

**THE CABINET TUESDAY, 22 NOVEMBER 2022**

**Present -**

Councillors: Dyfrig Siencyn, Craig ab Iago, Beca Brown, Berwyn Parry Jones, Elin Walker Jones, Dafydd Meurig, Dilwyn Morgan and Ioan Thomas.

**Also present-**

Dafydd Gibbard (Chief Executive), Iwan Evans (Head of Legal Services), Dewi Morgan (Head of Finance Department), Geraint Owen (Corporate Director), Huw Dylan Owen (Corporate Director) and Annes Sion (Democracy Team Leader).

Item 7: Dafydd Wyn Williams (Head of Environment Department) and Wyn Williams (Countryside Manager).

Item 8: Carys Fôn (Head of Housing and Property Department) and David Mark Lewis (Energy and Commercial Services Manager)

Item 9: Dewi Wyn Jones (Council Business Service Support Manager)

Item 10: Vera Jones (Democracy and Language Services Manager)

Item 11: Catrin Roberts (Member of the North Wales Regional Partnership Board)

Item 12: Sophie Ann Tyne Hughes (Workforce Support Team Leader)

Item 13: Catrin Thomas (Deputy Head of Children and Supporting Families Department).

**1. APOLOGIES**

An apology was received from Cllr Nia Jeffreys and Cllr Menna Jones.

Cabinet Members and Officers were welcomed to the meeting.

**2. DECLARATION OF PERSONAL INTEREST**

No declarations of personal interest were received.

**3. URGENT ITEMS**

There were no urgent items.

**4. MATTERS ARISING FROM OVERVIEW AND SCRUTINY**

There were no matters arising from overview and scrutiny.

**5. MINUTES**

The minutes for the meetings held on 27 September and 7 October 2022 were accepted as a true record.

## 6. COUNCIL TAX PREMIUM ON SECOND HOMES AND LONG-TERM EMPTY PROPERTIES

The report was submitted by Cllr Ioan Thomas

### DECISION

To recommend to the Full Council on 1 December 2022 that the following is the favoured option in relation to the level of Council Tax Premium on Second Homes and Long-term Empty Properties for the 2023/24 financial year:

- That Cyngor Gwynedd allows NO discount on class A second homes, in accordance with Section 12 of the Local Government Finance Act 1992 (i.e. no change).
- That Gwynedd Council allows NO discount and CHARGES A PREMIUM OF 150% on class B second homes in accordance with Section 12B of the Local Government Finance Act 1992 (i.e. increase from 100% to 150%).
- That Cyngor Gwynedd allows NO discount on homes that have been empty for 6 months or more and CHARGES A PREMIUM of 100% on homes that have been empty for 12 months or more, in accordance with Section 12A of the Local Government Finance Act 1992 (i.e. no change).

### DISCUSSION

The report was submitted noting that it was a step in the governance procedure as the Council moved on to determine how to respond to recent legislative changes in relation to the Council Tax Premium.

It was emphasised that any decision on the rate of the Premium alone did not resolve the serious problem and the numbers of second homes within areas in Gwynedd. It was explained that the use of the planning process and securing second home licensing was much more relevant. The recent response of the Welsh Government was welcomed, highlighting that the Council's perseverance when lobbying and submitting evidence had secured action.

It was explained that the Housing (Wales) Act 2014 had added new sections to the Local Government Finance Act 1992. It was expressed that the new clauses had allowed Welsh billing authorities to charge additional Council Tax on specific property classes. It was also explained that the default position in the 1992 Act was to provide a discount of 50% for the property if the Council did not make a decision every year to fund this from the Council's coffers. It was expressed that the Council had a discretionary right for many years not to give a discount to these properties, and since 2017, the right to charge a premium.

It was highlighted that the Council had charged a 50% premium on second homes and long-term empty properties between April 2018 and March 2021, and then 100% since 1 April 2021. It was explained that on those occasions when the Premium had

been introduced and increased that substantial work had been done to assess the situation and hold public consultations and an Equality Impact Assessment. It was expressed that Sections 12A and 12B of the 1992 Act had been changed again recently and that the changes would be operational from 1 April 2023. It was noted that these changes had been made in order to increase the level of Premium that can be charged by local authorities. It was explained that it would be possible to charge up to 300%.

The Head of Department guided members through the results of the Public Consultation. It was explained that the Cabinet had agreed at the end of September to commission a Public Consultation to ascertain the views of the public on how the Council should respond to the act. The public consultation was launched on 30 September and it remained open until 28 October. It was explained that it was essential to act in accordance with the law to engage with key stakeholders and consequently, direct letters had been sent to the owners.

7,330 responses had been received to the questionnaire, which far exceeded the numbers that usually responded to public consultations, and was over a thousand more responses than a similar consultation held two years ago. It was expressed that over half of the responders noted that they did not own a second home or a long-term empty property. It was noted that 47% owned a second home and less than 3% said that they owned a long-term empty property.

It was reiterated that the results noted that 58.7% of the responses were of the opinion that second homes had a positive impact on communities, which was an increase on the equivalent figure of 55.1% when a similar consultation had been held less than two years ago. It was highlighted that 27.7% believed that second homes had a negative impact, with 8.2% believing that they did not have an impact on the whole. It was explained that there were obvious differences between the views of the responders who owned second homes, and those who did not. It was noted that 80% of the responders who owned second homes believed that second homes had a positive impact, whilst 39% of those who did not own a second home or a long-term empty property did not share the same view. It was highlighted that this again was a significant increase since the equivalent figure of 27% less than two years ago. It was expressed that 48% of the responders who did not own a second home or long-term empty dwelling did not believe that second homes had a negative impact on local communities at present, whilst only 5% of the responders who owned second homes held this view.

