must declare their membership of any particular party, that candidates must publish electoral statements on a central website and assembly members must be prohibited from standing.

**Draft Observations** - It is agreed that candidates must declare whether they are members of any parties and, in fact, of any other bodies; and Assembly members must be prohibited from standing as councillors.

### **6.15 Government Requirements**

**Proposal** - The Government proposes to reduce the number of plans and strategies they will insist upon, but they will determine some required service standards on a national level.

**Draft Observations** - The proposal to reduce the burden imposed by the number of plans and strategies required by the Government was welcomed. The proposal that the Government would be determining some standards, however, was not welcome. Individual councils should determine those standards based on their knowledge of their communities and should be held accountable for that.

**6.16 Fire and Rescue Service**

**Proposal** - The Government proposes to change the Fire and Rescue Service arrangements so that their budgets are determined through contract.

**Draft Observations** - The Council would welcome any change that secures more influence over taxation decisions of the Fire and Rescue Service.

**6.17 Public Services Boards**

**Proposal** - The only question about Service Boards that the Government mentions in the document is whether area boards that have merged can be allowed to de-merge.

**Draft Observations** - It was agreed that a means of de-merging boards that have merged must be made available. More importantly, however, is the observation that very little emphasis is placed on these important statutory bodies in the White Paper. Are these boards not important building blocks for holding discussions and for the joint-organisation of important services for residents rather than a large regional footprint?

7. The Council is invited to consider and amend the above observations, as appropriate, to form a basis to the Council's response to the White Paper

## GWYNEDD FULL COUNCIL



### Report for Gwynedd Full Council meeting

<b>Date of meeting:</b>	2 March 2017
<b>Cabinet Member:</b>	Councillor Gareth Roberts and Councillor Mair Rowlands
<b>Contact Officer:</b>	Rhion Glyn (Senior Business Manager, Adults, Health and Wellbeing Department)
<b>Contact number:</b>	01286 679074
<b>Item Title:</b>	North Wales Population Needs Assessment report

#### 1 DECISION REQUESTED

- 1.1 Recommend that the Full Council approves the North Wales Population Needs Assessment report produced as a requirement of the Social Services and Well-being (Wales) Act 2014. Hand in hand with this, and to respond fully to the legislative requirements, and in keeping with the Cabinet's recommendation (14 February 2017), we will need to ensure that there a Gwynedd specific version of the Population Needs Assessment Report is to be produced soon.

#### 2 REASON FOR THE DECISION

- 2.1 The decision was needed that the Council recommend the Report and to ensure compliance with Part 2 of the Social Services and Well-being (Wales) Act 2014.

#### 3 INTRODUCTION

- 3.1 On the request of the North Wales Social Care and Wellbeing Services Improvement Collaborative, a Regional Steering Group has been responsible for co-ordinating a North Wales Population Needs Assessment report. This was done by strategically leading engagement and establishing technical and specific groups according to the need.
- 3.2 Even though the statutory requirement to produce an accessible, regional report in a short timescale has limited what can be included, it is presumed that this assessment will be an important evidence base for future services and strategies, and also central to service integration developments well as supporting collaboration arrangements.
- 3.3 There is specific statutory guidance regarding the requirement that each local

authority in a Local Health Board area should produce a joint Population Needs Assessment.

- 3.4 To produce a joint Population Needs Assessment report and respond to the statutory requirement, the six local authorities across North Wales had to combine their individual assessments. This has meant frequent collaboration between officers across the region and this good practice will need to continue into the future.
- 3.5 This is the first Population Needs Assessment across North Wales and, with a statutory requirement to review the assessment regularly, the process is considered as a continuous process that will develop and improve over time. Even though the report in question is reporting on the current situation, it is expected that we will be regularly consulting and trying to improve the information and understanding we have.
- 3.6 The work was led and steered by the local engagement work undertaken by the six authorities, based on feedback from staff, partner organisations, service users and the general public to identify strategic needs for care and support. The assessment also includes information from existing commissioning strategies and needs assessments. The project team that co-ordinated the North Wales Population Needs Assessment report were responsible for collecting evidence to challenge these hypotheses through data analysis, background literature reviews, service reviews and additional focussed engagement work.

#### **4 LOGIC AND JUSTIFICATION FOR RECOMMENDING THE DECISION**

- 4.1 Section 14 of the Social Services and Wellbeing Act (2014) requires local authorities and health boards to jointly assess:
- a) The extent to which there are people in a local authority's area who need care and support
  - b) The extent to which there are carers in the local authority's area who need support
  - c) The extent to which there are people in a local authority's area whose needs for care and support are not being met
  - d) The range and level of services required to meet the care and support needs of people in the local authority's area
  - e) The range and level of services required to achieve the purposes in Section 15(2) (preventative services) in the local authority area
  - f) The actions required to provide the range and level of services identified in accordance with paragraphs (d) and (e) through the medium of Welsh.
- 4.2 There is an expectation that the assessment must cover as a minimum the following themes: children and young people; older people; health / physical disabilities; learning disability/autism; mental health; sensory impairment; carers who need support; and, violence against women, domestic abuse and sexual violence. In North Wales the following themes have also been included: homelessness, veterans and people in the secure estate, along with a link to the Area Planning Board Substance Misuse Needs Assessment.

- 4.3 A single report must be produced for the North Wales Region and be approved by the Board of the Local Health Board and by the Full Council in each Local Authority. It should be published on 1 April 2017 on each local authority and health board website in Welsh and English, with a copy sent to Welsh Ministers.
- 4.4 A summarised version of the assessment has been included as Appendix 1. A copy of the full Population Assessment report has been included as Appendix 2.
- 4.5 It is considered that the full report presented in Appendix 2 meets the required needs as noted in 4.1 above. But to add to this, and respond specifically to Gwynedd's priorities as a local authority area, it is assumed that the data that we have with respect to a more local assessment helps us to fully meet these needs.

## **5 NEXT STEPS AND TIMESCALE**

- 5.1 The next phase of the regional project will involve using the population assessment to develop an area plan for the region and we are currently awaiting the guidance about this from Welsh Government.
- 5.2 More locally, and during the next few months, we will start to ensure that we have the most appropriate evidence for commissioning appropriately in the future. In keeping with the decision in 1.1 we will also begin to produce a Gwynedd specific version of the report.
- 5.3 Following the Full Council's approval, the Population Needs Assessment report (Appendix 1 and 2) will be published on the 1 April 2017 on the Gwynedd Council website and all other North Wales authorities' websites.

## **6 ANY CONSULTATIONS HELD BEFORE RECOMMENDING THE DECISION**

- 6.1 A full Equality Impact Assessment has been completed as part of the project. Please see Appendix 3.
- 6.2 The engagement as a whole included: a questionnaire for organisations that asks for their views and evidence; a facilitator's guide for partners to use to run discussion groups with service users; a questionnaire for the public available on the Citizen's Panel website along with interviews with Citizen's Panel members; workshops with staff and councillors organised by each local authority. It is anticipated that further engagement will be undertaken as part of the next step of the project and priority given to any aspects that could be strengthened.
- 6.3 The North Wales Population Needs Assessment report was presented to the Services Scrutiny Committee on the 26<sup>th</sup> January 2017 where acknowledgement was given to the detailed work that has been done regarding collating all the information, as well as an appreciation that the evidence forwarded is key for developing future plans. There was full understanding also that this new process is a continual one where frequent engagement will be held to ensure that the

assessment is current and always tries to reflect the actual situation across the north.

- 6.4 The Services Scrutiny Committee gave useful proposals to consider when we develop the assessment specifically for Gwynedd e.g. population projections such as age profiles, immigration, the value of the contribution of unpaid carers and the extra costs of providing services in rural areas. The Committee offered comments on fields such as Learning Disability, Autism and Domestic Abuse and it was agreed that these will be shared regionally to ensure that they receive attention in any review of the assessment.
- 6.5 Also, the Committee expressed real concern specifically regarding the Mental Health field and emphasised the need to give priority to this field as soon as possible.
- 6.6 A Well-being Assessment must be produced as a requirement of the Well-being of Future Generations (Wales) Act 2015 by each Public Service Board in a similar timescale to the Population Assessment. The population assessment considered the care and support needs of the population while the Well-being Assessment covers prosperity, health, resilience, equality, vibrant culture, global responsibility and cohesive communities. There is overlap between the two so the project team have worked jointly and communicated frequently with the Public Services Boards in North Wales. An example is joint engagement work carried out for both assessments.

### **Appendices:**

Appendix 1 – Summary of the Population Needs Assessment report

Appendix 2 – Full report of the Population Needs Assessment

### **Background papers:**

	<b>Website information</b>
Social Services and Well-being (Wales) Act 2014: Code of Practice	<a href="http://www.ccwales.org.uk/codes-of-practice-and-statutory-guidance/">http://www.ccwales.org.uk/codes-of-practice-and-statutory-guidance/</a>



CYDWEITHREDFA GWELLA GWASANAETHAU  
GOFAL A LLESIANT **GOGLEDD CYMRU**

**NORTH WALES** SOCIAL CARE AND WELL-BEING  
SERVICES IMPROVEMENT COLLABORATIVE

# North Wales population assessment

## Summary report

Draft 0.2

24 November 2016

Draft



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board



GIG  
CYMRU  
NHS  
WALES

Iechyd Cyhoeddus  
Cymru  
Public Health  
Wales



## Notes on the population assessment report

This is the final draft report produced for discussion and approval by the six North Wales councils and Betsi Cadwaladr University Health Board.

The report will be published on 1 April 2017 on each council and health board website. Before publication the following information will be added and changes made.

- Information about how to request a copy of the document in other formats.
- A children and young people's version and easy read version of the report.
- A website address for downloading the document will be added along with hyperlinks between chapters to aid navigation.
- Information about how to access the Welsh report from the English version and the English report from the Welsh version.
- Additional appendices including reports from the consultation and engagement. Key messages are already included in each chapter and a summary of the methods used is in the introduction.

Throughout the report there are sections highlighted in **blue** where links and appendices will need to be added before publication.

# 1 Introduction

## 1.1 About the report

This report is an assessment of the care and support needs of the population in North Wales, including the support needs of carers. It has been produced by the six North Wales councils and Betsi Cadwaladr University Health Board (BCUHB) supported by Public Health Wales, to meet the requirements of the Social Services and Wellbeing Act (Wales) 2014 (the act).

The report aims to improve our understanding of our population and how it might change over the coming years to help us provide better public services in North Wales. To prepare the report we looked at statistics, spoke with our communities and made use of a wide range of information collected by local councils, health services, charities and other organisations that provide services.

The report will be used to inform the area plan which has to be prepared jointly between the health board and local councils overseen by the Regional Partnership Board. The draft guidance on the area plan says we must include the specific services planned in response to each core theme identified in the population assessment. The first North Wales area plan must be published by 1 April 2018 (Welsh Government, 2016d).

## 1.2 Research methods

The population assessment was 'engagement led'. By this we mean that we used what people were telling us about care and support needs to form our research questions. We then gathered data from many different sources to answer the questions and challenge our initial findings.

