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## THE CABINET, TUESDAY, 14 MAY 2024

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### **Present -**

Councillors: Dyfrig Siencyn, Beca Brown, Berwyn Parry Jones, Craig ab Iago, Dafydd Meurig, Dilwyn Morgan, Elin Walker Jones, Menna Trenholme and Paul Rowlinson.

### **Also present-**

Dafydd Gibbard (Chief Executive), Huw Dylan Owen (Statutory Director of Social Services), Iwan Evans (Monitoring Officer), Dewi Aeron Morgan (Head of Finance Department) and Rhodri Jones (Democracy Services Officer).

- Item 6: Ian Jones (Head of Corporate Services Department) and Meinir Griffiths (Service Improvement Officer, Corporate Services Department).
- Items 7,8 and 9: Ffion Madog Evans (Assistant Head - Finance Department)
- Item 10: Aled Gibbard (Assistant Head, Children and Supporting Families Department)
- Item 11: Carys Fôn Williams (Head of Housing and Property Department)
- Item 14: Llywela Haf Owain (Senior Language and Scrutiny Adviser) and Vera Jones (Democracy and Language Services Manager).

## **1. APOLOGIES**

The Cabinet Members and Officers were welcomed to the meeting.

Councillor Ioan Thomas was thanked for his work as a Former Cabinet Member for Finance and Councillor Paul Rowlinson was welcomed to his first meeting as the new Cabinet Member for Finance.

Apologies were received from Councillor Nia Jeffreys and Geraint Owen (Corporate Director).

## **2. DECLARATION OF PERSONAL INTEREST**

There were no declarations of personal interest.

## **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**

The minutes of the meeting held on 12 March 2024 were accepted as a true record.

## **6. COMPLAINTS AND SERVICE IMPROVEMENT ANNUAL REPORT 2023/24**

The report was submitted by Cllr. Menna Trenholme

### **DECISION**

The report was approved, and relevant comments and suggestions were offered about the Council's performance in dealing with complaints in an appropriate and timely manner.

### **DISCUSSION**

The Members were reminded of the reporting procedure for the complaints statistics to the Cabinet twice a year in accordance with the Concerns and Complaints Policy. It was confirmed that statutory procedures were separate for social and school service users. It was detailed that the live statistics of the complaints received were available on request for the Cabinet and Heads of departments.

It was emphasised that the departments encouraged service users to complain when problems emerged to relieve frustrations and ensure better service quality in the future. It was confirmed that the Service Improvement Officer re-visited the complaints monthly, by emphasising that only 3 live complaints had been received where no solution had been currently found. It was detailed that these complaints had arrived 20 days ago and the general target to resolve complaints was 7 days. There was pride that the complaints levels for the waste service had reduced quite a bit over the 2023-24 period.

It was acknowledged that there was room for improvement by emphasising that the Customer Care Charter was being developed currently to highlight the appropriate customer care for our users and to respond to residents' concerns.

It was reported that arrangements were in place if there were patterns of complaints raised in services. It was confirmed that the Service Improvement Officer had a good relationship with officers and drew their attention when several complaints were raised for the same reason within the same service. It was noted that the service would be encouraged to re-consider their arrangements by noting that unresolved historical matters were highlighted to the Corporate Director and the Chief Executive when appropriate. It was ensured that no complaints were closed unless there was a clear solution or explanation provided to the user.

## **7. FINAL ACCOUNTS 2023/24 – REVENUE OUT-TURN**

The report was submitted by Cllr. Paul Rowlinson

### **DECISION**

The report was accepted and the final financial position of the Council's departments for 2023/24 was considered:

	Column A	Column B	Column C	Column D
	Gross Under / (Over) Spend	Recommended Adjustments		Amended Over / Under Spend
	2023/24			2023/24
	£ '000	£'000	£'000	£ '000
Adults, Health and Well-being	3,906	(3,806)	0	100
Children and Families	2,611	(2,511)	0	100
Education	0	0	0	0
Economy and Community	308	0	(308)	0
Highways, Engineering and YGC	687	(587)	0	100
Environment	1,237	(1,137)	0	100
Housing and Property	255	(155)	0	100
Corporate Management Team and Legal	(11)	0	0	(11)
Corporate Support	(10)	0	0	(10)
Finance	(7)	0	0	(7)

It was noted that there was significant overspend in the Adults, Health and Well-being Department, the Children and Families Department, the Highways, Engineering and YGC Department, the Environment Department and the Housing and Property Department this year (See column A in the table above). To approve the following financial virements (as outlined in Appendix 2):

The departments that are over-spending to receive one-off financial assistance and to limit the overspend that will be carried forward by the Department to £100k (See column B in the above table).

