



Complete Agenda

Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

To: Members of the Audit Committee

08/02/16

Dear Member,

AUDIT COMMITTEE – 11 FEBRUARY, 2016 LATE REPORTS

I enclose late reports in respect of the following items:-

7A FINANCIAL STRATEGY 2016/17 – 2019/20 AND BUDGET 2016/17 1 - 28

To submit the report of the Head of Finance.

7B CUTS TO ADDRESS THE FINANCIAL DEFICIT 29 - 72

To submit the report of the Chief Executive.

Yours sincerely,

Bethan Adams
Members and Scrutiny Support Officer

MEETING:	AUDIT COMMITTEE
DATE:	11 FEBRUARY 2016
TITLE:	2016/17 BUDGET AND 2016/17 – 2019/20 FINANCIAL STRATEGY
PURPOSE:	To submit the budget which the Cabinet intends to recommend to the Council for scrutiny by the Audit Committee
ACTION REQUIRED:	To scrutinise the information, including the medium-term financial plan, before the Cabinet recommends the 2016/17 budget to the full Council
CONTACT OFFICER:	DAFYDD L EDWARDS, HEAD OF FINANCE
CABINET MEMBER:	COUNCILLOR PEREDUR JENKINS

- 1.** At its meeting on 16 February, the Cabinet will consider the attached report and come to a conclusion regarding the budget to be proposed to the Council which will include a recommendation on the proposed Council Tax increase for 2016/17.
- 2.** Bearing in mind that it is good practice to set the budget in the context of the long term position, it is also intended to consult with the Council on the financial strategy for the period 2016/17 – 2019/20.
- 3.** This continues the practice we have now been following for some years – a practice which has paid dividends in terms of the circumstances we have faced and the plans to deal with them.
- 4.** The Cabinet will give consideration to the report soon after the meeting of the Audit Committee, and following this scrutiny, we will report to the Cabinet on the conclusions of the Committee.
- 5.** The Audit Committee will be given the opportunity to consider the financial propriety of the proposals, and present comments to the Cabinet on the options.

REPORT TO THE CABINET
16 February 2016

Cabinet Member: Councillor Peredur Jenkins, Cabinet Member for Resources

Subject: 2016/17 Budget and 2016/17 - 2019/20 Financial Strategy

Contact Officer: Dafydd L Edwards, Head of Finance

Decision sought

Dependent on the following discussion on the cuts, in accordance with medium-term financial strategy, recommend to the Council (in its meeting on 3 March 2016) that:

1. A budget of £226,174,470 should be set for 2016/17, to be funded by £166,990,200 of Government Grant and £60,004,230 Council Tax income, with an increase of 3.5% (or a revised combination of figures after the Cabinet has considered the report on the 'Cuts').
 2. Establish a capital programme of £22.141m in 2016/17 and £12.286m in 2017/18 to be funded from sources noted in clause 9.4 of the appendix.
 3. Authorise the Head of Finance, in co-operation with the Cabinet Member for Resources to arrange to finance a revised amount from reserves, as necessary, in order to protect the Council's decisions on the budget and tax should there be marginal changes in Government grant, following the Welsh Government's decisions, which will lead to the announcement of the final grant settlement for local government on 2 March, and a vote thereon in the Assembly on 9 March 2016 to confirm.
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Introduction

1. The Council has to set a balanced budget for the year ahead (2016/17) ensuring that the expenditure balances with its income.
2. In accordance with usual practice, the Council has established its annual budget within the context of a medium term financial strategy, in order to ensure that the budget is prepared for the position ahead, rather than meeting the requirements of one year alone.
3. This medium term planning has proven to be of benefit to us as we have been able to plan necessary savings rationally, without having to take rushed / wrong decisions in terms of the benefits to our citizens.
4. Having consulted in a series of cuts scrutiny workshops during January, and with the Audit Committee (11 February), it is a matter for the Cabinet to consider the 2016/17 – 2019/20 financial strategy, recommending an appropriate budget to the Council for 2016/17.
5. The appendix attached to this report details all the relevant matters that need to be considered when establishing the 2016/17 budget together with those issues which influence the establishment of a strategy for the future.

A) 2016/17 BUDGET

6. The proposed budget for 2016/17 can be summarised as follows –

Council Tax Increase %	3.50%
2016/17 Expenditure Requirements	£238,454,140
Less Government Grant income	£166,990,200
Less Council Tax income	<u>£60,004,230</u>
Deficit	£11,459,710
Savings which will be achieved	<u>£6,424,500</u>
Balance to be met from Cuts	<u><u>£5,035,210</u></u>

7. By 2016/17, an assessment of our fundamental expenditure requirements suggests that we need to increase our expenditure to £238.5m in order to “stand still”.
8. This includes £1,284,000 to meet the costs of transferring into the settlement along with £1,174,810 to meet pressures on the services’ budgets. Full details of these are given in part 3 of the attached appendix.
9. There is also a need to meet one-off requirements equivalent to £820,740 to be funded from reviewing specific reserves again in 2016.
10. 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 are unavoidable commitments that the departments are facing now.
11. Within the proposed budget, it is anticipated that we will be complying with the Welsh Government’s funding promise for schools, but they are facing pressure on their delegated budgets due to increases in national insurance and teachers’ pension contributions, as well as £2m of agreed efficiency savings.
12. The grant that we will receive from the Welsh Government for 2016/17 will reduce 1.5% to £167m, which is another substantial reduction following the 4% reduction in 2015/16 and the 4.4% reduction in 2014/15.
13. In order to meet the financial gap that this creates in 2016/17 it will be possible to attribute the schools’ £2m savings, and call upon £3m of efficiency savings which are already in progress, together with £2m of new efficiency savings which are planned to be harvested in 2016/17.
14. It is recommended that the remaining gap is funded by a combination of increasing the Council Tax and implementing service cuts as prioritised further to the public consultation, ‘Gwynedd Challenge’.
15. There will be a following report under the same item on this meeting’s agenda, discussing the merits of increasing Council Tax by more than 3.5% for 2016/17, in order to avoid implementing some cuts.
16. Within the proposed budget, one risk is the fact that there will not be any general contingency budget. We would have to fall back on the Council’s balances if there were unexpected spending needs.

17. Further to completing a thorough review of the Asset Management Plan, we have amended the 2016/17 capital programme and established a programme on the basis of the minimum required for 2017/18, as noted in Appendix 2, which will mean a programme of £22.14m in 2016/17 and £12.29m in 2017/18. The programme continues to spend on capital schemes at a greater level than the resource which we receive from Welsh Government to support our capital programme, but it is not considered that the present level of borrowing will overstretch the Council.

B) MEDIUM TERM STRATEGY

18. It was reported in February 2014 that we might be facing a financial gap of over £50m over the 4 year period 2014/15 – 2017/18, and the current savings strategy was planned.
19. A revised forecast was presented to the Cabinet meeting on 24 November 2015, with a “central case” including a 2% reduction in Government grant for 2016/17, which was a lot less pessimistic than what was prevalent across Wales at the time.
20. The November report concluded “that the probability of cuts in 2016/17 and 2017/18 had **not** substantially changed from when the current cuts strategy commenced.” I confirm that this continues to be true.
21. Further to a grant cut of 1.5% in the 2016/17 ‘settlement’ (on the basis of the Welsh Government’s draft settlement announced on 9 December 2015), the revised forecast is now summarized in the table below:

2016/17 to 2019/20 BUDGET

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Add back use of Balances	2,019			
Additional Expenditure Requirements	10,261	8,220	6,631	7,486
General Grant Reduction	1,322	2,100	3,100	2,900
Increase Council Tax	- 2,141	- 2,220	- 2,302	- 2,387
The Gap	11,461	8,100	7,429	7,999
Current Savings	- 3,090	- 3,947	- 130	-
Schools’ Savings	- 2,095	- 990	- 263	
Additional Savings	- 1,240	- 2,692	- 1,009	- 2,315
The balance from the Gap = Year’s cuts	5,036	471	6,027	5,684
Following year’s cuts	471		5,684	
2 year cuts (2 + 2 strategy)	5,507		11,711	

22. Ideally, the Council would wish to deliver a financial strategy over 4 years. Unfortunately, that is not practical this year, due to the Welsh Government's intention to provide only a one-year settlement, without any indicative allocations in respect of subsequent years.
23. Hence, it is sensible to complete the current response plan for the next two years, before identifying the additional funding gap to be faced in 2018/19 and 2019/20. By then, it is hoped that some pressures on local authority services, such as the minimum living wage, will be funded by central government. Also, local government reform plans may be clearer and present opportunities for early savings before 2020. The local government community, including the Head of Finance as Chairman of the Society of Welsh Treasurers, is campaigning for four-year settlements in the future, following the May 2016 elections.
24. In the meantime, it is recommended that we should continue to work on the basis of the same range of possibilities as already agreed for 2016/17 – 2017/18, namely:

Council Tax Policy	Consider increase in the Council Tax in the 3.5% - 5% range
Schools Budget	Continue with the target of £4.3m from the schools budget
Efficiency Savings	Maximising the efficiency savings that can be achieved
Cuts	Implement as necessary, in order to save the balance remaining

25. The strategy to ensure more efficiency savings is already in hand with schemes worth £26m approved, or implemented since 2014/15, and others worth £7m receiving further attention.
26. The 'Gwynedd Challenge' strategy to prioritise cuts has also progressed, with an inclusive programme establishing priorities in order to try to ensure that the unavoidable cuts reflect the priorities of the people of Gwynedd. This will be the subject of the following report on this meeting's agenda.

Reasons for recommending the decision

27. The whole 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.
28. It also tries to ensure that any savings which we will have to deliver will be found from those areas which will have the least effect upon our citizens.

Relevant considerations

29. As noted above, it is possible to charge less or more Council Tax, which will affect the level of cuts which will be required over the period.
30. It is a matter for the Council to consider the budget to be set for 2016/17 on the basis of the issues noted in the attached appendix, and to consider whether they wish to change any element.

31. An inclusive process has consulted with the public and with the Council's members. The separate report on this meeting's agenda will note the result of that process, so that the Cabinet may consider members' views on the options before making recommendations regarding the budget to the Council. It will be a matter for the Council to adopt that budget or not.

Opinion of local member

Not a local matter

Views of the Statutory Officers

Chief Executive:

Clearly, this report needs to be read with the separate report to this meeting on the Gwynedd Challenge. However, what the recommendations in this report do, is to set a firm financial basis so that the Cabinet can consider the choices of cuts and taxation they are to give attention to before making a recommendation to the full Council. As the report notes, the prudent long term financial planning that the Council has made over the past years has placed the Council in a good position to make informed decisions about these matters.

Monitoring Officer:

The final decision on setting the budget lies with the Council but it is important that the Cabinet provides them with a clear recommendation. The timetable for declaring the final grant settlement from the Government means that the calculation of the budget will be based on estimated figures. Estimated figures may be used to set the budget however the risk element which comes with this and the restrictions which relate to a review of the Council Tax need to be considered and that measures are put in place to address the risk. The report addresses this in the recommendations.

Head of Finance:

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

Attachments

2016/17 Budget and 2016/17 – 2019/20 Financial Strategy Report to the full Council.

2016/17 BUDGET and 2016/17 – 2019/20 FINANCIAL STRATEGY

1 BACKGROUND

- 1.1 This detailed report notes the factors that influence the revenue budget proposed for 2016/17.
- 1.2 In addition, it updates the medium term financial strategy established last year and extends it for the period up to 2019/20 in the face of the continuing difficult financial climate.

2 WELSH GOVERNMENT GRANT

- 2.1 The Welsh Government has announced the draft settlement for 2016/17, but without providing any indicative figures for the following year. The details are noted below in Table 1.

**Table 1
Revenue Support Grant 2015/16 & 2016/17**

	Total Welsh Authorities £'000	Gwynedd Council £'000
2015/16 Government Grant (without amendment)	4,124,709	168,312
2015/16 Government Grant (amended)	4,155,809	169,596
2016/17 Government Grant	4,099,052	166,990
Reduction £	56,757	2,606
Reduction %	1.4%	1.5%

- 2.2 It can be seen from the above table that Gwynedd Council faces a loss of £2.6m grant next year (after amending the 2015/16 figure to reflect the transfer of £1,284k into the settlement) which is a reduction of 1.5%, with the average of the reduction across Wales being 1.4% (a number of factors feed the formula, namely the number of pupils, number of income support claimants, etc).

3 COUNCIL REVENUE EXPENDITURE - 2016/17

- 3.1 Table 2 below shows the increase in the expenditure required in order to “stand still” in 2016/17.