### Population assessment in figures

- We reviewed over 100 existing policies, strategies and plans from across the six local councils and health board.
- We received 133 responses from organisations to our survey about people's need for care and support.
- We used the findings from over 300 consultation and research reports.
- We and our partners held 16 events and circulated three questionnaires that reached around 260 people who use services.
- The Citizen's Panel carried out interviews with 34 members of the public.
- Local councils arranged around 20 workshops for staff and councillors.

## Consultation and engagement

### Consultation and engagement methods

Local councils in North Wales have a regional citizen engagement policy (Isle of Anglesey County Council *et al.*, 2016) This is based on the national principles for public engagement in Wales and principles of co-production which informed our consultation plan. The population assessment engagement was planned by a group of staff from each local council, the health board and Public Health Wales. They began by listing the different groups of people who may be affected by the population assessment and planning for how they would involve them. This list was reviewed part-way through the project with additional opportunities to get involved planned to fill the gaps. More information is available in the [Equalities Impact Assessment](#).

The engagement plan included:

- A questionnaire for organisations that asked for their views and any supporting evidence they had, such as performance measures or consultation reports.
- Discussion groups with service users, supported by a facilitator's guide. Some counties also circulated self-completion questionnaires.
- A questionnaire for the public (people who do not use care and support services) available on the Citizen's Panel website along with interviews with Citizen's Panel members. One county also circulated an additional questionnaire for people who do not use care and support services.
- Workshops with staff and councillors arranged by each local council.
- A review of relevant research and consultation including legislation, strategies, commissioning plans, needs assessments and consultation reports.

The consultation was publicised widely through the county voluntary councils in North Wales and various other regional networks. The local councils and health board promoted it through their websites, Facebook and Twitter pages. Press releases were sent to the Leader newspaper, Wrexham.com, Daily Post, BBC Wales as well as both Capital and Heart Radio. Specific groups, including people with protected characteristics, were contacted through existing groups and networks (see Equalities Impact Assessment). A quarterly newsletter was produced giving updates about the project for staff and partner organisations which also helped identify groups to contact about the consultation and engagement. There are still people we were not able to reach in the timescale who will be our priority for the next phase of the project.

Running in parallel with this population assessment was the production of well-being assessments for Well-being of Future Generations (Wales) Act 2015. North Wales has four Public Service Boards who were preparing for this. Where possible, any engagement taking place was planned to meet the needs for both assessments. In

some areas this involved sending out joint questionnaires while others held joint workshops and discussion groups.

### 1.3 Preventative services

A North Wales project took place in 2015 to look at early intervention and prevention services in readiness for the act supported by the North Wales Social Care and Well-being Improvement Collaborative (NWSCWIC). The aim was to develop a framework of targeted interventions; contribute to the population assessment; provide a baseline for integrated commissioning and procurement; and to support consistent eligibility thresholds. The group assessed evidence and local needs assessments to identify 'root causes' or trigger factors that lead people to contact services and which in many cases lead to people receiving managed care and support services. They looked at interventions that could address the trigger factors and linked them to the well-being outcomes from the act. The group then developed a risk assessment tool to look at the accessibility, funding and organisation risks relating to the availability of each intervention in each county. This information was used to generate priorities for future work.

In addition, as part of the population assessment the Public Health Wales Evidence Service carried out a literature search to identify the evidence base for each of the interventions described.

This work forms part of the overall North Wales population assessment and is available here: [evidence base](#).

#### Advocacy

'Advocacy is taking action to help people say what they want, secure their rights, represent their interests and obtain services they need.'

Advocates and advocacy schemes work in partnership with the people they support and take their side. Advocacy promotes social inclusion, equality and social justice (Action for Advocacy, 2002)'

Advocacy is part of the portfolio of preventative services available and was included in the early intervention and prevention risk assessment exercise. In addition, NWSCWIC commissioned research into citizen voice and control in North Wales (Wavehill, 2016). This research includes a summary of the independent advocacy services across North Wales for children, young people and adults which forms part of the population assessment.

In the next phase of the project, preparing plans and strategies in response to the population assessment, we need to look at council and local health board commissioning arrangements for advocacy services to recognise and respond to any potential overlap in arrangements. This will involve working closely with the Age Cymru Golden Thread Programme funded by Welsh Government. This programme aims to improve the well-being of individuals through advocacy and to give them a

stronger voice; improve the understanding of advocacy, and; work with local councils and service providers to support the development and commissioning of services.

## 1.4 Governance

### Project governance

The North Wales Social Care and Wellbeing Services Improvement Collaborative set up a regional steering group to lead the population assessment work with technical, engagement and theme-based groups to lead on specific tasks. The steering group was chaired by Jenny Williams, Director of Social Services, Conwy County Borough Council and Andrew Jones, Executive Director of Public Health, BCUHB. Each group included members from each North Wales local council, BCUHB and Public Health Wales.

An interim report on the project plan was produced in July along with regular highlight reports which were shared with regional boards through Partnership Friday, Public Service Boards and local councils. Project newsletters were produced quarterly (in March, June and September 2016) and circulated widely through representatives from each council and health board.

## 1.5 North Wales population overview

North Wales has a resident population in the region of 690,000 people living across an area of around 2,500 square miles. Gwynedd in the west is the least densely populated area with 49 people for each square kilometre and Flintshire in the east is the most densely populated area, 350 people for each square kilometre.

The population of North Wales is expected to increase to 720,000 by 2039. The increasing population of North Wales can be explained by an increasing birth rate and a decreasing mortality rate, which has led to extended life expectancy (Welsh Government, 2016a).

The population of most local council areas in Wales is projected to increase between 2014 and 2039. Wrexham is projected to have the second largest increase in Wales (10%); the populations of Gwynedd and Wrexham are projected to increase steadily; the Isle of Anglesey's population is projected to decrease steadily; and the populations of Conwy, Denbighshire and Flintshire are projected to increase then decrease, but remain higher in 2039 than in 2014.

### Welsh language

In North Wales, Gwynedd has the highest proportion of Welsh speakers, 65%, although this can be higher in some areas of the county. Elsewhere in North Wales, 57% of residents on the Isle of Anglesey speak Welsh, 27% in Conwy and 25% in Denbighshire. The proportion of Welsh speakers in Flintshire (13.2%) and Wrexham

(12.9%) is lower than the average for Wales. All local council areas across North Wales have experienced a decline in the proportion of Welsh speakers between the 2001 and 2011 Census, with the largest decline occurring in Gwynedd (-3.6%). Just over half (53%) of Welsh speakers in North Wales are fluent in the language and 63% speak Welsh on a daily basis; in Gwynedd, 78% of Welsh speaking residents are fluent and 85% speak Welsh every day.

## Poverty and deprivation

In North Wales, 12% of the population live in the most deprived communities in Wales compared to 19% across Wales; however, this masks considerable pockets of deprivation across the region, some of which are among the highest levels of deprivation in Wales. Rhyl West 2 (Denbighshire) and Queensway 1 (Wrexham) are the second and third most deprived areas in Wales. Three further areas in Rhyl (Rhyl West 1, Rhyl West 3 and Rhyl South), are in the top twenty most deprived areas in Wales (Welsh Government, 2014).

## 1.6 Limitations, lessons learned and next steps

Preparing a single accessible population assessment across six counties and one health board area within the timescales set has been a challenging process. There has been a tremendous amount achieved within the timescales thanks to the efforts of: the project team; the project steering group, technical group and engagement group; partner organisations who contributed information and guidance; members of staff, elected members, service users and members of the public who took part in the engagement; the chapter writing groups; and the many people who reviewed and commented on early drafts of each chapter.

Nevertheless, there is plenty that we have learnt from the process and more that needs to be done. The population assessment should be seen as the start of a process rather than a finished product. Where there are limitations identified in the report these can be addressed in work on the area plan and in the population assessment review. The guidance states the assessment needs to be reviewed in at least two years' time, while the toolkit advises more frequent reviews.

Some of the issues identified during the process that need to be addressed are listed below.

- The report will provide an evidence base for services and strategies and underpin the integration of services and support partnership arrangements. It should be a useful tool for planners and commissioners in local authorities and health, however, there is still a need for commissioning strategies and market position statements to set out the local vision and plan for services in an area and the support available for providers.

- The report includes a summary of services available at the moment but does not describe them in detail or attempt to map out all local provision. Due to the complexity of this task it may be best to prioritise areas for this type of review.
- The report includes some high-level service performance measurement information but does not include detailed analysis of performance indicators outside of what was included in the national data catalogue or analysis of budgets or actual service spend.
- There are groups we were not able to include in the consultation and engagement which should be a priority for future work. More information is available in the engagement plan and Equalities Impact Assessment [\[add link\]](#).
- The report needs to be publicised widely to build on links made to date and reach people who have not had an opportunity to be involved in the first phase of the project.
- Making the links between the population assessment and the well-being assessments produced by the Public Service Boards. The population assessment includes people's care and support needs while the well-being assessment covers prosperity, health, resilience, equality, vibrant culture, global responsibility and cohesive communities. The assessments have taken place in parallel and officers involved in both have worked together on elements of the projects but more connections will emerge as they are published.
- There are people who have care and support needs whose particular needs fall outside the themes covered in the report chapters. More work needs to be done to identify their needs along with people who have multiple and complex needs.

In addition to the above there are specific issues identified at the end of each chapter for future work.

There have also been lessons learned about the process which have been recorded and will be used to inform the work on the area plan and population assessment review.

## 1.7 Further information

There was much more information collected to inform this report than it has been possible to include. Additional background information is available on request [\[add link to contact details on website\]](#):

## 2 Children and young people

### Key findings

- There are around 124,000 children aged 0-15 in North Wales. There has been very little change in the number of children and young people in the past five years and this trend is likely to continue over the next 25 years.
- The majority of children and young people in North Wales are healthy and satisfied with their lives but more needs to be done to: tackle low birth weight; reduce infant mortality rates; improve breastfeeding rates and take-up of immunisations; reduce childhood obesity and smoking and alcohol use.
- There has been a fall in referrals to children's services but it is not yet known how the number of referrals will change in response to the wider eligibility under the new act.
- The majority of referrals to children's services are from the police or within the council's own social services department, and the main reasons for referral are abuse or neglect.
- In the last five years there has been a 9% increase in the number of children on the child protection register and in the number of children looked-after in North Wales.
- There are increasing concerns about sexting and online bullying.
- North Wales has a high number of children from outside the region who are looked after locally and this number has been increasing. This places additional demand on local services such as health, education, police and support services.
- There are changing demands on fostering services due to an increase in kinship fostering / connected persons.
- Wrexham has the highest number of young offenders and the highest crime rate across the region. With the exception of Anglesey all local authorities have seen a reduction in the number of young offenders over the last three years.
- The number of children and young people who are victims of crime has increased year on year. This could be due to a number of reasons including increased ability/ willingness to report; increased number of crimes committed or an increase in particular types of crime such as cyber-crime.
- The number of disabled children has increased over the past five years.
- Children's mental and emotional health was consistently raised as a concern including a rise in self-harm and eating disorders as well as attachment issues.
- There needs to be an integrated approach to the health and wellbeing of children and their families throughout universal services to maximise prevention and

promote resilience at the earliest stage. New evidence on the multiple impacts of Adverse Childhood Experiences can bring more awareness and support towards preventing them and minimising their effects.