It was confirmed that financial support of £308k would be provided above the contracted payment to Byw'n Iach (see column C in the above table).

On Corporate budgets:

- Use the remaining balance in the Covid Fund of £4,402k to assist the departments that have overspent in 2023/24.
- Use (£2,091k) of the corporate net underspend to assist the departments that have overspent in 2023/24.
- The remainder of the net underspend of (£495k) on corporate budgets to be transferred to the Financial Strategy Support Fund.

The amounts to be carried forward were approved (the “Revised Over/(Under) Spend” in column D above and in Appendix 1.

The financial virements from the specific reserves were approved as outlined in Appendix 3 following a review of the reserves:

- Harvesting (£1,703k) from reserves to be used in its entirety to assist the departments that have overspent in 2023/24.
- To use £2,975k to fund one-off bids in 2024/25 following the release of £1,113k from the Transformation Fund and transfer of £1,862k from the Financial Strategy Support Fund.

## DISCUSSION

The report was submitted and it was noted that there was an overspend of around £9 million amongst Council departments within the 2023-24 financial year. An update on the position of each department was provided by drawing attention to the main matters and fields where there were significant variances such as:

- **Adults, Health and Well-being Department** - It was noted that the November 2023 forecasts suggested that there would be £5.4 million overspend within the Department. It was confirmed that the Department's actual overspend at the end of the financial year was £3.9 million following receiving additional grants and income. It was elaborated that £1.8 million of the overspend was due to the increasing pressure and the expense of supported accommodation in the Learning Disabilities Service but it was emphasised that a financial bid of £1.6 million had been submitted by the Department for the 2024-25 financial year to try and address this challenge. Reference was also made to the 'sickness levels' challenges, non-contact working hours rates and staff costs that led to overspending in the Residential Care field, but it was emphasised that work was underway to resolve these challenges.
- **Children and Families Department** - It was acknowledged that the Department's overspend had increased to £2.6 million by the end of the financial year compared to the assumption of £1.3 million in the 2023 November review. It was emphasised that this overspend derived from the increase in the costs of out-of-county placements due to the complexity of packages and the recent increased use of non-registered placements. It was noted that the hope was to internalise these services in the future. Reference was also made to the fact that pressures could also be seen on the Derwen Service budget.
- **Education Department** - It was emphasised that the trend of increasing pressures on the school taxi and bus budget continued with an overspend of £1.5m at the end of the year. It was noted that an officer had been appointed to undertake a review of the situation. It was explained that staff turnover, income receipts and grants, as well as less pressure on other budgets, had reduced the departmental overspend to £95k. It was reported that the Department used £95k from its departmental underspend fund to completely delete the overspend.
- **Byw'n Iach** - Members were reminded that the Council gave £550k to the company in the 2022/23 financial year as financial support above the agreed payment within the provision contract, to help the company because of the

Pandemic. It was confirmed that the financial support continued this year and the required amount had reduced to £308k. It was emphasised that it was anticipated that the company would not need financial support by the end of the current financial year.

- **Highways, Engineering and YGC Department** - It was noted that there was an overspend of £687k due to pressures on the road maintenance and lighting budget and a reduction in the work being commissioned by external agencies. There was pride that YGC had made a profit of £100k, which exceeded the profit assumption of £39k expected for 2023-25.
- **Environment Department** - It was explained that the overspend trend in the field of waste and recycling collection continued and had increased to £1.2m by the end of the year. It was noted that the Department implemented WRAP Cymru's recommendations to address this trend. It was acknowledged that the car park's lack of income of £601k had contributed to the overspend within the Department.
- **Housing and Property Department** - It was explained that significant pressure on temporary homelessness accommodation remained intense by causing an overspend of £2 million within the Department. It was emphasised that this situation was a huge challenge as there was overspending despite an additional budget of £3m of council tax premium and a grant of £597k from the Government had been allocated to the field. It was stressed that the one-off allocation of £1.4m from the corporate Covid provision and the £701k from the departmental underspend fund had reduced the overspend this year to £255k.
- **Schools** - It was updated that the total county school balances had reduced by £3.4 million, namely £11.9m in 2022/23 to £8.5m in 2023/24. It was noted that there had been a significant increase in school balances in recent years due to the receipt of significant grants, but it was anticipated that they would be back to usual levels by the end of 2024/25.