**Table 2
Additional Expenditure Requirements**

	£'000	£'000
Base Budget 2015/16		226,174
National Insurance	2,629	
Salary Inflation	2,222	
Other Inflation	1,936	
Increments / Turnover	-83	
Teachers Pensions	391	
Demography	-192	
Borrowing Costs	-143	
Interest on Balances	59	
Miscellaneous	493	
Adjustments to Services' income budgets	490	
Transfer to the settlement	1,284	
Pressures on services	1,175	
Net total of increase		10,261
Use of Balances in 2015/16		2,019
Total 2016/17 expenditure requirements before savings		238,454

- 3.2 **Base Budget 2015/16** – Although £226m is the net 2015/16 expenditure figure, it is important to note that the Council's true expenditure is £367m as we receive a multitude of specific grants worth £85m and raise nearly £56m for services which we provide.
- 3.3 **National Insurance £2.63m** – From April 2016, there will be a significant increase in National Insurance contributions for all Council staff.
- 3.4 **Salary inflation £2.22m** – Although the employer's offer has not been accepted by the unions, provision has been made for a 1% salary increase for Council staff, with a higher % for some staff on lower grades.
- 3.5 **Other inflation £1.94m** – Net amount which includes provision for the effect of the minimum salary on the costs and fees of our private suppliers, less negative inflation on energy / fuel.
- 3.6 **Increments / Turnover (£83k)** – Net amount which reflects a higher turnover level than the value of salary increments (all Council staff).
- 3.7 **Teachers Pensions £391k** – 5 month effect of the increase in teachers' pension scheme contributions, operational since September 2015.

- 3.8 **Demography (£192k)** – Net amount which reflects -£403k due to a decrease in the number of pupils in Schools, -£53k due to a decrease in the number of cases in the Childrens’ Service, +£265k due to an increase in the number of people receiving care by the Adults’ Service.
- 3.9 **Borrowing Costs (£143k)** – 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 **Interest on Balances £59k** – Projection of a very marginal rise in interest rates before the end of 2016/17.
- 3.11 **Miscellaneous £493k** – Net amount which reflects a number of minor adjustments in precepts and provisions across the Council.
- 3.12 **Adjustments to Services’ Income Budgets £490k** – Net amount which has adjusted services’ income targets, including -£280k Consultancy and -£275k Highways due to the transfer of staff to the Trunk Roads Agency, and +£110k Regulatory to reflect an increase in parking income, etc.
- 3.13 **Transfer to the settlement £1,284k** – ‘Outcome Agreement’ specific grant transferring to the settlement, together with relevant expenditure commitments.
- 3.14 **Pressures on Services £1,175k** – Unavoidable ‘bids’ – refer to **Appendix 1** for details of each individual ‘bid’.

It is recommended to approve applications (“bids”) worth £1,174,810 by the Council’s departments for additional funds to meet the unavoidable pressures on their services.

Every department is invited to identify any expenditure which is required for the Council to continue to ensure the continuation of basic services. ***This heading is not for new developments, but rather for continuation of current basic services.***

Details of the recommendations are given in Appendix 1.

Some of the issues needing consideration are reflected in this year’s spending patterns. Others are a result of factors where there is a need to increase the budget in order to protect outcomes to the public, or to meet statutory requirements. There is also an element of central government creating more pressure and expectations and our having to deal with the consequential effects (on top of the reduction in our grant).

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

Also in Appendix 1, it is mentioned that one-off “bids” worth £820,740 need to be approved in order to ensure continuation of service. This can be funded by reviewing specific reserves again in 2016.

- 3.15 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 are unavoidable commitments that the departments are facing now.

- 3.16 **Use of Balances in 2015/16** – A 'one-off' use of £2m from Balances to bridge and avoid budget cuts in 2015/16, is to be faced now and therefore to be added to the 2016/17 gap.

4 SCHOOLS

- 4.1 The Welsh Government have noted that they have protected the Local Government Grant in order to ensure a lower reduction in school budgets compared with other services. The implication presumably is that we would have seen a reduction greater than -1.5% had they not given us this protection.
- 4.2 Our approach towards this has been to continue to plan on the basis of what the Council would wish to do for schools, then measuring that against the Welsh Government's proposals and consider whether there is a need to adjust anything in order to comply with the promise.
- 4.3 The Welsh Government's funding "promise" expects that schools will receive an increase in their budget which is 1% greater than what the Welsh Government itself has received. This rule means that there is a need to ensure that schools receive an increase of +1.85%, which is £1.32m by 2016/17.
- 4.4 What complicates matters is that schools will receive an increase of £1,188,600 for national insurance contributions, an increase of £388,000 for higher pension contributions for teachers, which will contribute towards the 1.8% increase, together with inflation of £704,180 which will, amongst other matters, such as revenue contributions of £1.3m towards the costs of building 21st Century schools / capital costs for schools related to 'organisation', more than satisfy the "promise".
- 4.5 Therefore, it will be possible to secure £2,095,000 of savings from the schools budget in 2016/17 and keep within the limits of the "promise".
- 4.6 Bear in mind also 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 significant reduction in grants given direct to schools by the Welsh Government (-5% in the Education Improvement Grant).
- 4.7 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.
- 4.8 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 (organisation) in 2018/19.

- 4.9 Further, in a meeting of the Forum on Wednesday 18 November 2015, it was resolved to convey to the Council's Cabinet that the Schools' Budget Forum approve implementing the remainder of the savings target of £3,348,000 as follows by:
- (i) confirming the agreed (specific matters) plans of the Education Finance Working Group in the sum of £1,028,000;
 - (ii) sharing the remainder of the savings target of £2,320,000 in accordance with the option B cut (£1,642,151 – primary sector, and £680,363 – secondary sector) subject to the condition of retaining the total savings of £4.3m fixed for the 3 years until 2018; and
 - (iii) that any further schools organisation savings will contribute towards satisfying the schools savings target after 2018.

In the meeting, appreciation was noted of the compromise from the schools, and the Cabinet Member for Education confirmed that he would lean on the Cabinet to approve recycling the money stemming from any further schools organisation to alleviate further cuts for schools in 2018/19.

5 SUMMARY OF THE POSITION IN 2016/17

- 5.1 It can therefore be seen from the above, that the Council's expenditure requirements (before deducting savings) for 2016/17 are £238.5m (an unavoidable increase of 5.4%) and we will be receiving a grant of £167m from the Welsh Government (a reduction of 1.6%).
- 5.2 Since our assumptions for 2016/17 in February 2015, our figures have been modified for the Welsh Government's more favourable than expected settlement (£2m), which is counterbalanced to some extent by higher expenditure requirements, mainly the minimum living wage, and other factors (£1m).
- 5.3 With an increase of 3.5%, it is expected that the income from Council Tax will be £60m, therefore we are facing a deficit of £11.5m in 2016/17.

6 DEALING WITH THE GAP IN 2016/17

- 6.1 In its medium-term strategy in March 2015, the Council has bought the necessary time to draw up a considered and sensible savings and cuts programme to be implemented as soon as possible.
- 6.2 The 2015/16 budget included one-off use of £2m of the Council's general balances in order to bridge and make time to prioritise inclusively.
- 6.3 Since then, there has been satisfactory progress with the efficiency savings programme, which means that it is possible to call upon £3m of savings which are already in progress in order to meet the financial gap.
- 6.4 We also anticipate that there will be further efficiency savings available in 2016/17 worth £1m, together with the £2m schools saving.
- 6.5 Therefore, taking all the above matters into account, the savings will meet £6.4m of the £11.5m gap arising in 2016/17, leaving £5m to be found should we increase Council Tax by 3.5% (a total of £5.5m with the probable 2017/18 gap).

7 THE COUNCIL TAX

- 7.1 In light of this gap, the key decision which needs to be made in the wake of the above considerations is to establish the exact level of Council Tax to be recommended to the Council for 2016/17.
- 7.2 In the assumptions made in our medium term financial strategy, a figure of 3.5% was used, based on the average increase in Wales, and it appears that the average increase will be around that figure (3.5%) by 2016/17.
- 7.3 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.
- 7.4 The 'Cuts' report on this meeting's agenda will discuss the merits of increasing the tax higher than 3.5% by 2016/17 in order to implement some cuts. An increase of 3.5% would produce £2.14m of additional income towards the gap, and this would equate to a Council Tax increase of £40.64 in a Band D property, or 78p a week (the tax raised by the community councils and the Police Authority would of course be additional to this).
- 7.5 Over 18% 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.
- 7.6 Every 0.1% over, or under 3.5% would adjust the financial gap we would need to find by around £57,975. Therefore, 0.5% would mean changing the financial gap by £289,875 whilst 1% would mean changing the financial gap by £579,750.
- 7.7 The increase in Gwynedd's Council Tax, together with the average increase across Wales since 2008/09 is shown below.

Year	Gwynedd	Wales
Total 2008-16	33.1%	29.5%
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%

- 7.8 We do not yet know what the exact average increase across Wales for 2016/17 will be, but the latest information I have is that the average across Wales will be around 3.5%.
- 7.9 The choice between taxation and maintaining services 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.
- 7.10 Increasing the Council Tax level by 3.5% would leave a gap of £5m to be found in 2016/17 (£5.5m over 2016/17 – 2017/18). The only way to find this will be to have more savings, and as the Council is already maximising efficiency savings, this balance will have to be found by cutting service budgets in 2016/17.

- 7.11 All of these savings will not be available on 1 April 2016. Therefore, we will need to ensure one-off resources to bridge the period until it is possible to implement the cuts. It is intended to ensure this one-off resource by reviewing specific reserves by July 2016.
- 7.12 Meeting the gap entirely from Council Tax (without cuts) would mean an increase of around 12%, which is obviously above a reasonable threshold.
- 7.13 **Therefore, as a starting point for the discussion in the following 'Cuts' paper, a Council Tax increase of 3.5% is recommended, which would be a weekly increase of 78p, or £40 annually, with a Band D tax of £1,201.71 for 2016/17, together with £5m of cuts (i.e. £5.5m of cuts including 2017/18 and 2016/17).**
- 7.14 The Housing Act (Wales) 2014 has added sections 12A and 12B to the Local Government Finance Act 1992 to include discretionary provision for Councils to raise a "premium" of no more than 100% on long-term empty properties (section 12A) and second homes (section 12B). The earliest that this premium can be raised is from the financial year 2017/18 onwards. The commencement order for this part of the Act came into force on 16 December 2015. The Council must make its first determination to raise a Section 12B "second homes premium" at least one year before the start of the financial year to which it relates. Therefore, if the Council is to raise the premium on second homes from 2017/18 onwards, it would be necessary for the full Council to make a decision – hastily, and possibly without having all the necessary information available – at its meeting on 3 March 2016. The "year's notice" clause is not relevant to long-term empty properties (i.e. section 12A), but in calculating this "empty" period, consideration cannot be given to any period before clause came into force, on 1 April 2016.
- 7.15 Without doubt, the potential for raising a premium of 100% on these properties could attract considerable additional income for the Council. On 31 December 2015, 1,100 homes in Gwynedd had been vacant for 12 months or more, and there were 4,815 second homes paying Council tax and would be eligible to pay the premium.
- 7.16 However, we must be aware that many of these properties would be subject to attempts to avoid paying the additional tax, and there are "exceptions" in the Regulations where the premium cannot be raised. Statutory Guidance issued also encourages the Council to undertake a consultation before making its first determination on whether or not to introduce the premium.
- 7.17 A Scrutiny Inquiry is currently looking into the trend of properties transferring from the Council tax regime to being "self-catering units" (let for holidays) that pay business rates. This tendency could accelerate if the premium is introduced. Therefore, I recommend waiting for a year and not introduce the premium on second homes in Gwynedd in 2017/18, in order to have an opportunity to give due and measured consideration to the outcome of the Scrutiny Inquiry, in order to maintain a meaningful and detailed consultation with those affected (including the local taxpayers), and to allow detailed sensitivity analysis work in order to investigate the true financial consequences that introducing the premium – and its level – would have on the Council's income.