- Provision of parenting support is needed to break cycles of inappropriate parenting and raise parents' confidence in their skills to raise their children in a positive and nurturing environment.
- Information, advice and assistance services as provided by Family Information Services are an important part of prevention and early intervention services.
- There are over 1,000 young carers identified across North Wales, which is an increase over the past few years. There is an increasing need for 1 to 1 support for young carers as well as support for young carers under age 8.

## Recommendations and next steps

Due to the tight timescales and wide range of needs covered in this chapter the next steps should focus on identifying the further information needed in priority areas. This should include additional consultation and engagement to agree recommendations as part of the area plan. Future work should be based on the UNCRC and include children's right to play.

- Advocacy: all children and young people need to have their voice heard in decision making processes, and this is particularly important for looked after children and children on the child protection register. Some information is included in the introduction to the report but more information is needed about the services available and their effectiveness.
- There is further work to be done to implement the new duties under the act and regional projects are in place to support this including assessments and information, advice and assistance.
- There have been concerns throughout the production of this chapter about the quality of data recording. Work needs to be done to standardise the recording of children in need data (and its replacement) as well as threshold and eligibility criteria.
- More information is needed about trafficking and child sexual exploitation to inform the population assessment.
- More information is needed about the increase in complex needs for disabled children and the transition from children's to adult's services.
- Find out more about concerns raised, that increasingly younger children are being referred to CAHMS and the needs of looked after children referred to CAMHS.

- Information about restorative approaches to work with families including everyday interaction, meetings with service users, informal circles, mediation and formal group conferences.
- There are good examples of service provision in all counties, such as the 'edge of care' project, internal therapeutic services, collaborations between social services and CAMHS. Information about these services is already shared informally between counties, but future work on the population assessment needs to look at this further.

Draft

## 3 Older people

### Population overview

There were around 150,000 people aged 65 and over in North Wales in 2015. Population projections suggest this figure could rise to 210,000 by 2039 if the proportion of people aged 65 and over continues to increase.

The proportion of older people in the population is projected to continue to increase.. At the same time the proportion of people aged 16-64, the available workforce, is expected to continue to decrease. This change to the population structure provides opportunities and challenges for the delivery of care and support services.

The change in population structure shows a similar pattern in every county in North Wales, although the counties with the highest proportion of people aged 65 and over are expected to be Conwy, Anglesey and Denbighshire.

Research suggests that living with a long-term condition can be a stronger predictor of the need for care and support than age (Institute of Public Care (IPC), 2016). See health, physical disabilities and sensory impairment chapter for more information.

### Loneliness and isolation

Reducing loneliness and isolation is one of the main challenges identified in our consultation and engagement. Successfully tackling this a priority would have many benefits for people's health and well-being and reduce the need for statutory services.

More information about plans to develop services and support to address loneliness and isolation is available in each council's Ageing Well Plans available at: <http://www.ageingwellinwales.com/en/localplans>. The well-being plans being produced by Public Service Boards under the Well-being of Future Generations (Wales) Act 2015 are also likely to address this issue.

For information about services in your area please see Dewis Cymru <https://www.dewis.wales/>

### Support to live at home

Continuing to live in their own homes is a priority for many older people and is an important part of maintaining independence. The demand for service is likely to increase as the number of people aged over 65 increases in the population. The demand also seems to be increasing for more complex support and a higher number of hours of care each week.

Current services are delivering high quality support that help maintain people's independence, with many people reporting that they are happy with the care they receive. There are difficulties recruiting and retaining care workers, particularly in rural areas, male care workers and Welsh speakers. We need to improve awareness of available services and support providers to meet intensive and specialist needs and provide a flexible service.

The challenges facing commissioners and providers are to continue to provide flexible support to enable people to: be independent; identify their own solutions using their personal assets, family, friends, community and third sector; plan for future care needs; achieve their personal and well-being outcomes.

## Dementia

There are an estimated 11,000 people living with dementia in North Wales. This number is expected to increase although this may be not as much as originally thought due to improvements in health. Dementia has a substantial effect on individuals, which leads to great pressure on statutory services, the third sector, and family and friends that support them. Despite the challenges that dementia brings people can be supported to live well, or at least better than they thought, and our challenge is to provide that support.

Current services are providing a wide variety of support that is meeting the needs of many people.

### Areas for improvement and recommendations

1. Provide more information and support after diagnosis.
2. Additional training for care workers in working with people who have dementia.
3. Develop additional services that meet individual needs, particularly for younger people with dementia and through the medium of Welsh.
4. Make sure there is sufficient elderly mental health nursing provision and elderly mental health (EMI) residential care.
5. Improve joint working between services.

More information is available in the North Wales Dementia Market Position Statement and information about specific developments in each county can be found in the Ageing Well Plans available at: <http://www.ageingwellinwales.com/en/localplans>

## Care homes

### Key issues for future development in North Wales:

- We will need to be clear about how many more people we would like to support in extra care accommodation in the future and whether community health services will be able to meet people's health / nursing care needs.
- There is anticipated to be a need for more nursing home placements in the future, particularly supporting people with mental health conditions and dementia. This will require joint workforce development initiatives to train, recruit and develop nurse managers and care and support workers meeting people's health care needs.
- Councils and the Health Board are working together to explore how people's health care needs can be met in residential homes and / or extra care by community nursing / therapy staff such as occupational therapists and physiotherapists to reduce the number of people having to move into nursing homes.
- There is need for more care and support provision to meet (Welsh) language needs in care homes. This will be strengthened in future contract agreements.
- Commissioners need to review and revise the Pre Placement Agreement (contract) for care homes to reflect new standards and anticipated regulatory requirements by April 2018. This will include the development of specifications (including workforce competency requirements) for all future requirements including support for people with dementia, intermediate care such as step-up/down support (detailing the rehabilitation interventions or support requirements from care home staff) and 'discharge to assess' services.
- Overall reviews of quality and safety within care homes across North Wales suggest that in some homes there needs to be:
  - Improvements in management leadership including clinical leadership in nursing homes.
  - Development of the physical (building) environment to better meet people's very complex needs (including mobility impairments and confusion / dementia)

### Local developments required in:

#### Ynys Mon include:

- Exploring options for most effective use of local council care home provision, including intermediate care and meeting more complex needs, in conjunction with health staff.

- Increasing the provision of Extra Care Housing as an alternative to residential care; thus the demand for residential provision is anticipated to decline in line with recent trends, however this is likely to be gradual.
- Increasing EMI Residential capacity (consistent with higher levels of people living with dementia), again this will be a gradual shift.
- A rapid increase in EMI nursing will be required in the short to medium term as demand considerably outstrips existing provision.
- Improving community health resources to support people with nursing needs at home, which is having an impact on the demand for General Nursing placements which is expected to continue.
- Ensuring that current and future care home accommodation meets the prevalent standards.

**Gwynedd include:**

- The vision is to support people to continue to live at home within their communities for as long as possible, and reduce the need for traditional Residential placements. This will require an overall increase in accommodation for Older People, with the greatest demand and gaps being anticipated for sheltered and extra care housing.
- Gwynedd's local market position statement details that there are key areas within Gwynedd, where the population of people aged 65 and over is particularly high, that do not have care home provision, including - Abermaw, Llanbedr, Dyffryn Ardudwy, Aberdovey / Brynchrug / Llanfihangel and Harlech. Their needs analysis also shows that the community of Llanbedr has a significantly ageing population with no local care home provision.
- In the short term, Gwynedd intend to reduce the number of traditional long term residential care placements, increase the provision of residential care for people with dementia. Gwynedd would also wish to increase opportunities for people to receive extended respite periods and offering flexible opportunities for respite care to meet the needs of carers.
- In the longer term, if rates of placement remain as current, Gwynedd have forecasted that by 2030 there will be a requirements for additional provision to accommodate and support 631 people requiring residential care and 600 people requiring nursing care.

**Conwy include:**

- Continued investment in integrated locality services and quality care homes; with the aim of creating a stable and sustainable Care Home Sector in Conwy, improving experience for residents and avoiding inappropriate Accident and Emergency attendance and / or hospital admissions.

**Denbighshire include:**

- Increasing the provision of Extra Care Housing as an alternative to residential care (unless specialist nursing or mental health care is required).
- Rationalising the supply of residential beds, where there seems to be an over provision in the short to medium term. However if forecasts regarding the anticipated increase in numbers of people with dementia are correct, there will be need to increase the number of Elderly Mental Health (EMH) Nursing beds in Denbighshire. There may not be enough EMH residential beds. Analysis in February 2016 suggests with the exception of EMH Nursing, in most areas there are sufficient care home beds to meet demand and some over-capacity in certain areas.

**Flintshire include:**

- Maintaining the local council care home provision and exploring the development of intermediate care hub focused on preventative and early intervention work.
- An increase (based on projected need from demographic changes) of a further 178 care home placements by 2020: 67 Residential; 52 EMH Residential; 51 Nursing and 8 EMH Nursing.

**Wrexham include:**

- Developing Extra Care offering mixed tenure independent living (Dementia, Disability, Learning Difficulties) including specialist provision (Extra Care) for younger adults with a disability to reduce out of county placements. Also Interested in developing Intermediate Care using Extra Care facilities and developing step up step down beds.
- Planned reduction in general residential places and increase in general and EMI nursing across Wrexham. Ideally homes would be dual registered.

## 4 Health, physical disability and sensory impairment

### Key messages

While all six local councils and the health board have committed to working to the social model of disability, there is much more work to be done to ensure that the way we work fully reflects this model.

The Social Services and Well-being (Wales) Act 2014 reinforces the need to think about the broader aspects of well-being in a person's day to day life and the ability of a person to participate fully in society.

Focusing on what matters to an individual will help us address the broader aspects better. We will need to work in partnership with people, their families, the third sector and independent providers as well as other public services to achieve this.

The number of people living with a long term condition and the number of people living longer with disability or a sensory impairment is increasing as our population lives longer and the number of older people increases.

We will need to review our organisational priorities and commissioning plans to ensure that we identify better ways of supporting participation and inclusion, and enabling people to maintain their own independence.

We need to focus more on earlier intervention and prevention – taking the actions that the evidence tells us will help people stay healthier and more independent for longer.

We will need to review the more specialised services we provide to ensure that people are able to receive the support they need at the time they need it.

### Gaps in service / support

Support for people to live healthier lifestyles and maintain independence is identified as one of the key elements. More emphasis needs to be placed on this by all organisations.

The role of the third sector and independent sector is identified as important in providing broader support networks for people. Organisations need to be mindful of the capacity of these sectors to extend the support they offer.

Some services are sparse in different areas; rural areas have been identified as experiencing shortfalls in provision.

Many of the public sector services are under pressure and while services are available, there may be a waiting list or difficulty in accessing services promptly.

There are barriers for specific groups which need to be addressed – when seeking information, accessing services, or seeking to maintain independence, with support as needed.

## Our response

We will seek to collaborate in the design and implementation of effective health improvement programmes with the support of Public Health Wales.

We will aim to give a senior level strategic commitment to implement and embed a sustainable approach to the Making Every Contact Count (MECC) programme in North Wales, providing a culture which encourages and promotes prevention and health improvement.

We will explore the option of using social prescribing as a patient pathway for primary care practices in North Wales to strengthen the links between healthcare providers and community, voluntary and local authority services that could improve health and well-being.