The Financial Department was thanked for providing a clear summary of the departments' situation and the financial challenge that faced the Council in the future. There was pride that the departments considered the current financial challenges with responsibility by giving this continuous consideration when trying to continue to maintain services.

## 8. CAPITAL PROGRAMME 2023/24 - END OF YEAR REVIEW (POSITION AS AT 31 MARCH 2024)

The report was submitted by Cllr. Paul Rowlinson

### DECISION

To accept the report on the end of year review (31 March 2024 position) of the capital programme.

To approve the revised financing as shown in part 3.2.3 of the report, namely:

- An increase of £2,189,000 in the use of grants and contributions
- An increase of £132,000 in the use of capital receipts
- An increase of £645,000 in the use of revenue contributions
- An increase of £87,000 in the use of renewal and other reserves.

## DISCUSSION

The report was submitted, and reference was made to the Capital Programme 2023/24 to 2025/26 worth £189 million in addition to an analysis per Department. It was confirmed that there was an increase of £3,053k in the budget for this capital programme since the 2023 November review.

It was explained that the Council had managed to spend £57 million in 2023/24 on capital plans. It was elaborated that 58% of the expenditure would be funded through specific grants. However, it was acknowledged that the impact of recent financial challenges on the capital programme could be seen.

It was reported that an additional £34 million proposed spending had been re-profiled from 2023/24 to 2024/25 and 2025/26. It was explained that this change had been planned whilst some of the Council's main plans had slipped since the original budget, such as:

- £16 million - Housing Strategy Plans
- £14.6 million - Schools Schemes (Sustainable Learning Communities and Others)
- £6.4 million - Shared Prosperity Fund Schemes
- £5.7 million – Renewal of vehicles and equipment
- £4.1 million - Carbon Management and Solar Panels Schemes
- £3.8 million - Shared Prosperity Fund Plans

There was pride that the Council had managed to receive additional grants since the recent review in November 2023. Reference was made to the grants below as the largest ones submitted to the Council since the review:

- £1,755 - A grant towards the plan to de-carbonise heat within the Council.
- £1,100k – Flying Start and Childcare Capital Grant from the Welsh Government.
- £659k- Welsh Government grant towards the purchase of a property to meet the needs of the Homelessness field.
- £392k - Litter Infrastructure Grant from the Welsh Government.
- £358k – Schools' Maintenance Grant 2023/24 from the Welsh Government.

It was explained that it was now required for the Council to share information on smart Prudential Indicators from 2023/24 forward and attention was drawn to that information within the report.

Attention was drawn to the fact that the capital levels had been going down for many years as had not increased with inflation. It was noted that this could appear as a future challenge.

The Finance Department was thanked for the report and their work of planning and protecting the Council's interests.

## 9. MEDIUM TERM FINANCIAL PLAN

The report was submitted by Cllr. Paul Rowlinson.

### DECISION

The Council's Medium Term Financial Plan was approved for the period of 2025/26 - 2027/28.

To commission the Chief Executive to establish and lead on a range of measures and work packages, as outlined in part 4.6 of the report, to pre-prepare for dealing with the significant gap in our budget over the next three years.

### DISCUSSION

The report was submitted to the Cabinet following the financial challenges that faced the Council, to be proactive to plan to deal with the financial squeeze.

It was explained that finding cuts in the Council's budget and services was not a new process as cuts had been presented annually for 18 years. It was commended that the Council had managed to maintain services despite the reduction in the departments' budgets but the need to bring some services to an end in the future was acknowledged.

It was confirmed that the budget for this year was set and a significant lack of Council income by 2027/38 was anticipated therefore, work was underway to try and fill the gap through a factual plan. Emphasis was given to the fact that the assumptions were based on information of recent years, and it was a preliminary plan to address the medium- term budget.

Reference was made to the summary of the plan by noting that it elaborated on the known factors that impacted the Council's financial situation during the medium-term (between 2025/26 until the end of 2027/28). It was detailed that inflation was anticipated on the salaries of Council staff in addition to the prices of goods, as well as the increase of levies impacting the Council's budget within this period. However, it was emphasised that there was no agreement to increase salaries with the unions at present. Emphasis was also given to the fact that there was no detailed consideration given to adapt the Council tax levels, and that any adaptations would need the approval of the Full Council. It was noted that officers had anticipated an increase of 5% within the plan to address this risk for the budget, but it was anticipated that the increase to salaries would be less than that rate.

