
THE CABINET 18/01/22

Present:

Councillors: Dyfrig L Siencyn, Dafydd Meurig, Craig ab Iago, Gareth Griffith, Nia Jeffreys, Dilwyn Morgan, Ioan Thomas, Gareth Thomas, Catrin Wager and Cemlyn Williams.

Also present -

Dafydd Gibbard (Chief Executive), Morwena Edwards (Corporate Director), Iwan Evans (Head of Legal Services), Dewi Morgan (Head of Finance Department) and Annes Siôn (Democracy Team Leader).

Item 6: Geraint Owen (Head of Corporate Support Department)

Items 7 and 8: Ffion Madog Evans (Senior Finance Manager)

Item 11: Garem Jackson (Head of Education Department)

1. APOLOGIES

The Cabinet Members and Officers were welcomed to the meeting.
No apologies were received.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT ITEMS

There were no urgent items.

4. MATTERS ARISING FROM OVERVIEW AND SCRUTINY

There were no matters arising from overview and scrutiny.

5. MINUTES OF THE MEETING HELD ON 21 DECEMBER 2021

The Chair accepted the minutes of the meeting held on 21 December 2021 as a true record.

6. CELEBRATING ST. DAVID'S DAY

The item was presented by Cllr Nia Jeffreys.

RESOLVED

- a. For the purpose of celebrating our Patron Saint's Day, to designate St David's Day 2022 as an additional holiday for those Council staff who work in accordance with local government workers' conditions of service, to be financed in accordance with paragraph 2.10 of the report.
- b. To authorise officers to investigate possible options to establish such an arrangement as a permanent one and for this purpose to hold further discussions with the recognised trade unions whilst continuing to lobby for the support of the Westminster Government to devolve the power to establish bank holidays to Welsh Government.

DISCUSSION

The report was submitted noting that the Full Council had resolved, on 7 October, to ask the Cabinet to consider officially marking St David's Day by giving its workforce a day's leave as well as calling on the Westminster Government to devolve powers to Welsh Government to be able to create a bank holiday for Wales, in line with the procedure that was already happening in Scotland and Northern Ireland. It was emphasised that the decision made at the Full Council had been a unanimous and cross-party decision which showed a clear desire to act.

It was explained that the issue was not easy and that there was a cost associated with the decision, but the Head of Corporate Support Department and the Head of Finance Department were thanked for carrying out the practical work to make this possible.

It was expressed that the letter received from the Westminster Government in response to the Council's letter was disgraceful and showed a complete lack of understanding of devolution and of Wales. It was explained that the Cabinet Member understood that some individuals disagreed with the decision due to the cost to Gwynedd Council, but that it gave an opportunity to show appreciation to council staff for their work during the course of the pandemic. It was added that support had been received from individuals across the country and that it needed to be seen as an opportunity to use the bank holiday to give the economy a boost. Welsh Government was asked to follow Gwynedd Council's lead and call for the powers that would enable them to ensure that St David's Day became a National Bank Holiday.

The Head of Corporate Support Department added that the report explained that the Council could consider making the decision to give an additional Bank Holiday day to the vast majority of the Council's workforce, but as Teachers' terms of employment were decided nationally, they could not be included in this decision. Consequently, it was noted that the decision was relevant to all Council staff, excluding Teachers.

Following the decision, 1 March would be counted as a normal Bank Holiday, noting that locations such as libraries would be closed; however, care services

would continue. It was explained that the staff who would be working would be given an additional day's leave or a pay adjustment, and that the £200,000 covered the consideration of all factors. It was also explained in terms of the second part of the decision that this gave Officers the right to continue discussions with unions on the idea for the future, and to continue lobbying Welsh Government to obtain permission to establish a bank holiday in the future.