We will take an assets-based approach, identifying what matters to people and supporting them to take control of their lives. We will work with people and the communities in which they live to build on the resources available and support people to connect.

We will seek to strengthen further the social model of disability in all that we do, looking to ensure that our support and our services facilitate participation, respect individual wishes and needs and are inclusive.

We will review the need for our more specialised services to provide care closer to home where possible.

## 5 Learning disability

### Key findings

- **Demography:** The number of people with learning disabilities needing support is increasing and people with learning disabilities are living longer. These demographic trends are likely to continue. The growing number of people living with a learning disability and dementia presents significant challenges to care services, and the staff who work in them, to provide the right type of support.
- **Health needs:** People with learning disabilities tend to experience worse health, have greater need of health care and are more at risk of dying early compared to the general population.
- **Young people with complex needs:** Services will need to adapt to make sure they can meet the needs of young people with complex needs as they make the move to adult services.
- **Attitudes and expectations:** Most individuals and their families want, or expect to have, a greater level of independence and to be a key part of their community. This may include older parents who have never asked for support or carers who find that the support they expected to have is no longer provided or is provided in a different way.
- **Transition between children and adult services:** this works well on the whole and social services will increasingly be focussed on developing an integrated approach which will help with transition.
- **Finance:** The level of spend on learning disability services has been increasing but we are now faced with supporting more people with less money.
- **Legislation:** The Social Services and Well-being (Wales) Act 2014 is changing the way we work, including the way in which we find out what matters to people and the way in which people are supported.
- **Existing provision:** Currently, support is generally provided by immediate family members and/or long term paid care staff.

### Recommendations

1. Support older carers and make sure they have the support and respite services they need. This should include 'planning ahead' services for families which includes work to identify hidden carers and assess their needs for support.
2. Health and social services to work better together make sure there is sufficient support for the health issues of older people with learning disabilities, including people with dementia.

3. Continue to support people with learning disabilities to access health care through the Learning Disability Health Liaison Services, by developing accessible information for people with learning disabilities to improve communication and supporting healthcare providers to better identify people with learning disabilities so they can make 'reasonable adjustments' to their care. Promote access to health promotion and early treatment services.
4. Provide sustainable models of support jointly by health and social care to meet the needs of individuals with complex need. This should include addressing the unmet need for high end jointly funded nursing placements for adults with severe learning disabilities who have health related needs.
5. Support staff to manage changing expectations of support for people with learning disabilities, including changes required by the new act.
6. Recruit more Welsh speaking support staff.
7. Provide more support for people with staying safe when using the internet.
8. Encourage more informal, unpaid support, to reduce reliance on formal paid support. This would help facilitate wider friendships and social lives for people with learning disabilities beyond paid carers.
9. Increase recruitment to the shared lives / adult placements scheme.
10. Develop the provision of assistive technology for people with learning disabilities.
11. Continue to explore and develop housing options to meet the needs of people with learning disabilities in partnership with other organisations.

## Data development agenda

- Make sure there is common understanding and consistency across the six North Wales counties in the way data is recorded and analysed.
- Carry out more analysis to support adult services to plan for the needs of young people with complex needs.

## 6 Mental health

### Key messages

- People in North Wales report slightly better mental health than in Wales as a whole
- The number of people with mental health problems is likely to increase
- The most common mental illnesses reported are anxiety and depression
- Research suggests a high number of people with mental health problems are not seeking help
- The number of admissions to mental health facilities is reducing
- The number of people with more complex needs is increasing
- People with mental health problems are more likely to have poor physical health

The numbers of patients seeking admission to hospital has increased across the region. Feedback from staff suggests the limited number of admissions may be due to bed pressures- influenced by Delayed Transfers Of Care (DTC) and lack of appropriate placements, where needed. This has led to the use of acute beds outside North Wales, which is far from ideal for patients, their carer's and families.

Common principles shared by the local councils and the health board include service user and carer involvement and participation; community advocacy; carers support and role of learning and work opportunities in recovery; joint working between agencies.

There needs to be a clear pathway from acute services into community based services. There should be more work around the preventative agenda to prevent needs escalating to hospital and reduce demand on other public services. Examples include home support and wraparound services as well as interventions and policies to support parents and young children, lifestyle changes, improve workplaces, provide social support and environmental improvements that support communities (Public Health Wales, 2016). Joint working with the third sector and social enterprises could provide this.

Local councils and health need to manage increase in demand for services with reducing budgets.

### Gaps in service / support

- Support for people with ASD was consistently highlighted as a gap in the consultation
- There's a gap in befriending opportunities (need to be empowering and not encourage dependency) to support people to access existing social activities.

- Poverty and welfare reform were highlighted as risks for service users, as the drive to get people back to work can cause additional stress for vulnerable people. This can be particularly difficult for younger people with housing benefit issues.
- There needs to be sufficient supply of accommodation to support people to step down from residential care to community resources.
- We need to develop public mental health in North Wales and promote mental well-being to prevent mental ill-health. Public mental health should form part of the Betsi Cadwaladr University Health Board mental health strategy.

## Data development agenda / suggestions for future research

- Needs of vulnerable people without a diagnosis and best practice for providing support
- Investigate concerns raised about a lack of Welsh language provision in mental health services
- Find out more about the reasons for the reducing number of admissions to mental health facilities.

## Our response

The next phase of the project will be to discuss the information in these reports and agree an approach to addressing the issues raised. This may include carrying out further research in an area, local or regional actions.

## 7 Carers

Carers provide a crucial role in the provision of care and support and provide a preventative service themselves. It is estimated carers provide between 70% and 95% of care, saving £7.72 billion every year in Wales (Yeandle and Buckner, 2015; Welsh Government, 2016c). Every caring situation is unique.

### Main findings

- The number of carers in North Wales is increasing, particularly in north-west Wales.
- People aged 50 to 64 are the most likely to provide unpaid care.
- Half of all carers in North Wales are in employment: for carers in employment the support of their employer and colleagues is vital to helping them continue in their caring role.
- The increase in need for social care identified in other chapters of the population assessment report is likely to lead to greater numbers of people providing unpaid care and providing care for longer.
- There are over 1,000 young carers identified across North Wales, which is an increase over the past few years.

### Gaps in support and recommendations

There is a challenge to services in the current economic climate with services being cut both for carers and for the people they care-for. Much of the support for carers, particularly from the third sector, relies on short-term funding and there are risks to the sustainability of this support.

There is feedback that respite/short-break provision is reducing as well as issues around how far ahead it needs to be planned which means it's difficult for carers to make last minute plans. We need to re-think how we provide services to achieve the best outcomes for carers and the person cared-for in this climate.

Support in acute hospitals is inconsistent – there is a carers' support officer in the West and East regions of North Wales hosted by the third sector, but no provision in the central area. In this, and other areas we need to consider how to provide more consistency across the region.

There is an increasing need for 1 to 1 support for young carers as well as support for young carers under age 8.

In addition to the examples above, the consultation highlighted the need for better support for carers by better meeting the needs of the cared-for person as well as providing support specifically for carers. It highlighted gaps around transport, services

in rural areas, awareness of primary care staff, counselling services for carers and support for substance misuse carers. The review of services highlighted that there is provision in North Wales to meet many of these needs although this provision is not consistent across the region.

The appointment of a regional post to map the full range of services available to carers in North Wales has been agreed by the North Wales Regional Partnership Board. The scoping exercise is likely to identify further gaps and inconsistencies across North Wales and highlight priorities for joint working. There is a regional carers' operational group who will be looking at opportunities for regional working arising from this population assessment.

## **Next steps for the population assessment and area plan**

- Find out about the effectiveness of services provided to carers, improve project evaluation and look at what can be replicated across the region to provide more consistent support even with local variations.
- Consider how we capture outcomes and systems to capture unmet need, for example, Gwynedd Council and Denbighshire County Council are piloting using 'what matters' conversations with carers.
- Map carers' services across North Wales, including the availability of provision through the medium of Welsh.
- Share the findings from the population assessment and area plan with Welsh Government to inform the development of the All Wales Strategy for Carers.

## 8 Violence against women, domestic abuse and sexual violence

### Key messages

- Domestic and sexual violence and abuse are under-reported but the number of reports is increasing.
- Domestic and sexual violence and abuse affects both women and men although women are more likely to experience them.
- Cases of coercive control are now being recorded in North Wales since the offence came into effect in December 2015
- Domestic abuse costs public services £66 million a year in North Wales in health care, criminal justice, social services, housing and refuges, legal costs and lost economic output.

### Gaps in services and support available

The population assessment suggests future work should look at addressing the following:

- Developing stronger strategic and practice links between domestic abuse and adults safeguarding.
- The effect of budget cuts on specialist service providers' ability to meet the demand and need for services.
- The need for support for children and young people who are witnessing domestic violence and abuse.
- Making sure there are sufficient options for housing victims of domestic violence and abuse who have additional care and support needs that require round the clock staffing.
- Find out more about the need for specialist support, such as floating support, for BAME people in North Wales.

### National priorities

The National Strategy on Violence against Women, Domestic Abuse and Sexual Violence 2016-2021 (Welsh Government, 2016b) has been published and includes the 10 key recommendations along with the National Training Framework.

The National Adviser Annual Plan (Bowen-Davies, 2016) sets out the following objectives:

1. To advise and support the strategic implementation of the legislation

2. Develop a strategic, coherent and integrated approach to policy and service delivery decisions
3. Develop workable recommendations to improve the impact and effectiveness of public and voluntary service provision
4. Provide a strategic platform for shared learning and research
5. Enable effective and inclusive communication with survivors, stakeholders and the public.

## Next steps

Local councils and the health board have to prepare and publish a strategy under the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2014 by 1 April 2018. The population assessment will be used to inform this strategy.

We have also identified that we need to include more information about sexual violence, child sexual exploitation, trafficking and modern slavery when the population assessment is reviewed. Please let us know if you have any evidence you would like to submit [\[add link\]](#).

## 9 Secure estate

The new act heralds a historic change in local government's social care responsibilities for the men, women and children held in the secure estate and on their release into the community. Previously, the responsibilities for meeting the social care needs of those in the secure estate were unclear and this led to confusion between local authorities, prisons, probation services and other organisations.

The act clarifies responsibilities and ensures that those held in the secure estate are entitled to receive equivalent provision to persons in the community and requires local authorities to work in partnership with the National Offender Management Service and health services. It presents opportunities to implement integrated care pathways and joint service provision for the health and social care needs of those in the secure estate.

Given that prisoners can often have complex health and care and support needs and generally experience poorer physical and mental health, this presents a significant development.

A focus on health and wellbeing is also contributing to a renewed focus on rehabilitation, resettlement and a reduction in re-offending.

This is evidenced in the planning for HMP Berwyn which will open in North Wales in February 2017. HMP Berwyn is modelling new approaches and its culture will be driven by a focus on rehabilitation. The ethos is dedicated to providing a safe, decent and just environment where men will be encouraged to prepare for a fresh start in life. The importance of Welsh language in the rehabilitation of offenders from North Wales is recognised as is the key role of co-commissioning partners.