It was explained that the rate of inflation that was used in the Plan was based on the outlook of the Bank of England and advice by Arlingclose company, which were the Council's treasury advisers. It was noted that the officers had based the anticipated inflation rate at 2% for the number of years in the medium term to plan to address that gap. It was acknowledged that an annual demand for an additional budget above inflation in some fields and it was anticipated that there would be a need for £3 million a year to deal with this demand. It was emphasised that it was a prudent provision, not an expenditure target and any financial bid would receive careful consideration.

It was reported that the Plan suggested a financial gap of £36,000k (before considering any Council Tax increase and savings that were already identified) during the medium term based on assumptions and objectives. It was confirmed that the hope was to present various options on the next steps in the future and the need to find a balance between maintaining services and adapting the levels of Council tax was noted. The Cabinet's permission was requested to research all the departments' services to draw up options and Members were asked to give detailed consideration to their departments' services in consultation with the relevant officers.

It was emphasised that there was a need to be considerate of Council staff well-being when moving towards the future, especially those staff who deliver statutory services on behalf of the Council, by ensuring that clear communication continued with all staff. The three step procedure was outlined and submitted to try and protect statutory services:

1. Get expenditure in order, by freezing expenditure in some fields and receive early warnings if some services overspend early in the year.
2. It was intended for every Department to come before the panel of members and officers to go through each activity of those in their departments' teams, their costs, the impact and the impact of bringing the services to an end. It was noted that those meetings' results would be shared with the Cabinet. It was confirmed that every effort would be made to prioritise on the basis of risk and the residents' needs.
3. To ensure consideration in every aspect and equivalent to ensure that no stone was left unturned.

Frustration was expressed that the Government was not likely to increase the grant settlement total because that would be of huge benefit to fill the gap in the Council's budget.

The Finance Department was thanked for their thorough work whilst preparing the report.

## **10. FINANCIAL VIREMENT FOR THE SMALL GROUP HOMES SCHEME**

The report was submitted by Cllr. Elin Walker Jones

### **DECISION**

A permanent financial virement was authorised of £454,580 from the out-of-county residential placements' budget for funding in-house provision as part of developing the Small Group Homes scheme.

### **DISCUSSION**

It was reported that the Council had a duty to provide sufficient residential placements for looked-after children. It was explained that the Council's financial procedures allowed financial virement between headings in a department's budget. However, it was emphasised that the Cabinet needed to approve the transfer of a higher sum than £200,000. Details were given that there was a need to advertise permanent jobs



to register the homes with Care Inspectorate Wales. It was noted that there was a need for permanent funding to manage to do this.

It was reported that developing the residential provision through the Small Group Homes Scheme was a priority in the Council Plan 2023-28. It was also noted that the Placement Strategy for Looked-after children addressed the range of placement provisions needed to achieve statutory duties by detailing that 80% of Gwynedd fostering placements were provided through an internal provision.

It was acknowledged that there was no residential provision currently for looked-after children in Cyngor Gwynedd's ownership and that all the placements used by the Council came from external providers, with 92% of them being private providers. It was detailed that 76% of current residential placements were outside Gwynedd, with 46% of those in North Wales and 30% outside Wales. It was explained that the demand for residential placements were high, and the current supply did not address the demand.

It was explained that the Council's expenditure on out-of-county residential placements was £6 million within the 2023-24 financial year. It was acknowledged that this was significantly higher than the budget of £5.53 million. It was noted that the task of funding out-of-county residential placements could be unforeseen as the cost varied between placements. It was emphasised that out-of-county residential placements' budget represented 50% of the whole budget for the looked-after children's placements.

It was confirmed that developing the submitted plan in the report would be an opportunity to save costs and ensuring that children in residential placements could stay locally, be part of the community and receive education within the County. It was detailed that the residential placement annual average cost was £330k. It was noted whilst setting a budget of £454,580, there was a potential annual saving of around £215k per Small Group Homes with 2 children in a placement. It was confirmed that there would be no full expenditure of the budget this year as £255k of grant money was ensured through the Regional Integrated Fund.

## **11. PERFORMANCE REPORT OF THE CABINET MEMBER FOR HOUSING AND PROPERTY**

The report was submitted by Cllr. Craig ab Iago.

### **DECISION**

To accept and note the information in the report.

### **DISCUSSION**

The report was presented, and attention was drawn to projects that were a part of the Cyngor Gwynedd Plan 2023-2028.