8 BALANCES

- 8.1 We foresee that the Council will have general balances of about £4.4m at the end of this financial year, representing about 1.4% gross revenue expenditure.
- 8.2 We have noted on more than one occasion that due to the turbulent financial environment we are 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. In fact, in the absence of any statement from the Welsh Government about future grant settlements for local government, the risk has increased. Therefore, the need to ensure that we have appropriate balances to meet any financial shocks is more relevant.
- 8.4 Having used £2m from general balances in 2015/16, in order to give ourselves time to consider and prioritise the cuts inclusively, **it is recommended that we do not use general balances in 2016/17.**
- 8.5 We have a number of specific reserves established by the Council to meet specific expenditure needs. These are, of course, part of the Council's budget, and have received detailed scrutiny during 2015/16. Detailed attention was given to all specific reserves by the Cabinet on 23 June 2015 and the Audit Committee on 30 June 2015, when the Council's Reserves Policy was approved and £4.5m was transferred towards corporate priorities/requirements. A list of all the reserves was attached to the reports at the end of these links:
- <https://democracy.cyngor.gwynedd.gov.uk/ielistdocuments.aspx?CIid=133&MIid=155&Ver=4>
- <https://democracy.cyngor.gwynedd.gov.uk/ielistdocuments.aspx?cid=136&mid=211&ver=4>
- 8.6 I review the level of these reserves continually, and it is intended to hold another intensive review by June 2016, to consider how much room there is for the Council to change its priorities within these reserves, by moving any released resources to meet the need for a resource to bridge up to £2m of cuts that are not possible to achieve from April 2016.
- 8.7 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."

8.8 Therefore, financing expenditure from general balances (useable reserves) to deal with the deficit in the budget, should again be avoided in 2016/17. As a result, the backing of department heads and relevant Cabinet members will be required in order to move enough resources from many reserves which have been earmarked for specific departmental use.

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 the light of the revenue 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), there has been a thorough review of the Asset Strategy.

9.3 As a result, there have been adjustments and changes in the proposed profile for individual schemes. These are detailed in Appendix 2 and a subsequent report notes the proposed changes.

9.4 The programme will be funded as follows:

**Table 3
Funding capital programme 2016/17 – 2017/18**

	2016/17	2017/18
	£'000	£'000
Capital Requirements	22,141	12,286
To be funded through:		
Capital provision in the settlement	6,637	6,337
School grants/borrowing	7,617	2,886
Capital receipts	230	835
Contribution from revenue	1,072	1,344
Prudential borrowing	6,585	884
Total to be financed	22,141	12,286

9.5 One aspect of the financing proposals is the high level (£22m) of capital expenditure that continues to be funded, compared with the specific support provided in the settlement (£6.6m). This shows the benefit of having a long term programme through the asset strategy which allows us to plan a long term programme and try to maximise the benefit we can obtain within the available resources.

10 A MEDIUM TERM PLAN TO ADDRESS THE FINANCIAL GAP 2016/17 - 2019/20

10.1 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 buy a little time during 2015/16 in order to decide where best to make savings in order to have the least impact on the people of Gwynedd. Not every Council was in a position to do this.

- 10.2 In order to continue on this course, in addition to establishing a budget for 2016/17, an effort has also been made to project the financial situation for the following three years, so that we can set the 2016/17 position in its wider context and plan how we are going to meet the challenges ahead.
- 10.3 The grant figure we will receive from the Welsh Government is the most uncertain figure for 2017/18 onwards. As the grant represents around 75% of the Council's income, obviously this figure is key to the projections. We know from the Chancellor's statement and the statements made by Welsh Government Ministers that there is a challenging future ahead for local government in Wales.
- 10.4 The strategy for the next four years sets out a realistic and prudent picture of what could lie ahead for us, but neither the assumptions used nor the conclusions have changed much since the projections presented to the Cabinet on 24 November 2015.
- 10.5 The table below shows the results of the latest projections, noting those savings which are already being planned and delivered:

Table 4
2016/17 to 2019/20 BUDGET

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Add back use of Balances	2,019			
Additional Expenditure Requirements	10,261	8,220	6,631	7,486
General Grant Reduction	1,322	2,100	3,100	2,900
Increase Council Tax	- 2,141	- 2,220	- 2,302	- 2,387
The Gap	11,461	8,100	7,429	7,999
Current Savings	- 3,090	- 3,947	- 130	-
Schools' Savings	- 2,095	- 990	- 263	
Additional Savings	- 1,240	- 2,692	- 1,009	- 2,315
The balance from the Gap = Year's cuts	5,036	471	6,027	5,684
Following year's cuts	471		5,684	
2 year cuts (2 + 2 strategy)	5,507		11,711	

- 10.6 It was reported in February 2014 that we might be facing a financial gap of over £50m over the 4 year period 2014/15 – 2017/18, and the current savings strategy was planned.
- 10.7 A revised forecast was presented to the Cabinet meeting on 24 November 2015, with a “central case” including a 2% reduction in Government grant for 2016/17, which was a lot less pessimistic than what was prevalent across Wales at the time.
- 10.8 The November report concluded “that the probability of cuts in 2016/17 and 2017/18 had not substantially changed from when the current cuts strategy commenced.” I confirm that this continues to be true.
- 10.9 Further to a grant cut of 1.5% in the 2016/17 ‘settlement’ (on the basis of the Welsh Government’s draft settlement announced on 9 December 2015), the revised forecast is now summarized in the above table.
- 10.10 If the Council was to increase Council Tax by 3.5% in 2016/17 - 2019/20, along with the steps intended to be taken together with the savings which are already being realised, this would still mean that we would need to look for significant additional savings (up to a further £12m) in 2018/19 and 2019/20.
- 10.11 Ideally, the Council would wish to deliver a financial strategy over 4 years. Unfortunately, that is not practical this year, due to the Welsh Government’s intention to provide only a one-year settlement, without any indicative allocations in respect of subsequent years.
- 10.12 Hence, it is sensible to complete the current response plan for the next two years, before identifying the additional funding gap to be faced in 2018/19 and 2019/20. By then, it is hoped that some pressures on local authority services, such as the minimum living wage, will be funded by central government. Also, local government reform plans may be clearer and present opportunities for early savings before 2020. The local government community, including the Head of Finance as Chairman of the Society of Welsh Treasurers, is campaigning for four year settlements for the future after the May 2016 elections.
- 10.13 In the meantime, it is recommended that we should continue to work on the basis of the same range of possibilities as already agreed for 2016/17 – 2017/18, namely:

Council Tax Policy	Consider increase in the Council Tax in the 3.5% - 5% range
Schools Budget	Continue with the target of £4.3m from the schools budget
Efficiency Savings	Maximising the efficiency savings that can be achieved
Cuts	Implement as necessary, in order to save the balance remaining

- 10.14 The strategy to ensure more efficiency savings is already in hand with schemes worth £26m approved, or implemented since 2014/15, and others worth £7m receiving further attention.

- 10.15 The 'Gwynedd Challenge' strategy to prioritise cuts has also progressed, with an inclusive programme establishing priorities in order to try to ensure that the unavoidable cuts reflect the priorities of the people of Gwynedd. This will be the subject of the following discussion on this meeting's agenda.
- 10.16 Another report on this meeting's agenda will discuss the merits of raising Council Tax 3.5% or more by 2016/17 in order to avoid implementing some cuts.
- 10.17 That will be a choice for all Council members. However, whilst noting that there will be a further gap to be faced by the period 2018/19 – 2019/20, this difficult choice (to cut or raise the tax) will have to be faced this year, rather than 'buying time' again.

11 EQUALITY IMPACT ASSESSMENT

- 11.1 The budget outlined above endeavours to continue to provide appropriate outcomes for all the county's citizens, but as there was a decrease in our income and a need to meet inflation costs, etc, we must find savings.
- 11.2 With savings, there is a possibility for us to have an impact which would disproportionately affect those with protected characteristics. The Equality and Human Rights Commission have already identified this risk and since 2010 has reminded local authorities of their duty to assess the effect of their financial decisions.
- 11.3 We will continue to develop our arrangements for assessing the equality impact of our financial decisions in conjunction with the Equality and Human Rights Commission and other local authorities, by sharing good practice and identifying effective steps for the future.
- 11.4 Our aim is 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 will try and identify how to make the best of any opportunity to improve equality in addition to trying to avoid or mitigate any negative effects to the best of our ability.

- 11.5 In planning our budgets, consideration is given to equality on each 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.
- 11.6 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 we consider that the department needs to conduct an impact assessment when developing the scheme.

- 11.7 The recommended budget attempts to do 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.
- 11.8 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 we must ensure sufficient funding to ensure that our financial arrangements do not have a detrimental impact on the level of service provided.
- 11.9 Full details are given in Appendix 1 and it can be seen that the majority of the total of £1,174,810 is being put towards either social care or additional learning needs.

12 CONCLUSIONS

- 12.1 Together with the other report on this meeting's agenda which discusses "cuts", this report sets out the factors that should be considered when establishing the 2016/17 budget and confirms that the strategy to cope with the financial position facing the Council for the next four years should continue.

2016/17 BUDGET

- 12.2 It is recommended to address a revenue expenditure requirement of £238.45m, having added £12.28m which includes a provision of £1,174,810 for pressures on services.
- 12.3 It is recommended to fund one-off pressures of £820,740 by reviewing specific funds in 2016 (we will earmark funding for this purpose in the third quarter review of the 2015/16 budget).
- 12.4 After receiving a grant of £166.99m from the Welsh Government and with Council Tax income increasing 3.5% to £60.00m, this will leave a gap of £5m to be found in 2016/17.
- 12.5 It will be possible to cope with this gap via a combination of steps, including a Council Tax increase of 3.5%, as follows:

2016/17 Expenditure requirements	£238,454,140
Less Government Grant income	£166,990,200
Less Council Tax income (4.5%)	<u>£60,004,230</u>
Deficit	£11,459,710
Savings which will be achieved	<u>£6,424,500</u>
Balance to be met from Cuts	<u><u>£5,035,210</u></u>

- 12.6 This will mean setting a net budget, after using balances, of £226,994,430 (£238.45m less savings of £11.46m). An analysis of the budget per service is given in Appendix 3.**
- 12.7 Should the Council wish to remove plans from the cuts, then the budget figure would increase commensurate with the value of those plans, with a commensurate effect on the level of tax.**
- 12.8 It is also recommended that a capital programme of £22.141m should be established for 2016/17 together with £12.286m for 2017/18.**

LONGER TERM STRATEGY

- 12.9 In relation to the position over the next four years, we should plan to address the £17m funding gap by keeping all options open, and we should continue to find the majority of the gap by maximising the efficiency savings that we can deliver.

SUMMARY OF THE 2016/17 BIDS

	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
Permanent Revenue Bids	1,467,060	1,174,810	62,440	229,810
One Off Revenue Bids	1,160,490	820,740	231,000	108,750
Capital Bids	490,000	80,000	100,000	310,000
TOTAL BIDS	3,117,550	2,075,550	393,440	648,560

Permanent Revenue Bids 2016/17

Application			Recommendation		
Reference	Details	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
A. ADDYSG 1	<p><u>School Transport</u> Taxis, Mini Buses and School Buses: Net increase in transport costs of pupils / students since the establishment of budget 2015/16, especially more pupils with Additional Learning Needs since September 2015.</p>	228,010	228,010		
A. ECONOMI 1	<p><u>Loss of Free Swim Grant</u> Bid following a decrease of 39% (i.e. £ 55k) in the grant received. The Service already provides minimum provision.</p> <p>Recommend refusal of the bid based on the expectation that the Department should reduce their provision following the decrease in grant.</p>	54,840			54,840
A. OEDOLION 1	<p><u>Travelling Time for Community Carers</u> The fees paid to community carers for home care does not take into account the time spent traveling between calls. Therefore carers are not paid for the time they are travelling between calls.</p> <p>Recommend approving part of the bid, with the remainder under consideration by the Human Resource Service.</p>	415,000	352,750		62,250

Application			Recommendation		
Reference	Details	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
A. OEDOLION 3	<u>Learning Disabilities – Transition Age</u> To fund care packages for 13 individuals transferring from the Children's Service to the Adult Learning Disabilities Service.	374,630	374,630		
A. OEDOLION 4	<u>Transfer of Responsibility for Learning Disabilities Services</u> Transfer responsibility for 5 care packages to Gwynedd from other authorities on the grounds of 'Ordinary Residence'.	156,600	156,600		
A. OEDOLION 5	<u>Whittlestone Case (Council's Homes)</u> The Whittlestone court case determined that any hours spent 'sleeping-in' is a part of a worker's weekly hours of work. Based on this, it is anticipated that the sleeping-in allowances currently paid is insufficient.	62,820	62,820		
A. PRIFFYRDD 1	<u>Decrease in the Environmental and Waste Grant</u> Bid to manage with an increase within the Department expenditure following a reduction of approximately 4% of the grant (i.e. £150k), a reduction in landfill costs (£62k). And also higher costs of £28k to deal with nappies. Recommend refusal of the bid based on the expectation that the Department should reduce their provision following the decrease in grant.	112,720			112,720
A. CYLLID 1	<u>Decrease in the Benefit Administration Grant</u> Bid as a result of the annual decrease in the Benefit Administration Grant, decrease of 12.4% (i.e. £62k) in 2016/17.	62,440		62,440	
TOTAL PERMANENT REVENUE BIDS		1,467,060	1,174,810	62,440	229,810