This puts the adult male category C population in a good position. It will help strengthen links between local councils in North Wales and the prison and will support effective rehabilitation. Women and young offenders, however, will continue to be held outside the region as well as men from other categories and those whose health and social care needs cannot be safely managed at HMP Berwyn.

A better understanding of the needs of these groups is required and on release the duty for adults will move to the local council to which they are resettling as part of the requirement for continuity of care under the act; this includes services such as housing. This presents a unique opportunity to develop a model for creating links with prisons outside of North Wales, including those holding women from North Wales.

### Recommendations

- Further consultation with stakeholders, including service users.

- An integrated health and social care needs assessment to be conducted for HMP Berwyn after the prison has become operational in partnership between BCUHB and Wrexham County Borough Council.
- Data on the social care needs of both the Category C and remand population to be collated when HMP Berwyn is operational.
- The putting of protocols in place with partners detailing the type of information which can be shared.
- Engagement with the Courts to develop protocols for the remand of disabled persons to ensure that their remand disposals are able to meet their specific needs on admission.
- The development of partnership working with the prisons in South Wales to share learning.
- Better understanding of the social care needs of women and young people and the very specific considerations attached to these groups.
- Development of good quality health and well-being services for the prisoners.
- Children and families – support for the regional approach to develop a children and families model and links in with this work.
- Homelessness: the need for prompt systems to be in place in order to engage with those who are leaving the secure estate at the earliest possible opportunity; this will enable the correct intervention to be put in place and referrals made to the appropriate council.
- The transition of care once prisoners are discharged ‘through the gate’ needs to be embedded within the community, providing continuity of care to ensure health gain while in prison is sustained on release.

## 10 Veterans

A veteran is defined as someone who has served in HM Armed Forces for at least one day. This includes people who have served in the Reserve/Auxiliary Forces. It is estimated that there were 51,000 veterans living in North Wales in 2014.

A full description of the care and support needs of veterans in North Wales is available at the following link:

[http://www.wales.nhs.uk/sitesplus/documents/888/20161107\\_Veterans\\_Needs%28Working%20Draftv0e%29.pdf](http://www.wales.nhs.uk/sitesplus/documents/888/20161107_Veterans_Needs%28Working%20Draftv0e%29.pdf)

### Information and research

There is a need to improve demographic and wellbeing information available on veterans, the capture of information on their use of services and information available to veterans on what services are available. Recommendations are:

- North Wales Armed Forces Forum (NWAFF) should lend support to the Royal British Legion's "Count Them In" campaign.
- NWAFF should consider commissioning Welsh language profile of veterans in North Wales
- All service providers should improve their identification of veterans and data on their use of services (especially NHS primary and secondary care and local council services)
- NWAFF should consider the development of a "veterans data dashboard" which pulls data together on veterans
- All service providers should improve the information provided to veterans on the services available to them through better signposting to services, better publicity through use of social media and supporting the development of the new MoD "Veterans Gateway" website
- NWAFF should consider commissioning research in areas such as the lifestyle behaviour of veterans and the interaction of veterans with domestic abuse issues

### Service planning

Veterans should be considered as a priority group within regular planning mechanisms. The recommendations are as follows.

- Public Services Boards (PSBs) should consider the needs of veterans in the development of their Well Being Plans
- Local councils should consider the needs of veterans, as a vulnerable group, in their corporate planning and corporate priority setting

- BCUHB should consider the needs of veterans in the development of its Annual Operating Plan and Integrated Medium Term Plan
- BCUHB, as part of the development of its Mental Health Strategy, should consider the needs of veterans that are not able to access the service provided by Veterans NHS Wales (e.g. non-service related needs) including recognising the detrimental effect stigma may have on veteran's willingness and ability to seek help for mental health conditions. Public mental health should be developed as part of this strategy with promotion of emotional wellbeing and alternatives to hospital settings.
- Provision of health improvement services by local councils to veterans should be reviewed and strengthened where necessary
- All service providers should support the development of Health and Wellbeing Services for veterans at HMP Berwyn

## Service provision

Services have a responsibility to meet the commitments set out by the Armed Forces Covenant. The recommendations are as follows.

- All service providers should be aware of their commitments and responsibilities under the Armed Forces Covenant which include priority access to NHS treatment for conditions related to a veteran's time in the services and priority access to social housing.
- All service providers should provide a coherent approach to delivering effective services and support, to achieve the outcomes required for veterans and address unmet needs. Priority groups should include the oldest and most infirm who have clear support needs (physical and emotional) to live independently and avoid social isolation; those aged 16-54 with health problems relating to their military service, and the youngest and most recently discharged from military service.
- All service providers should collaborate to develop model care pathways for veterans premised on early identification, early intervention and evidence based responses to need with clear sub-division of roles.
- All services providers should recognise and understand the challenges posed by the armed forces culture. It is important that all staff are appropriately trained and also ensure that they ask their clients whether they have served in the Armed Forces. An accreditation system for staff, appointment of more veterans champions and a scheme for "veteran friendly" services should all be considered.
- All service providers should take every opportunity to signpost veterans to support. Specific front-line locations might include Emergency Departments, police custody suites and local council Single Points of Access or Housing Access Teams.

- Due to the many third sector veteran related organisations being established, it is recommended that a quality standard be considered to offer assurance to veterans, their families and public sector bodies that the organisation they are dealing with are of a high quality with good governance arrangements.
- Primary Care contractors should prioritise registration of veterans. GPs should request the whole medical record from DMS to give a complete picture of a veteran's medical history. The joint RCGP, RBL and Combat Stress publication should be promoted amongst all local health providers
- All services providers should prioritise mental health support to veterans, including support for alcohol problems. This should include better signposting to the current support available through Veterans NHS Wales, BCUHB mental health services and the Third Sector. Veterans' needs should be specifically considered by the North Wales Suicide Prevention Group.
- Local councils should review their provision of health improvement services to veterans and strengthen where necessary.
- Local councils and BCUHB should consider how they can support veterans on their pathway to employment within the volunteering opportunities they are developing within their organisations.
- All service providers should specifically consider the needs of veteran carers and address unmet needs where identified.

## 11 Homelessness

The changes introduced within the Housing (Wales) Act 2014 seem to be having a positive effect with the emphasis on earlier intervention and prevention delivering better conclusions for individuals, however significant challenges remain. Progress may be affected if the transitional funding allocated is removed.

Changes within other services can have an impact on homelessness and homeless people can have an impact on other services. Welfare reform and especially changes to Housing Benefit and the introduction of Universal Credit are expected to increase demand upon some services, especially from groups such as young people, which will create new challenges. We need to focus on ways of maximising value, combining effort and resources and focus on the preventative approach to homelessness, which can help deliver positive outcomes to vulnerable people and hopefully avoid the need for more intensive and costly interventions .

### Key messages

**Changes to the welfare benefits** – The impact of the proposed changes to the welfare benefits, especially those allocated towards housing related costs are yet to be seen. Some individuals and groups are expected to experience significant reductions in the funding for assistance towards housing and it will become more difficult to secure appropriate and suitable accommodation options at these reduced levels. Some of the groups most adversely impacted, correlate quite closely with groups who are currently known to be more exposed and vulnerable to homelessness. There are also concerns that the introduction of Universal Credit - which compounds all benefit payments and does not automatically allow transfer of the rent element to the landlord could lead to problems. Research from areas who have introduced universal credit are reporting higher level of arrears which could over time become problematic and impact on the sustainability of tenancies.

**Regional commissioning** - While the aim will be to deliver the vast majority of homeless services as close as possible to an individual's original community and where possible within local council boundaries, it will be necessary to plan and deliver some homelessness services regionally. Where it is not possible or cost effective to respond to needs locally we will use long-term strategic partnerships such as the Regional Collaborative Committee and local planning groups to consider housing need and priorities across local council areas.

**Out of area placements** – Most vulnerable people seeking support tend to be non-transient, staying within their locality rather than moving from one area to another. However some movement across boundaries does occur and is sometimes necessary to support individuals and to facilitate rehabilitation. Legislation and best practice would suggest that out of county placements should be exceptional, and based upon considerations such as personal and public safety. Where such cases

arise, cross border co-operation as well as the maintenance of service users existing support networks need to be discussed at the earliest possible stage.

**Shared responsibility** - Housing Associations and third sector support providers who have experience of delivering services to particular vulnerable groups will have an important role in assisting the efforts of statutory organisations. There will be a continuing need to provide support services that complement the statutory sector, as we anticipate a steady increase in population up to 2020.

### Gaps in service / support

- Lack of single person accommodation
- Limited hostel provision
- Shortage of specialist provision for individuals with ongoing medical conditions
- Gaps in support services

Draft

## 12 Autism Spectrum Disorder

Children and adults with Autism Spectrum Disorder (ASD) report unmet needs in respect of:

- behavioural/emotional support;
- ASD specific issues and life skills; and,
- access to social and leisure services and opportunity in the community.

Children and adults with ASD may or may not also have a learning disability or mild learning disability. Children and adults with ASD may have or may develop moderate mental health difficulties if support is not available to them at an early stage.

There is a national Autism service being developed, funded from Welsh Government Intermediate Care Funding, and the service will be developing in North Wales in the next year or so as part of the 3 year programme of roll-out. This service will be built on best practice and research and will be all-age.

It is also important that the support currently available in North Wales through the range of third sector organisations that operate in the area are continued and that these compliment the national service. The availability of such support services should be advertised widely so that they can be accessed by those who require the support.

There are gaps in awareness raising around ASD for the public, employers, staff and other areas of public services such as leisure centres and public transport.

Although there is a comprehensive range of information on the web, there is no way of knowing whether people are using this – raising the profile of the availability of services and support on such websites as DEWIS is required.

Training is required to improve the understanding of the effects and implications of ASD, particularly in relation to behaviour management and coping strategies and this needs to be across sectors and particularly within education services. It is also identified that the police service needs to be trained to identify if a person has ASD. Ideally this training should be jointly developed across health and social care and includes specifically:

- managing special interests,
- the transition into adulthood,
- housing and community living,
- employment and training,
- post diagnosis support for partners and family members,

- social isolation, developing social skills and maintaining relationships,
- keeping safe/anti-anti-victimisation interventions,
- autism in females,
- men and autism,
- keeping well and healthy and managing anxiety,
- challenging behaviour and anger management.

Finally, there is a new neurological developmental pathway which will be a service available for children and young people who do not fit into CALDS/CAMHS pathways for diagnosis and support established early in 2017 in Conwy/Denbighshire – if this is successful it should be available across North Wales.

Draft

## 13 References

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## Appendix 2

Link to the document (Item 11 – Appendix 2, Cabinet Agenda 14<sup>th</sup> February, 2017)

<https://democracy.cyngor.gwynedd.gov.uk/ielistdocuments.aspx?cid=133&mid=2027&ver=4>

A paper copy can be obtained from the contact point on the front of this agenda.

## Equality Impact Assessment: Are We Being Fair?

### Template

#### Compulsory for all proposals

**Throughout this document we use the word ‘proposal’ to refer to what we are assessing. In this context, the term includes the different things that we do, including strategies, functions, procedures, practices, policies, initiatives and projects.**

This template covers all equality assessment needs from initial screening to a full Impact Assessment, by following the 6 steps:

1. Screening the equality needs of the proposal
2. Data collection and evidence
3. Involvement and consultation
4. Assessing impact and strengthening the proposal
5. Procurement and partnerships
6. Monitoring, evaluating and reviewing

The aim of an equality impact assessment (EIA) is to ensure that equality issues have been consciously considered [Due Regard] throughout the decision making processes of the work we do.