Observations arising from the discussion

- It was highlighted that this decision was a unanimous decision by the Full Council and it was noted that there was a need to work with partners such as Welsh Government in order to make a decision on the Bank Holiday as a nation, and not having to ask for permission from England's Government.
- It was noted that ratepayers' money would be used to pay for this additional Bank Holiday, highlighting that this was the same money that was available to fund each one of the bank holidays over the course of the year.
- Concern was highlighted that Gwynedd Council was deciding to give an additional bank holiday by itself, as it was not a national holiday.
- Concern was expressed on the annual cost, but it was noted that this request would lead to a decision to fund this as a one-off. It was added that there was a need to look at the practicality of doing this in the long-term.
- Disappointment was expressed in the insulting response of the Westminster Government to Gwynedd Council's letter, and it was added that it highlighted the relationship that was evident between Wales and England, i.e. that permission had to be sought for a holiday to celebrate a day that was important to the nation.
- The need to have a discussion with businesses was also highlighted, in order to see what was possible in the future.
- Disappointment was expressed as teachers and school staff could not be included as a part of the decision.
- It was emphasised that St David's Day was a day of celebrating Welshness and Welsh culture. Appreciation was expressed for the concerns regarding the cost as well Council staff having a day's leave while other key workers did not. Nevertheless, it was noted that the Council did not have any influence outside the Council and that Westminster had the influence in this respect. It was expressed that the refusal letter was an insult to the Welsh.

7. REVENUE BUDGET 2021/22 - END OF NOVEMBER REVIEW

The item was presented by Cllr Ioan Thomas.

RESOLVED

- The report on the end of November 2021 review of the Revenue Budget was accepted, and the latest financial situation regarding the budgets of each department / service was considered.

- It was noted that the financial impact of Covid continues in 2021/22, which is a combination of additional costs, income losses and a slippage in the savings programme, as the Council has given priority to safeguarding the health and lives of the people of Gwynedd in response to the crisis.
- It was noted that the Welsh Government's Covid support system via the hardship fund is continuing, however, it does not address overspend due to a slippage in the savings programme.
- It was noted that there was significant overspend in the Adults, Health and Well-being Department and the Highways and Municipal Department this year.
- The following recommendations and financial virements on Corporate budgets were approved, that:
 - An underspend of (£20k) relating to capital costs is earmarked to a fund to finance the capital programme.
 - A net underspend of (£1,846k) on Corporate budgets goes to the Financial Strategy Support Fund to assist with the financial challenges facing the Council, particularly due to the Covid crisis.

DISCUSSION

The report was submitted, noting that it detailed the latest review of the Council's revenue budget, along with the projections for the end of the financial year. It was explained that previous reports had highlighted that the financial impact of the pandemic had been substantial for the Council with a combination of additional costs and income losses to the value of over £20 million in 2020/21, and £10 million to date this year. It was explained that the Council made monthly applications to reclaim costs from the Welsh Government's Hardship Fund.

It was expressed that despite creating an amended programme of savings for 2021/22 by abolishing, slipping and re-profiling savings schemes in January 2021, there remained a delay in implementing savings in some fields, with a delay as a result of the crisis an evident factor. Attention was drawn to the main fields where there were substantial differences.

It was expressed that an overspend of £1.4 million was forecast in the Adults, Health and Well-being Department this year, with a failure to realise savings worth £855k being an obvious factor of the overspend. The main overspend fields were the older people, learning disabilities and community care services. It was emphasised that the pandemic had had a substantial impact on the department, with over £3 million already claimed from the Welsh Government towards the additional costs for the period.

It was explained that after the Council had allocated £1.8 million in additional funding to the Children and Families Department in the 2021/22 funding cycle in order to meet the increasing pressure, as well as abolish savings schemes to the value of £1.1 million, the current financial projections for the department were very promising. Attention was drawn to the ongoing overspend problems in the fields of waste collection and disposal in the Highways and Municipal Department. It was explained that the department was facing additional pandemic-related costs but that the department was confident that the Government would continue to compensate the money for the rest of the year.

Corporately, it was noted that there were prudent projections when setting the 2021/22 budget that were responsible for additional tax outputs and contributed to the underspend on Council Tax Reductions. Consequently, it was expressed that the Council's financial plans were balanced as a result of an underspend on Corporate budgets, as well as the majority of departments.