One Off Revenue Bids 2016/17

Application			Recommendation		
Reference	Details	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
B. ADDYSG 2	<u>Maesgeirchen Transport</u> Bid to continue with the arrangement of transporting children from Maesgeirchen to Friars and Tryfan schools, until an alternative solution has been found.	67,830	67,830		
B. OEDOLION 1	<u>Travelling Time for Community Carers (backdated to 2014)</u> The fees paid to community carers for home care does not take into account the time spent traveling between calls. Therefore carers are not paid for the time they are travelling between calls. Recommend approving part of the bid, with the remainder under consideration by the Human Resource Service.	725,000	616,250		108,750
B. OEDOLION 2	<u>Deprivation of Liberty Safeguards Arrangements (DoLS)</u> Bid following an increase in the number of individuals requiring assessments, either in care homes or in the community, in order to authorise the steps taken to safeguard them. Recommend that the Department finance the medical assessment costs.	62,660	49,660	13,000	

Application			Recommendation		
Reference	Details	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
B. PLANT A THEULUOEDD 1	<p><u>Children Placements – Agency Fostering</u> Bid to deal with the increase in the number of new placements.</p> <p>Recommend that the Department funds part of the bid, on the basis that other budgets can be transferred to meet the shortfall.</p>	175,000	57,000	118,000	
B. RHEOLEIDDIO 1	<p><u>Property – Radon Levels within Council Buildings</u> Fund a program to assess the Radon levels within Council buildings. It is a legal requirement to assess and report on the levels of Radon within workplaces and schools.</p>	70,000		70,000	
B. RHEOLEIDDIO 2	<p><u>Property - Upgrade the Security Entrance Doors to the Council Offices</u> In the wake of events, action is needed to improve and ensure secure access to the offices.</p>	60,000	30,000	30,000	
TOTAL ONE OFF REVENUE BIDS		1,160,490	820,740	231,000	108,750

Capital Bids 2016/17

Application			Recommendation		
Reference	Details	Amount (£)	Approval for financing by the Cabinet (£)	Approval for self-financing by the Department (£)	Refuse (£)
C. ECONOMI 1	<p><u>Voluntary Development Fund – “Grants” to the Third Sector Funding to support capital projects by social and voluntary organisations and enterprises. The budget is managed under the banner of Cist Gwynedd.</u></p> <p>Due to the Council's financial situation, it is recommended to finance part of the bid for 2016/17 only.</p>	140,000	80,000		60,000
C. ECONOMI 2	<p><u>Victoria Dock Sluices and Dredging Works</u></p> <p>Bid to fund essential works to reduce the levels of silt in the dock. The current level of silt is hindering access and movement within the dock, and is also damaging the sluices.</p> <p>Recommend refusal of the bid on the basis the Department should consider increasing fees or use the maintenance budget to meet the additional cost.</p>	250,000			250,000
C. RHEOLEIDDIO 1	<p><u>Transport - A4212 Llyn Celyn Safety Fences</u></p> <p>Bid to finance the installation of safety barriers on the A4212 near Llyn Celyn, in order to reduce the number of road traffic accidents.</p>	100,000		100,000	
TOTAL CAPITAL BIDS		490,000	80,000	100,000	310,000

APPENDIX 2

CAPITAL PROGRAMME FOR 2016/17 – 2017/18

	2016/17	2017/18
	£'000	£'000
Buildings Repairs & Maintenance (dealing with the backlog and avoiding future deterioration)	2,553	2,553
Fire and Asbestos work	500	350
Schools Organisation	14,967	5,753
Replacing temporary classrooms which have come to the end of their life	779	0
Street Lighting	50	50
Safety fences on roads	134	134
Dealing with flooding on roads	100	100
Playing fields	35	35
Vehicle renewals	58	0
Transport feasibility schemes	100	100
Cycle routes	20	20
Information Technology renewals	388	436
Electronic Documents and Records system	155	155
Housing Grants	2,000	2,000
To be distributed	302	600
Total	22,141	12,286

APPENDIX 3

PROPOSED BUDGETS BY SERVICES 2016/17

2016/17 Budget

	Base Budget 2015/16 £'000	Inflation and N.I. £'000	Increments, Turnover and Pensions £'000	Transfer to the Settlement, Demography and Income £'000	Various £'000	Service Pressures £'000	Base Budget 2016/17 £'000	Savings and Cuts £'000	Base Budget 2016/17 £'000
DEPARTMENTS									
Corporate Management Team and Legal	2,023	40	(6)	0	(6)	0	2,051	0	2,051
Corporate Support	7,364	138	(19)	0	(274)	0	7,209	(133)	7,076
Finance	6,255	187	(33)	0	44	0	6,453	(179)	6,274
Trunk Roads	(87)	0	0	0	0	0	(87)	0	(87)
Highways and Municipal Regulatory (Planning, Transport and Public Protection)	21,916	473	0	0	(45)	0	22,344	(472)	21,872
Dwynedd Consultancy	7,788	178	5	(110)	159	0	8,020	(350)	7,670
Central Education	(30)	95	3	280	(5)	0	343	(76)	267
Schools Budget	13,375	167	36	52	154	228	14,012	(65)	13,947
Economy and Community	69,174	1,646	363	(485)	(210)	0	70,488	(2,095)	68,393
Adults, Health and Wellbeing	7,216	82	46	75	(13)	0	7,406	(484)	6,922
Children and Supporting Families	44,171	2,281	(19)	265	55	437	47,190	(977)	46,213
	12,785	297	(6)	(54)	53	0	13,075	(353)	12,722
Departmental Total	191,950	5,584	370	23	(88)	665	198,504	(5,184)	193,320
Corporate and Capital Matters	37,920	1,203	(62)	1,559	497	510	41,627	(6,276)	35,351
TOTAL =	229,870	6,787	308	1,582	409	1,175	240,131	(11,460)	228,671
Less Community Councils Precepts	(1,677)	0	0	0	0	0	(1,677)		(1,677)
Total Gross Expenditure	228,193	6,787	308	1,582	409	1,175	238,454	(11,460)	226,994
Financed by:									
Balances and Specific Reserves	(2,019)	0	0	0	2,019	0	0	0	0
NET TOTAL =	226,174	6,787	308	1,582	2,428	1,175	238,454	(11,460)	226,994

MEETING: **AUDIT COMMITTEE**

DATE: **11 FEBRUARY 2016**

TITLE: **Cuts to meet the financial deficit**

PURPOSE: **To present the cuts the Cabinet intend to recommend to the Council for scrutiny by the Audit Committee.**

ACTION REQUIRED: **To scrutinise the information**

CONTACT OFFICER: **DILWYN WILLIAMS, CHIEF EXECUTIVE**

CABINET MEMBER: **COUNCILLOR PEREDUR JENKINS**

1. At its meeting on the 16th of February, the Cabinet will consider the attached report and come to a conclusion regarding which cuts to recommend to the Council on the 3rd of March.
2. The Cabinet will give consideration to the report soon after the meeting of the Audit Committee, and following this scrutiny, we will report to the Cabinet on the conclusions of the Committee.

REPORT TO THE CABINET

16 February 2016

Cabinet Member: Councillor Peredur Jenkins

Subject: Cuts to meet the financial deficit

Contact officer: Dilwyn Williams, Chief Executive

Decision sought

- a) To approve the programme of cuts noted in clauses 48 and 52 below to meet £4.941m of the financial deficit from the £5.507m that the Head of Finance Department has identified in the Financial Strategy for 2016/17 and 2017/18, by way of increasing the Council Tax to 3.97% in 2016/17 and to plan for a figure of 3.97% in 2017/18 to meet the remainder of the deficit.
 - b) To agree on the remainder of the recommendations noted in clauses 20 to 24; 27 and 62.
-

Introduction

1. The report of the Head of Finance Department on the Financial Strategy for 2016/17 - 2019/20 notes a financial deficit of £5.507m for the next two years after identifying efficiency savings and increasing the Council Tax 3.5% over the two years.
2. Based on the projection that we will be able to identify and realise the efficiency savings in question, and that we will adhere to the 3.5% increase in the Council Tax, we will then be required to identify cuts equating to this sum in order to ensure a balanced budget - namely the Council's statutory duty.
3. Following a process undertaken by the Cabinet to assess what would be possible for the Council to cut, during Summer last year, a series of members' workshops were held to discuss the shortlist, and following that a list was established to the value of approximately £13.6m of cuts that could be implemented if necessary.
4. Approximately £1.3m of these cuts were plans in services which were "supportive" in nature, and therefore, assuming that the people of Gwynedd would not be likely to prioritise "support" expenditure, to simplify the process, it was decided that the process to seek the public's opinion should focus on the remaining plans worth £12.3m.
5. During the Autumn, an opinion seeking process was held under the "Gwynedd Challenge" banner.

6. That opinion seeking process came to an end at the end of November, and a public report detailing how the people of Gwynedd expressed their opinions is available by following the link below -

<https://www.gwynedd.llyw.cymru/en/Council/Have-your-say/Gwynedd-Challenge.aspx>

7. During January, a series of workshops was held for all Council members to have the opportunity to scrutinise the opinion expressed by the public, by also considering the observations received on the various proposals. At those workshops, there was an opportunity to further discuss the various proposals and their impacts and on 26 January a composite workshop was held to note the matters which had arisen during the individual workshops and to see what the opinion of most members was on the matters that had arisen.

The outcome of the workshops

8. Appendix 1 sets out the 118 cuts proposals as set out by all individuals who took part in the opinion seeking process.
9. If we strictly adhered to the proposals according to the number of public votes received, then we would need to cut all proposals from band 0, band 1, band 2, band 3 and most of band 4 to meet the financial deficit.
10. During the opinion seeking process, it was emphasised that this process was not a "referendum" and that we would not merely follow the opinion in a robotic manner. The aim was to ask for the public's opinion based on the information available to them, accepting that they would only have part of the picture, so that the members could understand their views before coming to conclusions.
11. Obviously, members must consider the proposals by considering all relevant factors and the public opinion is certainly an important factor and if we are to deviate from their opinion it is important to highlight why we are doing so.
12. During the workshops there was general acceptance of the order given to proposals by the people of Gwynedd but many factors arose, which are noted below. I also note my response to them together with my recommendation for the Cabinet to consider in relation to the recommendations it intends to make to the Council.
13. **Plans 18 (Strategic Projects Unit); 41 (Business Support Unit); 45 (Events Support Unit); and 56 (Marketing and Tourism Service).**

During the workshops it became clear that several members felt that the opinion of businesses in Gwynedd had not been conveyed clearly enough and that it had been superseded by the voice of Gwynedd residents who wished to safeguard services more relevant to them.

Whilst accepting that there were some plans in the list that could be cut, a large number of members felt that the implications of cutting the above plans would be extremely far-reaching on the ability of Gwynedd's business to prosper. In the long run, that would have an impact on all of Gwynedd's economy and its residents, and it could be counter-productive.

I appreciate the argument and in light of its likely impact on our ability to deliver the Strategic Plan together with its impact on sustainability for the future, ***I recommend that it should be omitted from the cuts.***

14. Plans no. 3 and 57 (Strategic Grants for the Arts) and 24 (Community Arts Unit)

At the workshops, many members felt that if we progressed to abolish all above plans the Council would offer no support at all to the arts within the County, and that could have a significant detrimental impact as other agencies could assume that they should not invest in the county either.

Whilst accepting that the arts will have to play a part in the cuts, the majority of members were of the opinion that cutting all three plans was excessive and that the cuts should be limited to plan 3 only.

I accept this view, and given the arguments in relation to sustainability for the future together with the impacts noted in the equality assessments, ***my recommendation is that plans 24 and 57 should be omitted from cuts and Plan 3 should be kept in.***

15. Plan no. 33 (School Meals)

A vast majority of members felt that increasing the price of school meals was excessive and while there was a need to consider increasing it to bring it closer to the cost of providing it, an increase of 70p was excessive especially when considering the impact that would have on families with more than one child having school meals. It was also noted that perhaps other methods of setting the price could be considered.