The EIA highlights any areas of risk and maximises the benefits of proposals in terms of equality. It therefore helps to ensure we have considered everyone who might be affected by the proposal. It also helps us to meet our legal responsibilities under the general equality duties (Single Equality Act 2010). There is also a requirement under Human Rights legislation for Local Authorities to consider Human Rights in developing proposals.

Our approach to EIAs will help us to strengthen our work to promote equality. It will also help to identify and address any potential discriminatory effects before introducing something new or changing the way we work and reduce the risk of potential legal challenges.

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas of equality e.g. young people with a disability, BME people with a disability.

Further guidance on Equality Impact Assessments and making difficult decisions in times of financial restraint can be found in The Equality and Human Right’s Commission ‘Carrying out an Equality Impact Assessment: 9 Myth Busters’ and ‘Public Sector Equality Decisions and Financial Decisions’ available on the Internet.

<b>Department / Organisation</b>	North Wales Social Care and Well-being Services Improvement Collaborative (NWSCWIC), a partnership of the six North Wales local authorities and Betsi Cadwaladr University Health Board
<b>Responsible Officer</b>	Jenny Williams
<b>e-mail address</b>	<a href="mailto:Jenny.williams@conwy.gov.uk">Jenny.williams@conwy.gov.uk</a>
<b>Full job title</b>	Director of Social Services, Conwy County Borough Council
<b>Contact officer</b>	Sarah Bartlett, <a href="mailto:sarah.bartlett@denbighshire.gov.uk">sarah.bartlett@denbighshire.gov.uk</a>
<b>Title of Proposal or Policy</b>	Population Assessment for the Social Services and Well-being (Wales) Act 2014
<b>Rationale:</b> Why is it being considered?  What need is being addressed?	Statutory duty under the Social Services and Well-being act to undertake a population assessment for the North Wales region.  To purpose of the population assessment is to assess the care and support needs of the population and the support needs of carers. The purpose of this Equalities Impact Assessment is to ensure that this is done in an inclusive way.
<b>Aim:</b>  What is the intended outcome of the proposal / policy?	To ensure that the assessment for North Wales does reflect the needs of all people in North Wales including those with protected characteristics.  All actions arising from this assessment reflect the identified needs of people with protected characteristics.
<b>How:</b>  How will it be delivered, by whom and by when?	The population assessment will be carried out by NWSCWIC, the representatives of the six North Wales local authorities and Betsi Cadwaladr University Health Board during 2016-17.  A variety of methods will be used including data analysis, online surveys and face to face consultation.
<b>Who:</b>  Who are the people likely to be affected by this proposal or policy?  How have you consulted with the people who are	The assessment will affect all protected characteristics; it's a whole population approach to understanding the care and support needs of people in North Wales.  We consulted with people through established groups, face to face interviews and workshops. Further consultation will be undertaken by NWSCWIC, individual local authorities, health and partnerships as they develop action plans in response to

likely to be affected?	the findings in the population assessment.
<p><b>Measures:</b></p> <p>How will you know you have achieved your aims?</p> <p>What are your measures / indicators of success?</p>	<p>People in North Wales, stakeholders and people with protected characteristics feel that they have informed the population assessment.</p> <p>Feedback from stakeholders and people with protected characteristics.</p> <p>The assessment is well-being is approved by the full council of each of the six North Wales local authorities and the health board.</p>
<p><b>Identify any other policy or decision [internal or external] that may affect your proposal.</b></p> <p>Consider this in terms of:</p> <ul style="list-style-type: none"> <li>• Statutory requirements; local policies e.g. WCBC Housing Policy;</li> <li>• Regional decisions e.g. those made by cross county partnerships for your sector e.g. North Wales Chief Officers Board; and / or</li> <li>• National policies e.g. Welfare Reforms</li> </ul>	<p>Well-being of Future Generations (Wales) Act 2015  Regulation of Social Care (Wales) Act 2016  Children Act 1989  Childcare Act (2006)  Additional Learning Needs and Education Tribunal Bill 2015  United Nations Convention on the Rights of the Child  Play Sufficiency Duty  Strategy for Older People in Wales 2013-23  United Nations Principles for Older Persons  Welsh Government Declaration of the Rights of Older People in Wales  Mental Health (Wales) Measure 2010  Mental Capacity Act 2005  Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015  Serious Crimes Act  Housing (Wales) Act 2014</p>

## Screening Tool

As part of our Annual Equality Return we have to evidence what we have actively done to support people with Protected Characteristics who receive our services. We also have to evidence what we are doing to reduce any negative impact.

Note: Poverty, Carers and Welsh language and culture are not protected characteristics but we have included them because they are important considerations.

Please place a '+' or '-' symbol in every box to indicate whether your proposal will have a positive or negative effect note: people may have one or more of the protected characteristics. If there is no impact at all place 'n/a'. If there is a positive and negative effect indicate both i.e.. '+/-':

	Carers	Age CYP	Age Adults	Disability	Gender / Sex	Pregnancy and Maternity	Race/ Ethnicity	Religion or Belief	Sexual Orientation	Marriage and Civil Partnership	Gender Reassignment	Poverty	Welsh language / culture
Q1 Would this proposal significantly affect how functions are delivered to any of these groups?	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-
Q2 Would this discriminate against any of these groups?	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-
Q3 Would this proposal advance the equality of opportunity for these groups?	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-
Q4 Would this promote good relations between these groups and the wider community?	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-

Where you have identified a positive impact (+) in the Screening Tool, please outline this briefly using bullet points:

The positive impacts of the population assessment are:

- A better understanding of need across the region for all protected characteristics
- Services can be developed based on actual need
- Because the assessment is being done on a regional basis it's easier for people with protected characteristics to get involved and can develop regional response to the assessment which may have financial benefits, avoid duplication and so on.

Where you have identified no impact (n/a) in the Screening Tool, please outline this briefly using bullet points:

Any other issues identified, please outline briefly using bullet points:

The other issues identified are:

- Raised expectations as a result of consulting
- Raised expectations of the third sector to deliver and meet needs
- The capacity of the public sector to meet the needs identified in the assessment
- The assessment may not identify cumulative impacts, for example, on people with a number of different protected characteristics, or combined with other needs such as poverty or caring responsibilities.

If you have indicated a possible negative effect on any Protected Characteristic within the screening tool, please complete the relevant sections of the Matrix below that correspond to that possible negative effect. You will need to consider:

- **What is the likely scale of the impact and how this can be reduced?**
- **Who are the people that are likely to be affected by this proposal, could they experience multiple disadvantage e.g. if they are young and have a disability.**

### EIA: Are we being fair?

Please complete the <u>relevant</u> sections of the Matrix below that correspond to any ‘-‘ symbols you have recorded in the screening tool	List what information you have used to identify these issues e.g. consultation, stakeholder involvement, reports, data ...	Based on the information you have gathered give a summary of key issues that have been identified.	How will you mitigate these issues to improve the service?	Who is officer responsible for delivering the mitigation?	By when
<b>Carers</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Age CYP</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Age Adult</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to	Each of the six local authorities and health.	The area plan deadline is 1 April 2018

Please complete the <u>relevant</u> sections of the Matrix below that correspond to any ‘-‘ symbols you have recorded in the screening tool	List what information you have used to identify these issues e.g. consultation, stakeholder involvement, reports, data ...	Based on the information you have gathered give a summary of key issues that have been identified.	How will you mitigate these issues to improve the service?	Who is officer responsible for delivering the mitigation?	By when
			these action plans and the area plan.		
<b>Disability</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Gender / Sex</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Pregnancy and Maternity</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018

Please complete the <u>relevant</u> sections of the Matrix below that correspond to any ‘-‘ symbols you have recorded in the screening tool	List what information you have used to identify these issues e.g. consultation, stakeholder involvement, reports, data ...	Based on the information you have gathered give a summary of key issues that have been identified.	How will you mitigate these issues to improve the service?	Who is officer responsible for delivering the mitigation?	By when
<b>Race/ Ethnicity</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Religion or Belief</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Sexual Orientation</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Marriage and</b>	See consultation	See population	Share population assessment with the six	Each of the	The area plan

Please complete the <u>relevant</u> sections of the Matrix below that correspond to any ‘-‘ symbols you have recorded in the screening tool	List what information you have used to identify these issues e.g. consultation, stakeholder involvement, reports, data ...	Based on the information you have gathered give a summary of key issues that have been identified.	How will you mitigate these issues to improve the service?	Who is officer responsible for delivering the mitigation?	By when
<b>Civil Partnership</b>	report	assessment.	North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	six local authorities and health.	deadline is 1 April 2018
<b>Gender Reassignment</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Welsh Language and Culture</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	Each of the six local authorities and health.	The area plan deadline is 1 April 2018
<b>Poverty</b>	See consultation report	See population assessment.	Share population assessment with the six North Wales Local Authorities and health who	Each of the six local	The area plan deadline is 1

Please complete the <u>relevant</u> sections of the Matrix below that correspond to any ‘-‘ symbols you have recorded in the screening tool	List what information you have used to identify these issues e.g. consultation, stakeholder involvement, reports, data ...	Based on the information you have gathered give a summary of key issues that have been identified.	How will you mitigate these issues to improve the service?	Who is officer responsible for delivering the mitigation?	By when
			are responsible for developing actions based on the population assessment. Further EIAs will be undertaken in relation to these action plans and the area plan.	authorities and health.	April 2018

Please respond to the following questions within **12 months** of implementation of the proposal:

- a) Was any mitigation applied or was the proposal delivered as originally planned prior to the Equality Impact Assessment?
- b) Were the intended outcomes of the proposal achieved or were there other results?
- c) Were the impacts confined to the people you initially thought would be effected, or were other people affected? How?

## Evidence documents

North Wales Population Assessment

North Wales Population Assessment consultation report and appendices (including stakeholder map)

Social Services and Well-being (Wales) Act 2014 Part 2 Code of Practice (General Functions)

Population assessment toolkit (WLGA/SSIA)

Welsh Government Part 2 Equalities Impact Assessment

Population Assessment reference list (see Endnote database)

# Agenda Item 19

## REPORT TO THE COUNCIL

DATE	2 MARCH 2017
CABINET MEMBER	COUNCILLOR MAIR ROWLANDS
REPORT TITLE	ANNUAL REPORT OF THE GWYNEDD CORPORATE PARENT PANEL 2016-17
AUTHOR	ALED GIBBARD SENIOR OPERATIONAL MANAGER – CARE RESOURCES

### Annual Report of the Gwynedd Corporate Parent Panel

#### 2016-17

#### Introduction

This report is submitted to highlight the Council's role and responsibilities to act as corporate parents for looked after children, to share information about the panel's work over the last year and to outline the panel's intentions for the future. The report contains up-to-date information about the numbers and the trends related to the field of looked after children.