Observations arising from the discussion

- It was noted that the overspend in the Adults, Health and Well-being Department derived from historical savings that were difficult to realise, but it was explained that work was progressing to deal with savings.
- It was expressed that research was currently being done, specifically to look at the overspend in the Waste Collection field in the Highways Department. It was explained that the new routes were yet to take root, and the additional costs incurred as a result of the pandemic were highlighted.
- Concern was expressed about the use of the word 'overspend' as these costs were not an overspend, but rather the real cost of running services that assist people; consequently, it was expressed that there was a need to ask for more support from the Westminster Government to fund local authorities to support the residents of Gwynedd.
- Welsh Government were thanked for the support to keep Gwynedd leisure centres, Byw'n lach, open over the course of the pandemic. It was expressed that the centres were now open with safety measures in place and people were encouraged to go and use them.

8. CAPITAL PROGRAMME 2021/22 - END OF NOVEMBER REVIEW

The report was submitted by Cllr Ioan Thomas.

RESOLVED

To accept the report on the end of November review (30 November 2021 position) of the capital programme.

To approve the revised financing as shown in part 4 of the report, namely:

- a decrease of £15,000 in the use of borrowing,
- an increase of £3,134,000 in the use of grants and contributions,
- an increase of £104,000 in the use of capital receipts,
- an increase of £75,000 in the use of revenue contributions, a decrease of £1,000 in the use of the capital reserve, and
- an increase of £363,000 in the use of renewal and other reserves.

DISCUSSION

The report was submitted, noting that its main purpose was to present the amended capital programme and to approve the relevant funding sources. It was expressed that the report noted an analysis per department of the capital

programme of £127.7 million for a three year period.

It was expressed that the Council had definitive plans in place to invest around £52.1 million this year, with £27.4 million funded through specific grants. It was explained that the impact of the pandemic continued on the capital programme and that only 37% of this year's budget had been spent up to the end of November, compared with 51% two years ago. It was noted that £22.1 million in proposed spending had been re-profiled from 2021/22 to 2022/23 and 2023/24, with the main plans including £6.2 million in Housing Strategy Plans, £5.8 million in Flood Prevention Plans and £5.4 million in 21st Century Schools Plans.

Attention was drawn to the list of additional grants that the Council had managed to attract since the last review, which included a £2.3 million Schools Maintenance Grant, a £1.4 million Flood Prevention grant, and a £0.4 million Economic Stimulation Fund Grant.

Observations arising from the discussion

- Members expressed their thanks for the report, and asked why was there a reduction in capital programme expenditure during 2023/24. It was expressed that this was due to the uncertainty of the size of the grants during this year.
- It was highlighted that education and housing were prioritised when investing.

9. SAVINGS OVERVIEW : PROGRESS REPORT ON REALISING SAVINGS SCHEMES

The report was submitted by Cllr Ioan Thomas.

DECISION

To accept the information in the report and to note the progress towards realising the savings schemes for 2021/22 and previous years.

It was noted that the impact of Covid-19 had contributed to a slippage in the savings programme, as the Council had given the utmost priority to safeguarding the health and lives of the people of Gwynedd in response to the crisis.

In preparing the 2022/23 budget, as set out in Appendix 3 for the 2022/23 savings

plans: - acknowledge that the situation had now changed so much that savings schemes totalling £489,750 could not be achieved by deleting them from the budget, namely

- End to End Review (Children and Families Department) worth £279,750
- Transfer of playing fields to others (Highways and Municipal Department) worth £210,000

— move the delivery profile for schemes worth £1,290,250 to 2023/24 and

subsequent years

- it was noted that the savings value of the remaining schemes to be deducted from the 2022/23 budget, as set out in Appendix 3, was £595,000.

DISCUSSION

The report, which summarised the situation with the Council's savings was submitted. It was explained that since 2015/16, £35 million in savings had been approved to be realised between 2015/16 and 2021/22. It was noted that by now over £32.8 million of these savings had been realised, this was 94% of the required sum over the period.

It was explained that departments had focused on responding to the pandemic since April 2020, and the impact had contributed to the slippage in the savings programme. When looking at the savings plans for the period from 2015/16 to 2020/21, it was noted that 96% of the savings had now been realised. It was reiterated that the main schemes to be achieved were the schemes of the Adults, Health and Well-being Department and the Highways and Municipal Department.