Clearly, there were very strong opinions on this and in light of the equality impact assessment and the fact that it does not appear as though there is an easy way to mitigate the impact, ***I recommend that the maximum increase should be reduced from £3.00 to £2.50.***

16. Plan no. 7 (Community Regeneration Unit)

With this cut, a question was raised at the workshops as to whether the timing was appropriate, given that we would need to help bodies and communities taking responsibility for a service to do so. Cutting the resource now would limit our ability to do so and a vast majority felt that this was premature.

Clearly, helping bodies and communities to take responsibility for functions is an integral part of the Strategic Plan, and therefore I agree with the assessment **and recommend that it should be omitted from the cuts.**

17. Plan no. 34 (Derwen Support Service)

At the workshops, it was reported that there were several risks involved with cutting this support resource, to the extent that the impact on children and their families would be larger than the impact of some of the other plans the public had ranked higher.

It was noted that there was another plan involving Derwen (number 43) and in light of the fact that there was also an efficiency saving in this field, cutting both plans would have an extreme impact. Whilst accepting that the Children's Service has to play a role in the cuts process, especially given our relative expenditure level, the opinion of most members was that this plan should not be cut, but that Plan no. 43 should remain in the cuts.

This appears to be a plan where the information provided has not enabled the people of Gwynedd to consider its full impact and therefore in light of the equality impact assessment and the observations made at the workshops, **I recommend that plan no. 34 should be omitted from the cuts, but plan no. 43 should remain.**

18. Plans no. 4 and 35 (Street Enforcement Unit)

Some surprise was expressed that the people of Gwynedd had placed so much of the street enforcement service as a low priority given what is most often raised in complaints about litter and dog fouling etc.

Whilst accepting that, there was a strong feeling at the workshops that the public should be listened to and that it should remain in the cuts but without going too far, and whilst accepting the cut of 2 posts involved with plan 4 the next step should not be taken which was to delete a third post involved with plan 35.

I sympathise with the opinion expressed and given what has appeared in the equality assessment **I therefore recommend that plan no. 35 is omitted from the list of cuts.**

19. Plan no. 36 (Llyn Area of Natural Beauty)

It was reported that changes to this field were in the pipeline by the Government which could mean that we would have to do more than what is currently required or implement significant changes. Reference was also made to the income that was brought to the area as a result of the work done, and in light of this a vast majority felt that to cut it now would be premature.

Whilst noting the public's opinion there is evidence that it might be premature to consider the future of this Unit and therefore, my **recommendation is that we omit the plan from the cuts.**

20. Plan 31 (Youth Clubs) and 54 (Grants for Youth Organisations)

It was noted that the service had submitted an outline efficiency savings plan to re-design the Youth service, making a saving of £70,000. They are expected to deliver this as part of the efficiency requirements.

Whilst accepting that the people of Gwynedd had not highly prioritised youth clubs, the opinion of young people was of course different and there was a strong opinion amongst most members that the definition of Plan 31 needed to be amended to note that the entire service should be re-designed thus making a saving of the sum noted in plan 31 and the £70,000 included in the efficiency savings scheme, rather than taking the "easy" option of closing clubs.

Whilst accepting that grants paid to youth organisations need to be part of the review, there was a majority of members who considered that adding this grants sum to the expected savings would make any re-design impractical, and therefore the budget for plan no. 54 should not be included.

I agree with this opinion and given what has been noted in the equality assessment and while noting that the value of plan number 31 should remain in the cuts, ***I recommend omitting the budget of plan no. 54 (whilst accepting that the grants will have to form part of the review) and changing the plan in question to be a plan which re-designs the Youth Service by saving £270,000 (namely the £200,000 noted for Plan no. 31 and the expected efficiency saving).***

As the Service will be expected to report on the exact proposals to the Cabinet prior to implementation, the need to ensure that consideration is given to the spatial aspect of any re-design should also be noted.

21. Plan 55 (Libraries)

Within the list of efficiency savings plans, the Service has a plan in the pipeline to make the service more efficient and they have been consulting on that separately. By placing plan 55 in the position it was ranked, those who responded confirmed that they were willing to see that happen but they did not wish for us to go further. [Plan 55 describes the outcomes of the consultation process on the Efficiency Plan].

There has been some confusion regarding the sum that appears next to this option, as it represents a saving above the efficiency target of £101,370 which would be realised by creating a more restrictive offer.

A small majority at the workshops felt that this further cut should not be implemented, and if there was need to address the efficiency saving, it should be considered how difficult it is for rural areas to identify volunteers and to consider whether it is easier for urban towns to do so. It was also noted that reducing opening hours should be considered as a means of saving rather than changing the nature of those libraries.

I agree that we should give consideration to these observations and also note the needs of the various age related groups in the equality assessment. As a result, ***I recommend that the expected changes for the Library Services are limited to the expected efficiency savings (which involves an element of change as noted in the table for plan 55) but that we do not require the additional £28,000 and omit that sum from the cuts.***

Also when considering what should be done, it is necessary to consider the spatial aspect.

22. Plan no. 96 (CCTV)

Despite the fact that the public had highly prioritised retaining this service (whilst accepting that through plan no. 20 an aspect of a cut should be aimed for), there was a feeling amongst several at the workshops that there was inconsistency across the county; the cost for the Council was disproportionate to the contribution of other bodies and it was not part of the Council's core requirements.

In light of that, there was an opinion that it should be promoted to band 4 so that it could be cut in its entirety.

I feel uncomfortable about this, and do not believe that we have paid enough attention to the evidence regarding the value of this resource, the public's opinion on how valuable it is for them (with 42% of respondents noting that it was a priority for them and placing it in band 7) or our duty to ensure community safety.

Attention should also be paid to what has been noted in the equality assessment.

I would completely accept that the costs for the Council is disproportionate, but I would argue that we should be trying to rectify that rather than abolishing the Service. Because of that, ***I recommend that Plan no. 20 should remain in the cuts, noting that the saving should seek to be realised by reducing the Council's contribution and by making any implementation changes that can be undertaken without affecting the system's effectiveness and by omitting plan 96 from the cuts.***

23. Plan no. 97 (Town centre grass cutting services)

Despite the fact that the public had prioritised this, it was noted at the workshops that there was room to consider asking town and community councils to shoulder this responsibility. Cutting it would enforce local councils to consider doing so, and there was a small majority who were in favour of that.

I sympathise with the concept behind this principle and perhaps deciding to cut it would encourage some to take responsibility for it. Having said that, there is no certainty of that and ***I would recommend - in light of the priority it was given by the public - that it should be recorded as a recommendation for an efficiency saving rather than cutting it in the hope that someone will take it over.***

24. Plans no. 63 (Road works management); 65 (Adults Service); 66 (Women's Aid); 71 Homelessness Unit); 72 (Barmouth Bridge); 78 (Aber Bridge, Caernarfon); 85 (Beach Management)

During the discussions at the workshops, although the above plans were not in the four highest bands, most members felt that the impact of the above plans were not as large as some of the plans in band 5, and therefore they should be moved to the bottom of band 4 to be included within the cuts.

In relation to plans 63, 65 and 71, I would accept that these proposals are to reduce some of the available resource in the individual field, and although the public feel that these are of higher priority than other proposals in bands 1-4, and that they are matters referred to in the equality assessments, in light of the relative impact considered by the members at the workshops I agree with what was stated at the workshops and ***I recommend that they should be included in the cuts.***

In relation to plan 66, I am not completely convinced that cutting this contribution would have an impact on some children and on the Service that could not be alleviated in its wider context given the use made of the Council's contribution to attract match funding, but neither do I completely believe that the services are as efficient as they could be.

In order to encourage the bodies to consider looking for ways to be more efficient in terms of their activities, ***I would recommend that we do not move the plan into the cuts (leaving it where it is in band 5) but only subject to the Service being satisfied that they have looked for all possible opportunities to be as efficient as possible, including any saving that would derive from the efficiency savings.***

If that does not happen, the plan should be re-visited.

In relation to plans 72 and 78, these structures were not placed in very high priority at the workshops.

There is of course a strong feeling that the amounts we are paying for both bridges is disproportionate given that all Gwynedd tax payers pay towards them. Despite that, it must be accepted that locally they are important, and therefore rather than promoting them to be cut ***I recommend leaving them where they are subject to them achieving a target of significantly reducing the cost the Council has to contribute towards them in future.***

This will provide the local community with an opportunity to shoulder an aspect of the responsibility and ***I further recommend that the Service reports back in a year on efforts to do so, by re-visiting the future of the Council's contribution in light of any progress made.***

In relation to plan 85 (Beach Management) there was a feeling amongst most members that the green flag beach management should be cut as this was less of an impact than some of the other proposals submitted.

Once more, that may be the opinion of most of those at the workshops but 38% of the people of Gwynedd have noted that they wish to retain management on these beaches, and it appears that there is an argument as to why we do not manage green flag beaches if we manage blue flag beaches.

In light of the amount in question and what the people of Gwynedd stated together with its indirect impact on the economy, ***I recommend that it stays where it is in band 6.***

25. Plans no. 30 and 109 (Road Maintenance)

It was noted at the workshops that Plan no. 30's position meant that the people of Gwynedd accepted that it was necessary to look for a cut in the roads budget, but by placing plan 109 in that position they were also conveying a clear message that they did not wish to see the cut going too far [whilst accepting that only two choices were provided].

However, whilst accepting that completely cutting £1.5m is excessive in the public's opinion, because of its relative impact and the fact that it is possible to restore any detrimental impact later on in the assets plan, there was a clear majority of members at the workshops who were of the opinion that this budget should be looked at for a contribution of slightly more than £0.5m.

I note my opinion on this in clause 52 below.

26. Plan C1 (Adults Service Customer Care Unit) and C6 (Supporting People Unit)

These were plans amongst the support plans which were not consulted upon. Whilst accepting that the majority of those plans are ones that should be implemented due to their relative impact on the people of Gwynedd when compared with the other proposals in question, it was noted that there were

specific reasons where the impact of both these plans were more than what was foreseen and whilst accepting the other plans, there was a majority vote in favour of omitting these from the cuts.

I recommend that they are omitted from the cuts list.

27. Plan no. C8 (Frondeg, Pwllheli)

During the discussions at the workshops a concern was raised regarding vacating the Frondeg building and the impact on those who use the building. Although attracting enough support to take it out of the cuts was unsuccessful, the local concern regarding the impact on existing users must be acknowledged.

Therefore, I recommend that it remains in the cuts but that the Service should be requested to report back to the Cabinet on the business case before moving on to realise it to ensure that there are acceptable responses to the needs of those who are currently there.

28. Of course, several other matters were raised at the workshops but they did not receive the support of the majority of members present.

29. Also, several observations were raised and the Cabinet and myself will need to consider these when acting on the final proposals.

30. Plan no. 17 (Number of Members)

It was noted at the workshops, because the Welsh Government were no longer changing the electorates for the next Local Government election, it would no longer be possible for the Council to realise this plan.

Equality Assessment

31. Before making decisions, every individual in the public sector has a duty to consider the likely effect of the decision on those people with protected characteristics under the equality legislation (The Equality Act 2010).

32. This is undertaken by conducting an equality impact assessment on the proposals.

33. All assessments undertaken on the proposals in question can be seen in the 'Gwynedd Challenge Full Equality Impact Assessments' document, noted in the below background documents.

www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper4-EqualityAssessments

34. Appendix 2 provides an overview of the duty and the assessments, noting some conclusions on the assessments themselves. However the presence of

this overview does not replace the requirement for members to read the full assessments in order to give appropriate consideration to the possible impacts and conclusions.

35. By forming recommendations on what was raised at the workshops, I have used the assessments. I have also used them when considering what should remain in the cuts list.
36. Specifically, I acknowledge that the equality assessments note relevant impacts in plans 19 (Free Breakfast for School Children); 29 (Arfon Community Gang); 38 (Village Cleaning); 40 (Housing Enforcement Unit); 44 (Healthy Living); 50 (Housing Grants Unit); 51 (Public Toilets); and 52 (Youth Justice) I believe that the alleviation steps or the relative impact means that they should remain in the cuts. However, it is necessary to be clear regarding the impact on the elderly when considering how to implement plan 51.