#### 1.0 The Council's Role and Responsibilities

The Corporate Parent Panel was established in Gwynedd and in every other county in Wales as a way of maintaining an overview of the well-being and interests of looked after children. Welsh Government expects members and staff of every local authority to take a positive approach towards the corporate parenting role. In 2009, Welsh Government published a document with the Welsh Local Government Association called 'If this were my child...' which highlights the role and responsibility of members as corporate parents.

The corporate parent role involves the expectation that the parent will:

- Know their children - their needs, talents, dreams, and will promote their interests
- Be ambitious about their future and will expect the best from them and on their behalf
- Take an interest and be proud of their successes and celebrate them with them.
- Listen to their opinion and ensure that the opinion influences our practice and developments in services and policies.
- Ensure that they are part of planning their own lives
- Acknowledge, support and respect their identity in every way.
- Promote and support high academic achievement
- Support resilience in their health and emotional well-being
- Support their journey from children to adults and promote their economic potential and prepare them to be responsible residents.

- Ensure that the children and young people feel that they receive support from the Council and its partners through very challenging periods of their lives.

In order to maintain this role, the Council has established the Corporate Parent Panel which includes the Lead Member for Children and Young People, the Council Leader, relevant Cabinet Members, foster parents, the Young People Champion and a member selected from the Scrutiny Committees. The Panel also includes the Chief Executive, the Corporate Director and Statutory Director of Social Services, the Head of Children and Supporting Families Department and the Head of Education Department. The Council, namely all the elected members, delegate their responsibilities in the field to the Lead Member for Children and Young People, through the Panel. The Panel has a right to request that matters which are a cause for concern be scrutinized on its behalf by the Services Scrutiny Committee.

In practice, and from day to day, the work to ensure that the Council achieves its responsibilities and its statutory duty towards looked after children lies with the Head of Children and Supporting Families Department via the social work teams. The Head of Department is accountable to the Statutory Director of Social Services.

The 'corporate parenting' term is used to describe the joint responsibility the Council and its partners hold to ensure effective, safe and suitable care for looked after children and young people, as well as those who have left care. As looked after children are at greater risk of being socially isolated than their peers who are not in care, it is essential that the Council, as corporate parent, ensures that their experiences whilst in care are positive and supported. It is the Corporate Parent Panel's role to ensure that everything that is noted here is delivered.

For a little over a year, the responsibility of leading and running the corporate parenting panel has been transferred from the Corporate Support Department to the Children and Supporting Families Department.

### **1.1 Training for Members**

Corporate parenting training is provided every year to members and a date has already been set for the new Council during 2016/17. However, during 2015-16, rather than hold a traditional training event, it was decided to hold an independently facilitated workshop, on 1 July 2016 for panel members, a representation of foster parents, the panel officials, representatives from health and from different departments within the Council to prepare for the new corporate parenting strategy, as the previous one will come to an end in 2017. A number of matters were discussed during the workshop including the virtues of good parents; what exactly is the understanding of the corporate parent role at the moment; how panel members can be empowered with the relevant information in order to ask the right questions; how the relationship with foster parents can be improved and how the panel's work should develop in the next phase.

### 1.3 The Panel's Strategy for 2017-20

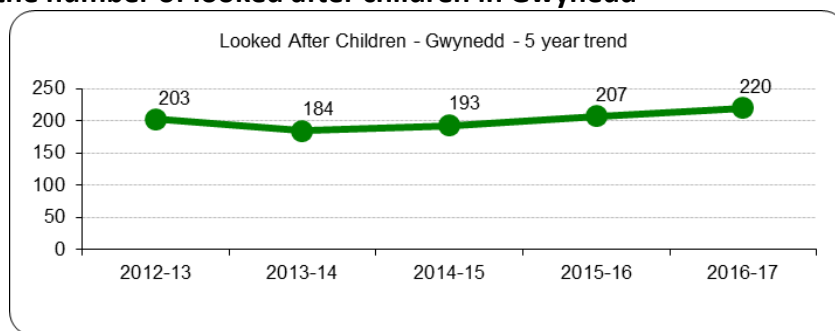
The Panel's strategy for 2013-17 has been in place, and there is a need to prepare and approve a new strategy for the next period, namely 2017-20. The Panel has identified the need to be much more active in its role of securing the best opportunities for children and young people and to delve deeper into some matters, for example, education, health, emotional well-being, stability etc. The new strategy looks to establish small working groups from amongst the panel members to look at specific matters in terms of the standard and quality of the services and to focus on the opinion of parents, carers and children and young people on the support and the service they receive. The new strategy is currently in draft form and it is intended to submit it in its final version to the Panel in April 2017 in order for it to be adopted as the operational strategy for the future. The aim of operating under a different procedure is for us to place the child at the centre of all of the panel's activities, and from this will come a greater understanding of the corporate parent role and a better understanding of the experiences of children and young people. It will be possible to identify any obstacles they encounter in all elements of life and act to remove these obstacles to the best of our ability with support from our partners.

### 2.0 The Current Situation

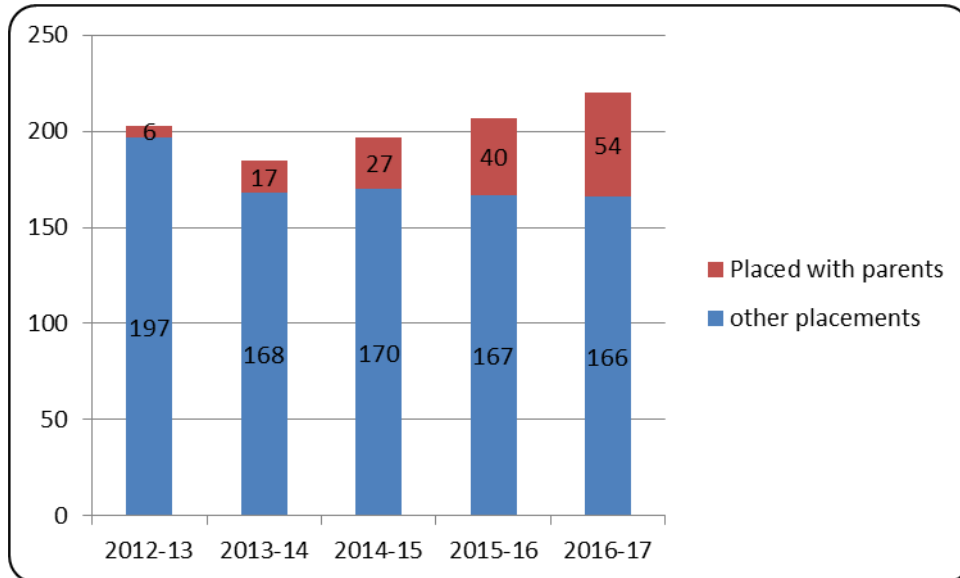
The following information is submitted based on the figures for the end of quarter 3 this year, namely the end of December 2016, and include comparative figures for the two previous years.

<b>Looked After Children</b>	<b>2016/17 (to the end of Q3)</b>	<b>2015/16</b>	<b>2014/15</b>
Number of looked after children at the end of the quarter	220	207	194
Number of children entering care during the year	53	68	64
Number of children leaving care during the year			
Number of children adopted during the year			

#### The trend for the number of looked after children in Gwynedd

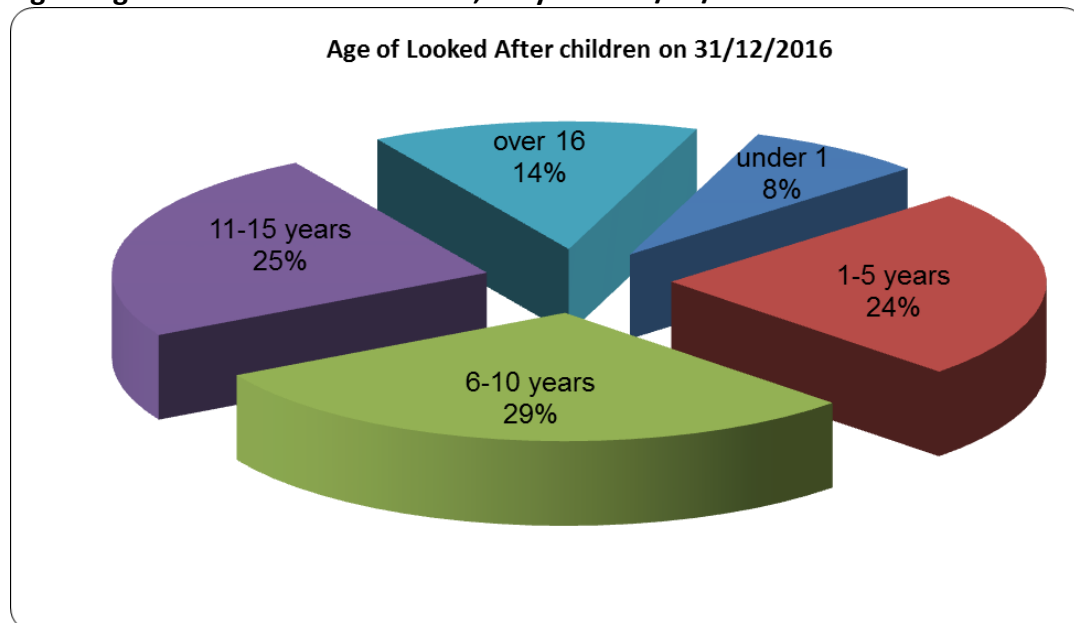


The five year trend shows an 8.3% increase in the number of looked after children during this time. Looking at the analysis of the type of placements during this time, it can be seen that the increase is as a result of more looked after children being placed with their parents. The other types of placements have either remained consistent or seen a decline.



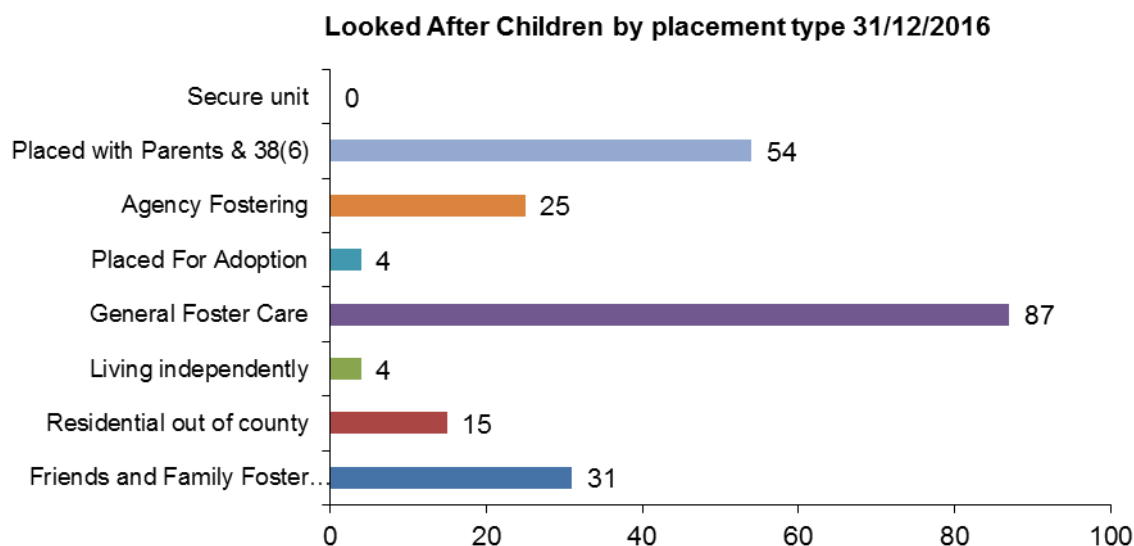
The substantial increase can therefore be attributed to the number of children who are placed with their parents under the Children Act 1989. The criteria for significant harm have been proven in those cases, and therefore the children have become the subject of temporary Care Orders, where they are expected to be assessed further to bring court proceedings to a conclusion within 26 weeks. The courts place an emphasis on keeping children within their birth families while these assessments take place.