It was reported that 885 homeless presentations had reached the Department between April 2023 and March 2024, it was elaborated that the number of individuals and families in emergency accommodation also continued to be high. It was noted

that nearly 250 households were placed in temporary accommodation across the County. It was emphasised that the Department continued to work tirelessly to offer solutions to this situation through many work streams and projects.

It was confirmed that the Department aimed to develop at least 83 supported housing units for individuals in locations across the County, in accordance with the Housing Action Plan. Attention was drawn to the Dôl Sadler development in Dolgellau which had received good feedback recently. It was detailed that the current accommodation units plan included locations in Bangor, Pwllheli and Caernarfon.

Attention was drawn to the Department's plan to encourage private landlords to lease their property to the Council for a guaranteed rent for a period of 5-25 years. It was noted that the department had managed to attract a grant of over £2.7m to develop these packages and were aiming to bring 100 houses on the Scheme over the next ten years. It was confirmed that 14 properties were now on the scheme that had enabled the Department to help 22 people to rent a house. It was elaborated that 11 other properties were currently being assessed and that the Department continued to respond to expressions of interest.

There was pride that the Department had appointed two officers to assist with the support for individuals with mental health problems to avoid situations where vulnerable individuals lose their tenancy. Details were provided that the officers had been successful in helping 100 people over the last year and a half and currently supported 40 additional people.

It was acknowledged that there was currently a housing crisis in Gwynedd and it was emphasised that increasing the supply of housing for local people was a priority for the Council. Details were given that there were 278 of social housing units, by confirming that 260 of additional units were currently in the pipeline. Attention was drawn to the Tŷ Gwynedd scheme namely a development of 33 intermediate houses that would be available to buy.

It was reported that the Department was on track to achieve the number of purchases that were set as a Buy to Let Scheme ambition for 2023-24, as 22 houses were bought with an additional 5 nearly completed.

It was updated that the Department had now distributed 4102 energy vouchers to provide support for people with the increasing energy costs and fuel poverty. It was detailed that the cost of these vouchers was £167,820 and had gone directly to help the people of Gwynedd.

It was noted that the Department faced a challenge when trying to contact utility companies especially in relation to repair and construction companies. It was detailed that agencies such as Welsh Water and others could be causing delay on developments as they had taken some time to connect essential supplies to sites. It was confirmed that the Department had raised these concerns and barriers with the Government.

The department was thanked for all their work throughout last year.

## **12. THE CABINET'S FORWARD WORK PROGRAMME**

The report was submitted by Cllr. Dyfrig Siencyn

### **DECISION**

The Cabinet's Forward Work Programme for meetings held between 14 May 2024 and 5 November 2024 was adopted.

### **DISCUSSION**

Consideration was given to the items noted for the Cabinet's meetings between 14 May 2024 and 5 November 2024.

## **13. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED to exclude the press and public from the meeting during the discussion on the rest of Item 7 and Item 9 due to the likely disclosure of exempt information as defined in paragraph 14, Schedule 12A of the Local Government Act 1972 - information about the financial or business transactions of any specific person (including the authority that retains that information).**

**There was an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is recognised, however, that there were occasions to protect public financial and commercial interests, where such information must be discussed without being publicised. The reports related specifically to financial and business matters and related discussions. Publication of such commercially sensitive information could adversely affect the interests of the bodies and the Councils and undermine the confidence of other Growth Deal participants in sharing sensitive information for consideration. This would be contrary to the wider public interest of securing the best overall outcome.**

## **14. HUNANIAITH: GWYNEDD'S LANGUAGE INITIATIVE**

The report was submitted by Cllr. Menna Trenholme

### **DECISION**

It was approved for Gwynedd Language Initiative Ltd to apply for a grant to Promote and Facilitate the Welsh language for 2025/26, rather than Cyngor Gwynedd and to transfer current staff to work for the Gwynedd Language Initiative on 1 April 2025.

Delegated powers were granted to the Head of Corporate Support in consultation with the Head of Legal Services and Head of Finance Department to agree on conditions and complete an agreement with Gwynedd Language Initiative Ltd. in accordance with the report and providing the indemnities noted in paragraph 3.4.6 of the report on the costs of staff.

A grant of £61,000 was granted to the Gwynedd Language Initiative to realise some elements of Cyngor Gwynedd's language strategy and contribute towards staff costs for 2025-2026. It was agreed to provide expenditure for the Access Agreement to the Gwynedd Pension Fund for Gwynedd's Language Initiative.

## **DISCUSSION**

The report was discussed.

The meeting commenced at 1.00pm and concluded at 2.45pm.

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**CHAIR**