The Strategic Plan

37. Obviously it would not make sense to cut a resource which is used to deliver the priorities of our Strategic Plan.
38. I have looked at the proposals noted in bands 0 to 4 and of all of them there is a strong possibility that implementing plan no. 7 (Community Regeneration) could directly impact our ability to deliver the project **CA4 Further efficiencies and service provision models** in our Strategic Plan.
39. Including the plans noted in clause 13 above could also directly impact our ability to deliver projects **T1 High Value and Quality Jobs; T3 Digital Gwynedd; T4 Rural Gwynedd Innovation Scheme; T5 World Heritage Site and T7 Strategic and high profile events**
40. There are several other proposals that could have an indirect or marginal impact on the Strategic Plan, but we should be able to keep their impact to a minimum so that they do not reduce the ambition noted within the Plan.
41. There are several plans in bands 6-10 that could influence the Strategic Plan but as we are not considering the contents of those bands, that is not relevant to this report.

Future Generations Well-being (Wales) Act 2015

42. This Act requests that we set out and publish well-being objectives to indicate how we are going to achieve the seven well-being aims set out in the act.
43. To some extent, everything on the cuts list will have an impact on one of the seven well-being objectives to varying degrees. In terms of this report, what needs to be considered is that we are also required to work in accordance with the sustainable development principle, which means that we are

expected to act in a way that seeks to ensure that present needs are met without endangering the ability of future generations to meet their needs.

- 44.** The question I have therefore asked is whether some plans involve a larger impact for future generations than what is obvious today if we cut any of the proposals in bands 1 to 4. Also, specifically if it cuts across preventative work.
- 45.** Clearly the plans noted in clause 13 above involve ensuring the county's economic future and in respect of this, it is likely that their impact could be greater in the future than at present.
- 46.** Similarly, as noted in clause 14 above following the direction of "the vote" would mean that there would be no support for the arts in Gwynedd in future, and whilst noting that the impact would be felt now, its cumulative impact could mean a worse impact for future generations.
- 47.** The preventative aspects involved with plans 19 (Free Breakfast), 20 (CCTV) and 44 (Healthy Living Programmes) could have a larger impact in future than what is noted today, but given the other options I do not believe that that is a reason to omit plans 19 and 44. However, with plan 19 it will be necessary to be careful in terms of its implementation to ensure that those the plan was aimed for will still benefit from it.

Conclusions and recommendations

- 48.** Based on the reasoning noted above, this would mean that we would address the financial deficit for the next two years by implementing the following cuts -

	£
All band "0" plans apart from C1, C6 and C17	1,066,300
All band 1 plans apart from 7 and 18	910,520
All band 2 plans apart from 24	1,166,000
All band 3 plans apart from 34, 35, 36 and 41 and to reduce the maximum increase in plan 33 to £2.50	511,000
All band 4 plans apart from 45, 54, 56, 57 and the cuts element of 55	802,080
Plans 63, 65 and 71 from band 5	135,000
Total	4,590,900

- 49.** Clearly, this sum is insufficient to meet the financial deficit of £5.507m.
- 50.** In the report submitted to Cabinet on the strategic review of the Highways Service, the implications of different levels of cuts in the field were indicated.
- 51.** As noted in paragraph 24 above, there was a clear majority of members at the workshops who were of the opinion that this budget should be explored to seek a slightly larger contribution than the £0.5m in Band 2.

52. In light of what is appearing in the strategic review in terms of impact *I recommend that £350,000 more should be cut from the roads budget, by planning to reclaim it when preparing the next Assets Plan.*

53. This would leave a deficit of £566,100.

54. The obvious solution would be to progress to band 5 for the sum by including plans no. 59 (Neuadd Dwyfor); 60 (Reduce 8.5% of the public transport budget); 61 (Close 3 Recycling Centres); 62 (Close 2 Leisure Centres); and 64 (Delete the entire budget for voluntary organisations to deliver specific projects).

55. I believe that this would be a step too far if there is any way of avoiding it.

Council Tax

56. The opinion of the people of Gwynedd was quite split in terms of the question whether the Council Tax should be increased to safeguard services, with 45% voting in favour and 55% against. It is interesting to note that older people voted contrary to this.

57. Whilst accepting that some would be able to answer the question in abstract terms, it appears that several people's answer to the question would depend on what is cut and whether it will directly affect them. It is our duty as members to try to ensure that we can provide essential information to the best of our ability, especially for the most vulnerable people.

58. In respect of this, I recommend that rather than realising these cuts from band 5, that we meet the remainder of the deficit by increasing the council tax more than the planned 3.5%.

59. £566,100 equates to an increase of 0.98% to the council tax over 2 years (which equates to +0.47% per year) and ***I therefore recommend that the Council Tax should be increased to 3.97% in 2016/17 while planning to charge a 3.97% figure in 2017/18 to meet the deficit.***

Miscellaneous Other issues

60. Having said that, many at the workshops felt that plan 59 (Neuadd Dwyfor) should be included as it will be the only theatre / cinema which is run by Gwynedd Council, while other communities have to run their own establishments.

61. In accordance with the observations noted for the bridges in clause 23 above, we have to accept that this establishment is important for the area's community but we must also be aware of the challenge noted for the bridges, namely whether it is appropriate to ask all Gwynedd taxpayers to fully fund it.

- 62.** In light of this, *I recommend rather than including it in the cuts, the Service should be requested to discuss options for any local organisation to take it over with the aim of reducing the costs which are currently on Gwynedd's taxpayers' shoulders, by expecting a report back in a year and then it should be re-visited in light of the local response.*
- 63.** It is of course important to note that the fact that the plans appear in bands 5-10 and are avoiding being cut does not mean that no changes will affect them.
- 64.** There are several efficiency schemes in various fields which lead to savings of over £13.6m over the next 4 years which will need to be delivered to ensure a balanced budget, and delivering these plans will also involve a change within those services.

Implementation

- 65.** When the Council has set its budget it will need to proceed to implement the programme of cuts. Some of the proposals note that we will need to consider a number of options and where relevant, we will have to ensure that any specific duty or statutory requirement is observed when developing the detailed proposals. Some steps are subject to contractual processes and we will also have to observe such requirements.
- 66.** Where there is a specific duty to consult further on an issue, implementing the proposal will be subject to such a process. The impact assessments will be revised and adjusted as we develop the plans.

Views of the statutory officers

The Chief Executive:

Author of the report

The Monitoring Officer:

Following a major public consultation process and scrutiny the report identifies a programme of cuts which are intended to form the basis for creating a balanced budget. The Cabinet, in then taking the matters forward for implementation will need to follow and address any specific legal requirements which are relevant to realising the programme. The way in which the findings of the Equalities Impact Assessments have been considered in forming the recommendations has been summarised in the overview document. However, in coming to a conclusion it is important that members refer to the complete impact assessments which are available to them

The Head of Finance Department:

I have been collaborating with the Cabinet Member for Resources and the Chief Executive on this report and approve of its content.

Background documents

Pack 1 - Summary of potential cuts and the public's opinion on them:

www.gwynedd.llyw.cymru/GwyneddChallenge-BackgroundPaper1-Summary

Pack 2 - Correspondence / Comments on the potential cuts:

www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper2-Correspondence

Pack 3 - The outcomes of the process of gaining the opinion of the people of Gwynedd on the potential cuts:

www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper3-Results

Public document - The outcomes of the Gwynedd Challenge public opinion survey

<https://www.gwynedd.llyw.cymru/en/Council/Have-your-say/Gwynedd-Challenge.aspx>

Gwynedd Challenge Plans Equality Assessments

www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper4-EqualityAssessments

Appendix 1

Band “0” – Support services in nature

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	Sum
C1	Delete 2 posts out of 4 in the Customer Care unit within the Adults Service	124	425	85,000
C2	Delete 2 posts out of 7.5 in the Systems Support unit within the Adults Service	125	430	80,000
C3	Delete 3 posts out of 20.6 in the Workforce Support Unit which supports adults and children’s services	126	434	90,000
C4	Delete 2 posts out of 10.5 in the Workforce development unit within the Adults Service	127	438	75,000
C5	Delete 1 post out of 2.5 within Housing Management and Strategy	128	442	37,500
C6	Delete 1 post out of 2.5 in the Supporting People Unit within Adults Service	129	448	34,000
C7	Delete 1 post out of 3 in the Information Unit which deals with Data Protection Act and the Freedom of Information Act	130	454	30,000
C8	Close Frondeg Pwllheli and Beach Road Felinheli offices	132	458	60,000
C9	Delete 1 post out of 8.5 in the building maintenance unit	133	464	28,000
C10	Delete 1.5 posts out of 7.2	134	470	40,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	Sum
	in the Estates and Facilities Unit			
C11	Delete 2 posts out of 37.62 in the Finance Units	135	475	50,000
C12	Stop providing Information Technology support outside normal working hours	136	479	39,500
C13	Delete the Gwynedd Trainee scheme and the Professional Trainee scheme	137	483	258,720
C14	Delete 2 posts out of 8.8 in the Health and Safety Unit	138	491	80,000
C15	Remodel the Gwynedd and Anglesey partnership due to the changes in the Public Service Boards	139	495	130,000
C16	Delete the contribution towards the Gwynedd Environmental Partnership	140	500	7,620
C17	Reduce the number of members in the next election	141	504	120,000
C18	Delete the budget to support alcohol and drugs misuse work	142	510	28,900
C19	Delete 1 post out of 2 within Project Management	143	520	31,060
	Total Band “0”			1,305,300

Band 1

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
1 [97]	Grass cutting main areas of our towns 6 times a year rather than 8 times	5	6	3.5	120,000
2 [17] [67]	Delete 1 post out of 10.5 in the Joint Planning Policy Unit 1	6	12	4.2	15,000
3 [57]	Reduce 50% of the strategic grants for the arts budget	9	18	7.5	84,850
4 [35] [94]	Cut 2 posts out of 7 in the Street Enforcement Unit	11	27	7.5	64,500
5 [92]	Reduce the opening hours of the Dolgellau archives from 3 days to 2 and Caernarfon archives from 4 to 3 days per week	13	33	8.0	41,670
6 [105]	Grass cutting in 131 children's playing fields every two months rather than every month	15	6	8.6	60,000
7 [69]	Delete 2 posts out of 6 in the Community Regeneration Unit	16	40	9.0	75,000
8	Reduce the "Gwynedd Ni" budget and concentrate on statutory elements	18	46	9.1	70,000
9	Delete 1 post out of 27.7 in the Council Tax processing unit	19	53	9.2	25,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
10 [81]	Cut 50% of the maintaining promenades, benches and street name signs budget	20	58	9.2	40,000
11 [56] [58]	Stop providing a hard copy of the 'Snowdonia Mountains and Coast' booklet	21	64	9.3	46,000
12 [64]	Reduce 50% of the grants given to voluntary organisations for specific projects	22	71	9.6	62,500
13	Stop paying the fee to pay Council Tax in post offices	24	77	9.6	40,000
14	Reduce grass cutting in the Council's cemeteries from 7 times per year to 5	25	82	10.4	60,000
15 [39] [98]	Cut 10% on the budget for purchasing library books	26	88	10.5	26,000
16	Delete 1 post out of 14 in the Building Control unit	28	95	10.6	40,000
17 [2] [67]	Delete a second post out of 10.5 in the Joint Planning Policy Unit	6	12	11.4	15,000
18 [77]	Delete 2 posts out of 4.4 in the Strategic Projects Unit within the Economic Development area	29	99	11.4	133,230
19 [86]	Reduce the time and / or raise a fee for childcare element within the Free Breakfast scheme in primary schools	31	105	11.8	100,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
		Cyfanswm Band 1			1,118,750

Band 2

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
20 [96]	Keep the CCTV service but delete the resource that keeps a permanent eye on it	33	111	12.0	90,000
21 [80]	Delete 1 post out of 2.45 within the Biodiversity unit	35	117	12.1	30,000
22 [102]	Reduce 50% of the traffic management budget	37	122	12.5	65,000
23 [73] [114]	Delete 20% of the public footpath budget including 1 post out if 7.2	39	127	13.0	110,000
24	Delete the Community Arts Unit and all the relevant grants given	42	135	13.2	85,910
25 [101]	Delete 1 post out of 8 in the Pollution Control Unit	44	145	13.4	35,000
26	Delete the grant to Canolfan Noddfa	46	151	13.7	5,000
27 [95]	Delete 1 post out of 13.8 in the Food Hygiene Unit	47	156	14.2	36,000
28	Delete 1 post out of 21.7 in the Council Tax and Housing Benefit	49	162	14.8	25,000
29	Delete the Arfon Community Gang	51	173	15.5	70,000
30 [109]	Cut 7% from the highway maintenance budget	52	180	15.7	500,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
31 [74] [88] [103]	Close 30 out of 42 Youth Clubs and provide fewer youth projects	54	185	15.9	200,000
Total band 2					1,251,910