### Age range of Looked after Children, Gwynedd 31/12/16



## Looked After Children Placements

Of the total number of looked after children 143 (65%) are in foster placements, 15 (6.8%) in residential placements and 54 (24.5%) are placed with their parents. Four children were in adoptive placements at the end of the quarter and four young people living independently with support.



## Geographical Locations

At the end of quarter 3, 60 (27%) of the looked after children were placed outside Gwynedd. 44% of these were in Anglesey and Conwy, and 70% of children outside Gwynedd were placed in north Wales. There are 11 children in placements outside Wales, eight of them in residential placements. There are various reasons for the residential placements.

## Very young children entering Care

The latest data shows a continuation in the number of children aged under 5 years old who are coming into care. Up to the end of quarter 3, 62% of the new looked after children placements have been for children under 5 years old. Over a five year period, children aged under 5 years old represent 48% of the all new placements.

## The foster placement extension scheme - "When I am Ready"

The Social Services and Well-being (Wales) Act 2014 places a new responsibility on local authorities towards young people in foster care who wish to continue living with their foster carers beyond their 18th birthday. The aim of the scheme is to offer stability and continuation to young people so that they do not move out of care before they are ready to do so. Gwynedd has participated in a pilot programme for the scheme since 2013 and since April 2016 it has been a statutory responsibility for all local authorities in Wales.

During 2016-17, 10 young people have participated in the scheme and at the end of quarter 3, six young people were still part of a 'When I am Ready' arrangement. Since the scheme

began in 2013, 58% of the young people who were eligible for the arrangement have chosen to be part of it. Gwynedd's statistics show that the duration of these arrangements varies, with 10% of young people staying in such an arrangement for less than 6 months, 40% staying for between 6 and 12 months and 50% 12-15 months. The arrangement may continue until the young person's 21st birthday.

### **Edge of Care Team**

The Edge of Care Team became operational in January 2015. Since April 2016 it has worked with 96 children (46 families). 41 children (24 families) were still receiving support at the end of quarter 3. Their intervention came to an end with 55 children (32 families) between April and December 2016.

The purpose of the intervention in 54 of the cases was to keep the child at home. From these families, 19 children (7 families) have become looked after. In one case the purpose was to return home from a placement, and this was achieved. At the end of the intervention 36 children (17 families) were living at home, with a reduction in the family's needs.

### **2.2 The Education Department -**

In the 2015-2016 academic year, 16 of Gwynedd's pupils were looked after children in their last year of statutory education namely year 11 and were pupils who had been in care for over 12 months on 31/08/2015.

The legal status of the **16** pupils was as follows:-

- **15** on a Full Care Plan (Section 31 Children Act 1989)
- **1** was under a voluntary placement (Section 20 Children Act 1989)

**8** pupils received education in Gwynedd, at mainstream schools.

**3** pupils were living out-of-county and receiving their education out-of-county.

**2** pupils were living in Gwynedd and receiving their KS4 education as part of the Gwynedd Council Education Department's Home Schooling scheme.

**3** pupils were living out-of-county and receiving their education out-of-county in a special establishment.

The pupils were given an opportunity to sit a wide variety of suitable external examinations such as GCSE, BTEC, OCR, OCR National, Essential Skills, Key Skills and Welsh Baccalaureate.

Below is a summary of qualifications gained by the 16 pupils who were eligible to sit external examinations this year. (Pupils within Gwynedd and out-of-county pupils).

The individuals' target grades are also noted, per school.

## Performance Data

Measure	2011	2012	2013	2014	2015	2016
<b>The number of children leaving care 16+</b>						
Gwynedd	<b>15</b>	<b>22</b>	<b>16</b>	<b>12</b>	<b>9</b>	<b>16</b>
<b>% of 16+ who achieved at least 1 qualification</b>						
Gwynedd	<b>40%</b>	<b>91%</b>	<b>94%</b>	<b>91%</b>	<b>67%</b>	<b>82%</b>
<b>% of 16+ who achieved at least 5 GCSE Grade A*-G</b>						
Gwynedd	<b>33%</b>	<b>45.5%</b>	<b>62.5%</b>	<b>50%</b>	<b>67%</b>	<b>82%</b>
<b>% of 16+ who achieved at least 5 GCSE Grade A*-C (including Language and Mathematics)</b>						
Gwynedd	<b>13%</b>	<b>18%</b>	<b>31%</b>	<b>25%</b>	<b>67%</b>	<b>62%</b>

### Summary:

Percentage of pupils who achieved 5 A\* - C = 62% - Level 2 threshold.

Percentage of pupils who achieved 5 A\* - G = 82% - Level 1 threshold.

Percentage of pupils who achieved at least 1 GCSE Grade A\*-C = 50%.

Percentage of pupils who achieved at least 1 GCSE Grade A\*-G = 82%.

### Post-16 provision

Of the **16** children,

- **9** have gone on to colleges to follow courses suitable for their abilities and requirements.
- **2** have continued at school/college to follow an AS/A Level course in year 12.
- **3** remain in special education.
- **2** receive further service from Careers Wales/Post 16 TRAC.

### 3.0 Healthcare of Looked after Children

Historically, there have been concerns about the health service's ability to ensure that looked after children's health assessments are undertaken on time. There is a national performance indicator for this activity, and the performance in Gwynedd has been a cause for concern for a number of years. The Panel has been proactive and has called relevant officers from the Health Board more than once to explain the problems and to seek to resolve the matter, and the matter has also been escalated to the Chief Executive of the Health Board. Many discussions have taken place between the Health Board's executive officers and the officers of the Children and Supporting Families Department and there has been some progress meaning that there has been an improvement in the number of looked after children who receive a

health assessment within the time frame. At the end of quarter 3, 2016, the performance did reach the target, namely 65% within the time frame. 82 initial health assessments and reviews were required within the quarter, and 50 of them were undertaken on time. There has been an improvement in the process of sharing information about children between the Children's Service and the Health Board. However, the panel is very eager to receive information about the health patterns of looked after children in Gwynedd, for example, whether there are any specific conditions, whether there are any problems with access to some disciplines within health, whether there are any matters the panel needs to look at in greater detail etc. It is hoped, by implementing the new strategy, the panel will be nearer to getting the answers for these specific matters and other matters and we will have a full picture of health needs with qualitative information rather than merely having quantitative data to drive the panel's programme.

**To summarize**

As noted in the report, the Corporate Parent Panel has identified the need to be more strategic and active as it looks towards the future. Some work has already been carried out but there is still substantial work to be done.

By adopting a public statement that pledges support for looked after children and effective collaboration within the Council and with external partners, the Panel will be able to use the strategy to have a positive influence for the benefit of looked after children.

# Agenda Item 20

<b>MEETING:</b>	<b>Full Council</b>
<b>DATE:</b>	<b>2 March 2017</b>
<b>CABINET MEMBER:</b>	<b>Councillor Dyfrig Siencyn</b>
<b>TITLE:</b>	<b>LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES REVIEW</b>
<b>AIM:</b>	<b>To obtain the Council's permission for officers to produce draft proposals for the Local Democracy and Boundary Commission for Wales during the pre-election period in order to meet the challenging timetable.</b>
<b>OFFICER:</b>	<b>Vera Jones, Democratic Services Manager and Sion Huws, Senior Solicitor (Corporate)</b>

## **SUMMARY**

1. The Local Democracy and Boundary Commission for Wales is required to carry out periodic reviews of the electoral arrangements of principal areas in Wales. The Commission has notified the Council that it will now carry out a review of the electoral arrangements in Gwynedd, with the aim of considering and developing proposals for future electoral arrangements, to be implemented at the time of the local government elections proposed for 2022..
2. All Members were invited to an initial meeting with the Boundary Commission for Wales on 9 February 2017, where the Commission explained the requirements, arrangements, methodology, work programme and timetable. It was explained that the Commission would welcome the Council's comments prior to the Commission producing its draft proposals. In particular that they would want the Council to produce a plan or plans for the electoral divisions for consideration based on the current communities and community wards. It was noted that there were ongoing discussions with the Council on the timetable.
3. It is fair to note that this is an exceptional situation in Gwynedd. On the one hand, the review was prioritised in Gwynedd by the Minister as Gwynedd has been through a similar review in 2012 (but was not implemented by the previous minister). On the other hand, the original timetable outlined for presenting initial draft proposals in May is unrealistic due to the upcoming Local Government Elections during the same period, with the Electoral Period starts on 17th March. It is evidently important to ensure that the views of the newly elected members are considered as part of the process.
4. It is therefore considered that the Council has two options;
  - a) to find a compromise with the Boundary Commission on the original timetable and for submitting initial draft proposals.

b) to await the Boundary Commission's draft proposals, therefore not submitting any initial draft proposals from the Council in line with the timetable.

5. In order to be proactive and implement option 4a), officers have looked at the possibilities of drawing up a sensible work programme which would ensure that the Members of the new Council are able to comment, whilst also adhering to the Boundary Commission's timetable requirements. We have been given to understand that it will be possible for the Council to present proposals to them by the middle of June, although the end of May is the official closing date published by them.
6. Implementing option 4a) would require officers to draw up initial draft proposals during the pre-election period. It is possible to draw attention to the observations presented on the review in 2012 as the basis for that.
7. The next step would be to consult with the members of the new Council on the draft proposals early in May 2017. This would be followed by a report to the Audit Committee, and then to the Full Council meeting during June 2017 in order for the Council to decide on the proposals to be submitted to the Commission.
8. One of the big weaknesses of the 2012 proposals in the view of the Council was the increase in the number of multi-member electoral divisions. Therefore, if the Council wanted to look at such areas and any other observations in the proposed review, it may be necessary for officers to discuss with members in those areas and the relevant community councils. This is all if it is possible because the electoral period runs across the consultation period.
9. In deciding on option 4b), namely not submitting any initial draft proposals to the Commission, the Council would be open to a risk of missing an opportunity to propose full arguments to the Commission, which could lead to a situation of having to accept the Commission's proposals, which may not be based on such a full understanding of the local area.
10. It is therefore recommended that the Council takes a pro-active approach in order to present initial draft proposals to the Commission within an amended timetable to be mutually agreed. The Council's permission is required to follow the steps noted below in order to proceed as follows:
  - Pre-election period: officers to draw up initial draft proposals and to consult (where required and possible because of the timetable) with relevant members and community councils
  - Consult with all members of the new Council following the election on the initial draft proposals
  - The Audit Committee (as the body responsible for governance) to look at the proposals and observations by members and decide on the draft recommendations to be submitted to the Council
  - The Full Council in June 2017 to decide on the proposals to be submitted to the Commission