It was highlighted that 45% of the 2021/22 savings had been realised, but that the departments with the highest value of schemes that were yet to be achieved were the Highways Department and the Adults Department. It was emphasised that realising savings to the value of £32.8 million since April 2015 had been challenging, and risks were highlighted in terms of realising schemes to the value of £0.8 million.

It was explained that following a recent review conducted by the Chief Executive, Corporate Director and Finance Officers of the savings schemes for 2022/23, it had to be acknowledged that the situation had changed to such a degree that it would not be possible to achieve two savings schemes that came to a value of £489,750.

Attention was drawn to two schemes; the 'End to End' review in the Children and Supporting Families Department, and the 'Transfer of Playing Fields to others' in the Highways Department, and the Cabinet was asked to remove the two schemes from the budget.

A request was also made to re-profile savings schemes within the Economy and Community Department and in the Adults, Health and Well-being Department from 2022/23 to 2023/24 as a result of the pandemic's impact on these departments. After removing and slipping savings, it was noted that the value of the savings schemes that remained for 2022/23 came to £595,000.

10. PERFORMANCE REPORT OF THE CABINET MEMBER FOR FINANCE

The report was submitted by Cllr Ioan Thomas.

DECISION

To accept and note the information in the report.

DISCUSSION

The report was presented and it was noted that the department's performance was positive on the whole, despite the challenges it faced. It was highlighted in terms of the Transfer of Holiday Units from Council Tax to Business Rates, that it appeared that Welsh Government was now starting to grasp the magnitude of the problem. It was reiterated that the department had coordinated the Council's response to Welsh Government's consultation on local taxation.

In terms of the Savings Delivery Plan, it was expressed that the previous report had highlighted that £34.8 million had been delivered, which outlined the good performance of all Council departments. In terms of the performance of the department on the whole, it was highlighted that the post-audit Statement of Accounts, as well as the report of the external auditor had been submitted to the Audit and Governance Committee, and once again, a non-conditional opinion had been published on the Statement of Accounts. It was also managed to complete the annual report of the Pension Fund before the statutory date of 1 December.

It was highlighted that the number of self-isolation support payment applications continued to increase, and it was noted that this was an additional burden on the Benefits Service. Consequently, it was explained that this had resulted in an increase in the average number of days taken to process new benefits applications. It was noted that the resilience of the Council's internal information technology systems continued to be healthy, and that substantial work had been done to strengthen the department's ability to protect against cyber-attacks. Nevertheless, concern was expressed about national systems that were being hosted outside the Council which did not meet the expected standard.

Observations arising from the discussion

- A question was asked, with the department administering the Government's grants, it was highlighted that no reference was made to this in the report, nor on the additional pressure on the department. It was explained that the new grants scheme would be slightly different as evidence was needed from the businesses to show that they continued to be an operational trading company. It was reiterated that holiday units were exempt from these grant schemes, since the restrictions did not affect them.

11. PERFORMANCE REPORT OF THE CABINET MEMBER FOR EDUCATION

The report was submitted by Cllr Cemlyn Williams.

DECISION

To accept and note the information in the report.

DISCUSSION

The report was presented and it was noted that the department's performance continued to be good. The staff of the Department were thanked for their heroic work over the pandemic in supporting schools. It was reiterated that the department's work had been acknowledged by the county's headteachers, as well as by Estyn. It was expressed that the relationship between the department and the schools had certainly grown stronger over this difficult time.

Attention was drawn to the Digital Education Strategy, and the Cabinet was thanked for its support for the innovative work that was progressing. It was noted that the pandemic period had held two schemes back, i.e. the Post-16 Plan and the Collaboration Between Meirionnydd Secondary Schools. It was explained that this work would be prioritised as we emerged out of the pandemic period.

Observations arising from the discussion

- The department and Schools were thanked for their exceptional work over the course of the pandemic.
- Attention was drawn to Ysgol y Garnedd, noting that this scheme reflected the Council's ambition in terms of what the department wished to provide for the children of Gwynedd.
- The department was thanked for its guidance for schools and for ensuring the safety of children and young people.

The meeting commenced at 1:00pm and concluded at 2:40pm

CHAIRMAN