Band 3

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
32	Cease running the Lloyd George Museum	58	201	16.2	27,000
33 [115]	Increase the price of primary schools meals from £2.30 to £3.00	59	208	16.4	600,000
34 [90]	Cut 10% on the Support Service given to children from Derwen	61	214	16.7	75,000
35 [4] [94]	Cut 3 posts out of 7 in the Street Enforcement Unit	11	27	17.2	28,000
36	Bring the Llŷn Area of Outstanding Natural Beauty Unit to an end	63	224	17.9	39,150
37 [65] [79] [112]	Delete 2 posts out of 85 in the Social Workers, Occupational Therapists and Care Workers Unit within the Adults Service	65	167	18.1	80,000
38	Reduce the frequency of cleaning villages and industrial estates to every 3 months rather than every month and increase the time to respond to incidents	67	173	18.3	130,000
39 [15] [98]	Cut 25% on the budget for purchasing library books	26	88	18.6	39,000
40	Delete 1 post out of 12 in the Housing Enforcement Unit	68	231	19.2	30,000
41	Delete the Business	70	236	19.4	93,390

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
	Support Unit				
42	Reduce 12.4% of the budget of £801,790 paid by the Adults Service to voluntary / charitable organisations	71	242	19.4	100,000
		Total band 3			1,241,540

Band 4

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
43 [99]	Delete 10% of the budget Derwen Children's Service (which employs 19.4)	73	248	19.8	75,000
44	Delete the Healthy Living schemes	75	262	20.9	54,050
45	Delete the Supporting Events resource	77	64	21.1	37,000
46	Delete the budget to maintain Nature Reserves	78	270	21.3	59,400
47	Delete the Community Safety and Domestic Violence project budget	79	277	22.0	24,250
48 [85] [113]	Manage Blue flag and Green flag beaches only	80	282	22.4	24,200
49	Delete 1 post out of 7.7 on managing flood risk	82	290	23.2	40,000
50 [104]	Delete 1 post out of 7 in the unit which manages grants and adaptations for the disabled	83	295	23.3	30,000
51 [111]	Close 50 out of 73 of the county's public toilets	85	300	23.4	244,000
52	Delete 1 post out of 21 in the multi-agency Youth Offending Team	87	307	23.7	25,000
53	Delete the Sports Development schemes	88	311	23.9	71,180
54	Delete the grants for youth organisations	89	319	23.9	71,000
55	Keep 9 main libraries	90	329	24.1	28,290

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
[82] [100] [107] [116]	and establish a combination of community libraries and community links in 8 communities				
56 [11] [58]	Delete the Marketing and Tourism Service	93	64	24.8	184,770
57 [3]	Delete all the strategic grants for the arts	9	18	25.3	84,850
58 [11] [56]	Close the Council's Tourist Information Centres	95	64	25.5	155,000
		Total band 4			1,207,990

Band 5

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
59	Close Neuadd Dwyfor	96	339	25.7	98,000
60 [84] [110]	Reduce 8.5% of the public transport budget	98	347	25.8	100,000
61 [91] [117]	Close 3 out of 8 Recycling Centres	100	354	26.1	180,000
62 [88] [106] [118]	Close 2 out of 12 Leisure Centres	102	360	26.9	137,960
63	Delete 1 post out of 7 on road works management	106	370	27.6	30,000
64 [12]	Delete the entire budget for the grants given to voluntary organisations for specific projects	22	71	28.1	67,500
65 [37] [79] [112]	Delete 4 posts out of 85 in the Social Workers, Occupational Therapists and Care Workers Unit within the Adults Service	65	167	28.2	80,000
66	Delete the contribution to Women's Aid	107	375	28.6	53,000
67 [2] [17]	Delete a third post from 10.5 in the Joint Planning Policy Unit	6	12	28.9	15,000
68	Reduce 30% of the hours the Children's Service gives to support young people between 16 and 21 years	109	380	29.3	100,000
69 [7]	Delete the Community Regeneration Unit and management of community regeneration schemes	16	40	29.6	131,000
70	Reduce the frequency	111	173	30.3	80,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
	of cleaning town centres and shopping centres from daily to every two days				
71	Delete 1 post out of 21.4 in the Homelessness Unit	112	386	31.0	25,000
72	Stop paying Network Rail to maintain the Abermaw bridge	113	392	32.3	30,800
73 [23] [114]	Delete 40% of the public footpath budget including 2 posts out of 7	39	127	32.4	110,000
		Total band 5			1,238,260

Band 6

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
74 [31] [88] [103]	Close every youth club and provide fewer youth projects	54	185	32.9	100,000
75	Delete the contribution towards a post to prevent domestic violence	114	397	33.3	9,750
76	Delete the mobile library service	115	402	34.0	30,000
77 [18]	Delete the whole unit which is involved with strategic economic projects	29	99	34.6	133,230
78	Close the Aber swing bridge in Caernarfon to walkers	116	409	35.4	54,000
79 [37] [65] [112]	Delete 6 posts out of 85 in the Social Workers, Occupational Therapists and Care Workers Unit within the Adults Service	65	167	35.8	80,000
80 [21]	Delete the Biodiversity service	35	117	36.1	30,000
81 [10]	Delete the whole maintaining promenades, benches and street name signs service	20	58	36.9	40,000
82 [55] [100] [107] [116]	Keep 9 libraries and close 8	90	329	37.6	59,710
83	Delete the recreational routes (cycle track) maintenance budget	117	270	37.6	89,090
84 [60] [110]	Reduce 17% on the public transport budget	98	347	37.7	100,000
85	Manage Blue flag	80	282	38.0	31,500

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
[48] [113]	beaches only				
86 [19]	Delete free breakfast in primary schools	31	105	38.7	400,000
87	Delete 2 children's social worker posts out of 36.5	119	415	39.3	80,000
		Total band 6			1,237,280

Band 7

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
88 [62] [106] [118]	Close 3 leisure centres out of 12	102	360	39.6	99,130
89 [31] [74] [103]	Close every youth centre and club and bring the youth projects to an end	54	185	39.6	300,000
90 [34]	Reduce 20% of the support service given to children by Derwen	61	214	39.8	75,000
91 [61] [117]	Keep 3 recycling centres and 4 centres open one weekend every month and close on centre	100	354	39.8	50,000
92 [5]	Centralise the Gwynedd archive service in Caernarfon and reduce the opening hours to 3 days per week	13	33	40.5	26,050
93	Delete the Young Carers Scheme	121	420	40.5	34,000
94 [4] [35]	Delete the whole street enforcement service	11	27	40.9	207,650
95 [27]	Delete a second post out of 13.8 in the Food Hygiene Unit	47	156	41.8	36,000
96 [20]	Delete the CCTV service	33	111	42.0	118,000
97 [1]	Delete the grass cutting service in the main areas of our towns	5	6	42.4	160,000
98	Cut 50% on the budget	26	88	43.0	65,000

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
[15] [39]	for purchasing library books				
99 [43]	Delete 20% of the Derwen Children's Service budget (which employs 19)	73	248	43.5	75,000
		Total band 7			1,245,830

Band 8

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
100 [55] [82] [107] [116]	Reduce the opening hours of 9 libraries that we keep and close the other 8	90	329	43.7	31,000
101 [25]	Delete 2 posts out of 8 in pollution control	44	145	43.8	35,000
102 [22]	Delete the traffic management budget	37	122	46.2	65,000
103 [31] [74] [89]	Delete the whole youth service	54	193	46.8	219,310
104 [50]	Delete 2 posts out of 7 in the unit which manages grants and adaptations for the disabled	83	295	47.7	30,000
105 [6]	Delete the grass cutting service in children's playing fields	15	6	47.7	160,000
106 [62] [88] [118]	Close 5 of the 12 Leisure Centres	102	360	49.3	139,640
107 [55] [82] [100] [116]	Keep 9 libraries and reduce their opening hours and reduce the number of activities to promote reading	90	329	51.0	43,000
108	Delete the provision of 2,000 street and dog fouling bins	123	173	51.4	200,000
		Total band 8			922,950

Band 9

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
109 [30]	Reduce 21% on the highway maintenance budget	52	180	52.0	1,000,000
110 [60] [84]	Cut 25% of the public transport budget	98	347	52.1	100,000
		Total band 9			1,100,000

Band 10

No.	Proposal	Further Details Pack 1 – Page Numbers...	Equality Assessment Pack 4 – Page Numbers...	% to protect from	Sum
111 [51]	Close every public toilet within the county	85	300	52.2	374,000
112 [37] [65] [79]	Delete 9 posts out of 85 in the Social Workers, Occupational Therapists and Care Workers Unit within the Adults Service	65	167	55.4	120,000
113 [48] [85]	Delete the service to manage beaches	80	282	55.7	26,200
114 [23] [73]	Delete 60% of the public footpath budget including 4 posts out of 7	39	127	58.6	110,000
115 [33]	Stop providing hot schools meals in primary schools	59	208	59.7	180,000
116 [55] [82] [100] [107]	Keep 9 libraries and reduce their opening hours and delete all other activities	90	329	62.5	33,350
117 [61] [90]	Close 5 out of 8 Recycling Centres	100	354	66.6	363,000
118 [62] [88] [106]	Delete every leisure centre	102	360	67.9	469,380
		Total band 10			1,675,930

Appendix 2 - Overview of the Equality Impact Assessments

1.0 Duty when making decisions

1.1 Before making a decision, every individual in the public sector has a duty to consider the likely impact of that decision on people who have characteristics that are protected by the equality legislation (Equality Act 2010).

1.2 The act protects people with the following characteristics:

- Disability
- Age
- Gender
- Gender reassignment
- Pregnancy and maternity
- Sexual orientation
- Marriage and civil partnership
- Religion or belief - including lack of belief
- Race – including ethnic or national origin, colour or nationality

1.3 The General Duty of the Public Sector

The general duty of equality legislation requires Gwynedd Council to consider how it can positively contribute to a fairer society through advancing equality and good relations in its day-to-day activities in order to ensure better outcomes for all.

Due regard must therefore be given to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not

1.4 The Specific Duty

The specific duties in Wales are set out in the Equality Act 2010 (Statutory Duties) Regulations 2011. In this case, the relevant duties are:

- the need to engage with people with the aforementioned characteristics
- the need to assess the likely impact of the proposed policies and practices on the ability to comply with the general duty

1.5 An equality impact assessment has been prepared for each one of the cuts proposals. These are available at www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper4-

[EqualityAssessments](#). This overview does not supersede the need to give specific attention to the content of these assessment nor the findings and members are expected to give consideration to the full assessments.

2.0 The Language Bill

2.1 The Language Standards require us to consider the impact of our decisions on the Welsh language. We have done so as part of the equality impact assessments.

3.0 Considerations when making a decision

3.1 This report offers an overview only of the effects which have been identified in the equality impact assessments on people who have various protected equality characteristics.

3.2 It is important to bear in mind the impact that a range of cuts, not just the individual cuts, would have on the same cohort of people.

3.3 The equality impact assessment is one factor; it must be borne in mind that there are other factors to consider too, particularly the financial situation.

3.4 Some of the cuts would have a negative impact on people with specific protected equality characteristics. Nonetheless, negative equality impact assessments in themselves do not justify not making a difficult decision. What's important is the need to give full consideration to the impact before making a decision.

3.5 The equality impact assessments include steps to mitigate the effect should a decision be made to cut a service.

3.6 Though poverty is not a protected equality characteristic, there is strong relevance between deprivation and people who have some protected equality characteristics.

3.7 Consideration must be given to the impact that the cuts could have on specific areas e.g. if several services are cut in rural areas, what impact would that have on cohorts such as young people or older people?

3.8 The long-term effects of any cut should be considered. It is asked whether reducing or deleting a service would save money in the short-term but lead to a likely increase in the demand for another service in the future.

4.0 General findings

4.1 The equality impact assessments show that some protected equality characteristics are affected more than others, specifically disability, age (young people and older people) and the Welsh language.

4.2 The equality impact assessments also indicate that some cuts proposals will likely have an impact on several protected equality characteristics.

4.3 No clear pattern has been identified with the Marriage and Civil Partnership protected equality characteristic.

5.0 Findings according to the main equality characteristics

5.1 The following focuses on the three main protected equality characteristics which are affected most, namely disability, age (young people and older people) and the Welsh language. Within these, the cuts proposals for which the equality impact assessments have highlighted the most effects are listed. The steps that could be taken to reduce or improve the effects of the cuts proposals are also noted. Cuts proposals are listed according to their reference numbers.

