

MEETING	Education and Economy Scrutiny Committee
DATE	11 December 2025
TITLE	Finance Cabinet Member Performance Report
REASON TO SCRUTINISE	To report to the Scrutiny Committee on the performance of the Finance Department
AUTHOR	Dewi Morgan, Head of Finance Department
CABINET MEMBER	Councillor Huw Wyn Jones

1. Why it needs to be scrutinised?

So that Members of the Education and Economy Scrutiny Committee are satisfied that I, the Cabinet Member for Finance, have a handle on performance issues within the Department.

2. Background / Introduction

The purpose of this report is to update you on what has been achieved in the area for which I am responsible as Cabinet Member for Finance. This includes an update on the commitments in the Council's Plan and the Department's day-to-day work for the period to the end of October 2025.

We are implementing the 2023-28 Council Plan, and here I report on the progress made up to the end of October 2025, recognising that it remains early days in the context of some of the promises that have been new in the document since April last year. However, all issues are the subject of discussion and scrutiny by me in a performance challenge and support meeting, and I am satisfied with the Department's performance.

3 Logic and justification

3.1 Council Plan Projects Performance

The Finance Department leads on two priorities in the 2023-2028 Council Plan, namely:

- Managing the impact of national budgetary cuts
- Digital Plan.

I am very satisfied with the work that has been achieved during 2024-2025, and the progress made against the milestones set for the two priorities in the 2025-2026 financial year are detailed in Appendix 1.

The need to discover and implement financial savings across the Council remains if we are to continue to set a balanced budget in the future and to keep the annual Council Tax increase to a reasonable level. I am satisfied that the work of the Finance Department in this area has been effective, but challenges remain to ensure successful implementation in all parts of the Council.

The Digital Plan includes a number of projects to improve the functioning of the Council and to ensure that we make the best use of resources. The majority of these projects are to be implemented over several financial years and on the whole, I am satisfied with the progress being made on these projects.

3.2 Day to day work of the Department

Appendix 2 contains the performance measures for services across the Department. The detailed report in Appendix 2 includes data on the most recent period, along with further context and explanation that provides more detail on the performance of all areas up to October 2025.

It will be seen in Appendix 2 that there are 27 measures which are a reflection of the Department's services/responsibility (the blue tiles display managerial data rather than performance measures). Two of these are new since the submission to the Committee in June 2025, namely staff who have completed Safeguarding Training and staff who have completed Domestic Abuse Training.

The measures are regularly discussed at the Challenge and Performance Support meetings and 23 of the measures (85%) appear green, which is a confirmation of the good work identified against the performance of the services. Two measures (7.5%) have been recorded in amber and are receiving further attention as part of the discussions surrounding the challenge process. Two further measures have been recorded in the red, which is a cause for concern. The Department regularly updates the measures and reviews if a new measure needs to be introduced to reflect any change within any service. The red and amber measures are highlighted below.

Income Service (one red measure)

The balance of the value of sundry debts over 6 months of age as at the end of October 2025 is £3,184,411. This was an increase of £1,377,158 since the end of the previous month, with £1.2m of this increase going to the Health Board and other councils. The other council's debt was the result of an administrative error within Gwynedd Council where the relevant department had entered the incorrect order number on the invoice, but this situation has now been resolved and the debts have been paid.

As usual, the next highest category of debts are invoices charged to individuals for their care at £903,077. The Adult service is continuing in discussions with the Board and it is therefore hoped that the Board's debt will decrease as a result.

As I reported to the June meeting, the comprehensive review of the situation regarding old debts as well as the Unit's operational processes continues with the support of the Ffordd Gwynedd Consultant. The work has identified some areas where the operational aspects of the Unit can be streamlined, e.g. process automation and the aim is to establish more effective arrangements to reduce arrears. There is quite a way to go with this work but I am confident that there will be positive outcomes for this work.

Taxation Service (one red and one amber measure)

Another area that is subject to a comprehensive Ffordd Gwynedd review is the Taxation Service, and this is the service where there is the same other red measure where there is concern about performance, as well as an amber measure. The collection rates for Council Tax and Non-Domestic Rates are lower than they have historically been and in comparison to other local authorities in Wales.

By the end of October 2025 Council Tax collection (i.e. in-year collection) was 63.17%, compared to 63.55% in 2024/25 and 66.42% in 2019/20 (which was the last year before the pandemic).

A specific report on "Council Tax Collection Rates" was submitted to the Governance and Audit Committee on 13 November 2025. We continue to work on managerial data with the hope of being able to identify areas that need attention and prioritise them moving forward. A link to the papers can be found here (item 10): [Agenda for Governance and Audit Committee on Thursday, 13th November, 2025, 10.00 am.](#)

Similarly, by the end of October 2025 the Non-Domestic Rates collection (i.e. collection within a year) was 60.84% compared to 64.76% for 2024/25. External agency employees have been temporarily employed to work on the backlog of work, and a review is underway and action is being put in place to strengthen our recovery arrangements.

Payments Service (one measure amber)

In October 2025, local invoices were processed for payment in an average of 20 days, while non-local invoices took 27 days. Within these days, the Payments Unit has taken 3 days to process the invoices, which is an improvement from the 6.5 days average in 2023/24 and previous years. The files show amber as the service believes there is room for further improvement.

4. External Auditors' Reports

The report **Financial Sustainability Review – Cyngor Gwynedd** was published in October 2024. It was submitted to the Governance and Audit Committee on 16 January 2025 in conjunction with the 'Financial Sustainability of Local Government' report, Audit Wales' assessment of the national situation in Wales. The report included one recommendation: *"We found limitations in the Council's strategic approach to support its long term financial sustainability. To address this, the Council should implement a long-term financial strategy that supports its understanding of its medium-long term financial position and informs its transformation and prioritisation of services."*

The Committee approved management's response, which included consideration of a further report commissioned by CIPFA on the Council's financial sustainability. The draft report has been received and officers from the Finance Department are currently working through the report.

The report **Strategic Management of Balances and Reserves – Cyngor Gwynedd** was published in September 2025.

It was submitted to the Governance and Audit Committee on 9 September 2025. The report included one recommendation: *"To ensure its reserves are used strategically, the Council should enhance its current arrangements by adopting a reserves strategy that includes criteria to determine when and how reserves should be established and prioritised, and a proportionate method to support the rationale behind the sums held in reserves at year-end."*

The Committee approved management's response, which stated that by 31 March 2026 we will develop a reserves strategy that incorporates these matters as well as other relevant issues.

The "ISA260" report – **Audit of Accounts Report** – was published by Audit Wales in November 2025 and approved by the Governance and Audit Committee on 13 November. This report summarises the main findings of the Auditor General's audit of the Statement of Accounts 2024-25. An unqualified opinion was issued on the accounts and the report did not contain any recommendations.

5. Consultation

The report has been prepared based on information and the content of a recent meeting to challenge and support the performance of the Finance Department on 20 October 2025, with the Cabinet Member, Head of Department, Assistant Heads of Department and service managers present at the meeting.

Appendices

Appendix 1: Progress reports on Council Plan projects

Appendix 2: The Department's Performance Indicators