6.0 Disability

6.1 When making decisions which affect disabled people, the need to give "due regard" to their needs and to make reasonable adjustments must be borne in mind.

6.2 Some of the cuts proposals for services which involve disabled people and children are obvious, but some others might also affect them. Several of the proposals could lead to deterioration in the environment, and specifically its accessibility and safety for disabled people. This would include access to the countryside or the ability to move around a village or town easily.

6.3 Disabled people told us about the importance of services such as public transport, toilets and public benches which allow them to be out in the community. Cuts proposals which affect keeping healthy and leisure services will also have an impact on disabled people.

6.4 It is important to consider to what degree the cuts will have the effect of reducing quality of life. Some of the services in question have been identified as ones which promote independence by offering opportunities to keep healthy, socialise and be a part of the local community. Consideration must also be given to the impact on individuals' mental health.

6.5 These cuts proposals could have an impact on carers (including young carers), family and friends. The Equality Act 2010 protects these people by association.

6.6 The equality impact assessments which have been identified as ones which have the most impact on **disabled people** are:

Reference	Cuts Proposal	The steps that could be taken to reduce or improve the effects of the cuts
4, 35, 94	Street Enforcement	The implications of cuts and the feasibility of delivering the service with fewer resources are considered on a regional level (north

		Wales).
20, 96	CCTV	Not providing a 24-hour service. Further consideration would need to be given on how this could be done.
34, 90	Support - Derwen	Every effort has been made to try to mitigate the effects of any cut as a result of previous savings that have been made. An effort was made to arrange for the Youth Service to prepare youth groups for disabled children; however they do not have the budget to do this themselves. This means that Derwen is paying for the leaders and has to provide 1-to-1 support for some of the children in the clubs. The Youth Service itself is under threat of cuts, and it is possible that the arrangements will come to an end entirely. There is no other organisation from the third sector which meets the need.
37,65,79, 112	Social Care Field Workers	<p>Continue to take measures that assist social workers to work more flexibly, faster and more effectively. An investment is being made to integrate services with the Health Board (Gwynedd and Alltwen) which also aims to achieve this, with the hope that ultimately the appropriate level of services can be maintained with less staff. Great emphasis is placed on reducing the paperwork and bureaucracy associated with the work processes to free up time and health care front-line staff to spend with service users.</p> <p>Arrangements will be made to monitor the impact of the cuts on waiting lists for assessment and services. The cuts would be assumed to occur in stages with evidence of the impact of the monitoring work being considered in preparation for the next step.</p>
40	Housing Enforcement	There are no steps which can be taken to improve the effects entirely, but it will be possible to prioritise, emphasising assessing the most serious houses and bringing empty houses back into use.
43, 99	Derwen	The role of the social worker is a specialist and professional one. In the field of disabled

		children, other than the knowledge and understanding of statutory work in relation to safeguarding disabled children and the children in care procedure, it is necessary for the workers to have skills for assessing, counselling, preparing care plans, dealing with bereavement on several layers, and varied communication skills. There is no service available which would deal with this range of needs. Cases will be closed and it will be necessary to create waiting lists.
50, 104	Grants for disabled people and adaptations	Collaborate with other services within the Council to administrate low interest loan schemes.
51, 111	Public Toilets	Retain an element of the budget for the after-care of the buildings and develop a system of funding local businesses to offer use of their facilities for the public.
62, 88, 106, 118	Leisure Centres	Close fewer centres or transfer the management of the centres to other providers.
46, 83	Recreational Routes	It is possible to transfer the Recreational Routes and the Nature Reserves to an outside body such as a Community Council or Wildlife Trust.
C12	Information Technology	No steps which could be taken to improve the effects have been submitted.
29, 38, 63, 70	Street Cleaning	No steps which could be taken to improve the effects have been submitted.

7.0 Age

- 7.1 Many of the cuts are likely to have an impact on young people and older people.
- 7.2 The comments on the accessibility and safety of the environment noted above under disability can be as true for older people.
- 7.3 Many of the cuts involve opportunities to keep fit, formally or informally (from lessons at leisure centres to walking in the countryside) which is important to children, young people and older people. They are important opportunities in terms of establishing good practices from the beginning and maintaining fitness, mental health and independence when getting older.

- 7.4 In addition, many of the proposals have an impact on recreational opportunities and opportunities to socialise e.g. halls, libraries, youth clubs and grants to organisations. Young people and older people have told us that these are very important to them.
- 7.5 As with disability, it must be borne in mind that some of the proposals affect services for children, young people and older people specifically e.g. in the field of care and youth clubs.
- 7.6 Similarly, consideration must also be given to the effect that loss of confidence and loss of independence could have on carers and families of older people.
- 7.7 The equality impact assessments which have been identified as ones which have the most impact on **older people** and on **children and young people** are:

Reference	Cuts Proposal	The steps that could be taken to reduce or improve the effects of the cuts
24	Community Arts	Identify other possible providers that could be collaborated with via the Creative Gwynedd partnership or strategic grants for some elements of the Service's work.
62, 88, 106, 118	Leisure Centres	Close fewer centres or transfer the management of the centres to other providers.
20, 96	CCTV	Not providing a 24-hour service. Further consideration would be needed on how this could be done.
40	Housing Enforcement	There are no steps which can be taken to improve the effects entirely, but it will be possible to prioritise, emphasising assessing the most serious houses and bringing empty houses back into use.
15, 39, 55, 76, 82, 98, 100, 107, 116	Libraries	Alternative methods of library service provision, merging with other services.
60, 84, 110	Public Transport	Starting a community transport scheme in certain areas and giving taxi companies subsidies to operate some journeys.

- 7.8 The equality impact assessments which have been identified as ones which have the most impact on **older people** specifically are:

Reference	Cuts Proposal	The steps that could be taken to reduce or improve the effects of the cuts
4, 35, 94	Street Enforcement	The implications of cuts and the feasibility of

		delivering the service with fewer resources are considered on a regional level (north Wales).
37,65,79, 112	Social Care Field Workers	Continue to take measures that assist social workers to work more flexibly, faster and more effectively. An investment is being made to integrate services with the Health Board (Gwynedd and Alltwen) which also aims to achieve this, with the hope that ultimately the appropriate level of services can be maintained with less staff. Great emphasis is placed on reducing the paperwork and bureaucracy associated with the work processes to free up time and health care front-line staff to spend with service users. Arrangements will be made to monitor the impact of the cuts on waiting lists for assessment and services. The cuts would be assumed to occur in stages with evidence of the impact of the monitoring work being considered in preparation for the next step.
44	Healthy Living	Focusing on some fields which have the most impact on health i.e. tobacco and obesity.
51, 111	Public Toilets	Retain an element of the budget for the after-care of the buildings and develop a system of funding local businesses to offer use of their facilities for the public.
29, 38, 63, 70	Street Cleaning	No steps which could be taken to improve the effects have been submitted.

7.9 The equality impact assessments which have been identified as ones which have the most impact on **children and young people** specifically are:

Reference	Cuts Proposal	The steps that could be taken to reduce or improve the effects of the cuts
19, 86	Free Breakfast	Provide the childcare element free of charge for pupils who are entitled to free school meals.
33	Free School Meals	Reduce the proposed increase in the price of school meals.
31, 52, 74, 89, 103	Youth Service	The steps that could be taken depend on the scale of the cut to youth clubs and depend on the main youth club grants remaining. If the

		cut was comparatively small and the main youth grants would remain, it is possible that organisations could collaborate in some of the main areas, in order to work more efficiently.
34, 90	Support - Derwen	Every effort has been made to try to mitigate the effects of any cut as a result of previous savings that have been made. An effort was made to arrange for the Youth Service to prepare youth groups for disabled children; however they do not have the budget to do this themselves. This means that Derwen is paying for the leaders and has to provide 1 to 1 support for some of the children in the clubs. The Youth Service itself is under threat of cuts, and it is possible that the arrangements will come to an end entirely. There is no other organisation from the third sector which meets the need.
43, 99	Derwen	The role of the social worker is a specialist and professional one. In the field of disabled children, other than the knowledge and understanding of statutory work in relation to safeguarding disabled children and the children in care procedure, it is necessary for the workers to have skills for assessing, counselling, preparing care plans, dealing with bereavement on several layers, and varied communication skills. There is no service available which would deal with this range of needs. Cases will be closed and it will be necessary to create waiting lists.
52	Youth Justice Service	An element of the preventative work could be delivered by other services such as the Youth Service or in the private sector, but many realise that success is achieved through multi-agency working. It must also be considered that the Youth Service is under threat.
54	Youth Grants	Continue to try to raise money by holding activities and look for other sources to support the organisations. This cut proposal affects cut proposal (30) Youth Service.
68	Service for young people between 16 and 21 years old	There are no steps that can be taken within the service to mitigate the effects. It would be

		necessary to increase the support within other agencies e.g. Careers Wales to promote employment, training and education. There would be a need to increase the support within further education establishments, more tenancy support work and raise awareness of preventing homelessness. It must be borne in mind that the Council has a statutory duty to secure a suitable plan and to implement it.
87	Children's Social Workers	The role of the social worker is a specialist and professional one. As well as having knowledge and an understanding of statutory work in relation to safeguarding children, it is necessary for the workers to have skills for assessing, counselling, preparing care plans, and varied communication skills. There is no service available which would deal with this range of needs. It is possible that waiting lists would have to be created, but this in itself poses great risks for the Council in terms of safety of children.

8.0 The Welsh Language

- 8.1 It must be borne in mind that every service cut poses a risk that the provision will not be available to the same extent through the medium of Welsh. The Council will lose its influence if the service is provided by other organisations. This could prevent Gwynedd from being a stronghold for the Welsh language, and prevent the language from being an everyday language that is heard and spoken naturally by children, young people and adults across the county.
- 8.2 Young people have stated clearly that cutting the Youth Service and grants to youth organisations such as the Young Farmers' Association will have a major impact on their opportunities to use the Welsh language outside school.
- 8.3 Many of the cuts could have an impact on the area's economy and this in turn could affect the number of jobs available for young people. This could mean that they would have to leave the county to look for work and this could affect the prosperity of the Welsh language.
- 8.4 The equality impact assessments which have been identified as ones which have the most impact on **the Welsh Language** are:

Reference	Cuts Proposal	The steps that could be taken to reduce or improve the effects of the cuts
3, 57	Strategic Grants for the Arts	Identify other possible providers that could be

		collaborated with via the Creative Gwynedd partnership.
7, 69	Community Regeneration	Developing tool-kits as resources and working closely with other partners such as Mantell Gwynedd.
24	Community Arts	Identify other possible providers that could be collaborated with via the Creative Gwynedd partnership.
15, 39, 55, 76, 82, 98, 100, 107, 116	Libraries	Alternative methods of library service provision, merging with other services.
56	Tourism and Marketing	Identify other possible providers that could be collaborated with for some elements of the Service's work.
59	Neuadd Dwyfor	Identify other possible providers that could be collaborated e.g. via the Creative Gwynedd partnership.
62, 88, 106, 118	Leisure Centres	Close fewer centres or transfer the management of the centres to other providers.

9.0 Other Characteristics

- 9.1 Though we have identified that the biggest impact would be on the aforementioned protected characteristics, there will be an impact on the other characteristics too.
- 9.2 Many of the cuts proposals will have specific effects on men or on women e.g. **(65) Domestic violence, (63) Homelessness** (single men and single parent families - mothers), **(41) Healthy Living**.
- 9.3 In the field of personal safety and hate crime the biggest impact is on the protected equality characteristics of sexual orientation, gender reassignment and ethnic minority groups. It could also have an impact on people who belong to some religions. There is anecdotal evidence that these groups, along with some women and older people, are more likely to be afraid of going out and deterioration in the environment could have an impact on them.
- 9.4 Also, under race, there is an impact on Welsh culture if several venues and services are closed. Cut proposal **(4) Street Enforcement** could result in a failure to implement the Graffiti Policy and enforcement (Race Relations Act (Amended) 2000) which would mean that the Council was not giving due regard to the need to eliminate illegal discrimination.

9.5 The equality impact assessments identified that accessibility is important to young families. There are also many services e.g. homelessness and the children service which work with pregnant women.

10.1 Next Steps

10.1 All the equality impact assessments can be seen www.gwynedd.llyw.cymru/gwyneddchallenge-BackgroundPaper4-EqualityAssessments and specific equality impact assessments can be accessed via this report.

10.2 It is essential that members look at the full range of equality impact assessments because.