It was noted that there was a clear difference of opinion about increasing the premium between those who owned second homes and those who did not. It was highlighted that those who already paid the premium were not eager to pay more, with less than half of those who did not pay the premium supportive of increasing the premium.

In terms of the responses about the situation with long-term empty properties, it was noted that around three-quarters of responders were of the opinion that long-term empty property had a negative impact on local communities. It was highlighted that 82% of those who owned empty properties objected increasing the premium but it was highlighted that the numbers who responded to the consultation and stated that they owned long-term empty properties, were low. It was emphasised that this

consultation sought views and observations in order to assist the Cabinet and the Council to make a decision.

This matter had also been presented to the Governance and Audit Committee for scrutiny. It was emphasised that it was not their role to suggest the level of the Premium, but rather to satisfy itself that the evidence gathered was sufficient in order to make a reasonable decision based on the information. The Head of Finance explained the points raised during the discussion at the Governance and Audit Committee. Amongst these observations was the dissatisfaction of one member of the Committee about the attention given to the impact on the Welsh language within the Equality Impact Assessment. This member was of the opinion that insufficient consideration had been given to the impact of the premium on the cohort of native Welsh-speakers. It was also emphasised that there was no evidence of the need for 2000 new houses in the Dwyfor area and that there was a need for a comprehensive linguistic impact assessment to be completed. It was highlighted that there was a need to note how successful the premium had been and note how the numbers of second homes and long-term property had changed over time since the Premium was introduced. It was highlighted that one member of the Committee had questioned the morality of charging people from one part of the county to mitigate the impacts of homelessness in other places and he was eager for the report to show housing waiting lists for each ward.

To conclude, the Cabinet Member noted that when making any significant change which affected people, the Council had to consider whether sufficient justification had been gathered to do this, considering the actual impact on the people of Gwynedd. It was explained that the Council needed to act reasonably, based on the evidence. It was noted that there was a theoretical choice to reduce or revoke the premium but it was explained that the money being collected was being earmarked for a specific purpose, which was to support the Housing Action Plan. It was expressed at the same time that very robust justification would be needed to increase the Premium to 300%, and it was explained that the department was not of the opinion that this currently existed. Therefore, after considering the consultation and the current situation in the housing sector, the recommendation was to keep the Premium on long-term empty property at 100% and to increase the Premium on second homes to 150%.

#### Observations arising from the discussion

- Gratitude was expressed for the report and the points raised by the Governance and Audit Committee were highlighted. The regular question raised by a number of responders as to whether exceptions are available if individuals have local connections was highlighted, as individuals who had converted buildings into holiday accommodation after receiving planning consent were concerned that they would need to pay a tax for the first time. It was explained that a statutory exception excluded seasonal dwellings only where planning arrangements meant that they could not be occupied for a whole year. It was explained that a proposal was currently being submitted to adapt the wording to it being able to be occupied for a whole year but that it could not be used as a primary residence. It was highlighted that it was possible to use discretionary exceptions in accordance with Section 13A of the Local Government Finance Act to give the Council the right to adapt the Council tax bill of any dwelling in the county if it could be satisfied that this would lead to social and broader benefit to the taxpayer.

However, it was emphasised that the exceptions available needed to give genuine consideration to equality when excluding any dwelling, using this specific legislation.

- It was noted that the results of the consultation had highlighted that the situation was not black and white. It was explained that there was an expectation for the consultation to highlight that individuals with second homes would emphasise that we should not charge a premium, and individuals without second homes would tell us to raise the premium to 300% but this was not the case. It was noted that half of the individuals without second homes agreed that the premium should not be increased, as a result of the employment and living of a number of people being reliant on second homes and concerns about families inheriting second homes.

- It was expressed that this report was comprehensive, but it was also explained that there was a need to analyse historical information, such as the research into second homes. The main question that needed to be answered was noted, which was how to resolve the problems that existed in communities as a result of second homes. It was highlighted that over 5000 houses within the county were empty for the vast majority of the year, whilst the number of homeless people and people who wanted to buy a house was very high. Nevertheless, it was highlighted that although the Council had the right to raise the premium to 300%, this could not be done without justification. It was explained that raising it to 150% would generate £3m, during a year where the Council had overspent £3m on the homelessness field and where it seemed likely that it would increase again next year; therefore it was highlighted that an increase of 150% was reasonable at present.

- It was enquired that although individuals with second homes had received a letter drawing attention to the consultation, it was asked whether this needed to be done for the homeless, those on waiting lists or those who had been unable to afford houses in their communities and it was highlighted that the responses may have been different. It was expressed that an increase to 300% this year was considered to be a bit high and that increasing it to 150% was fair and responded to the problems seen in the field of housing.

- It was confirmed that there was an intention to change the statutory exceptions which would mean that any local business with holiday homes where planning conditions restricted them to holiday use were exempt from paying the Premium, but it was noted that Airbnb houses did not need consent. It was noted that a number of these evolved into businesses and as a result paid business rates. It was explained that change was afoot with business rates, noting the need to let the property 182 days a year and if this was not possible, there would be a need to return to paying Council tax. It was highlighted that the Valuer's Office would be responsible for monitoring this.

- It was emphasised that hidden homelessness existed across the county with individuals sleeping on sofas or unable to move from their home. The fact that the additional money from the premium would assist the homelessness field was welcomed and it was noted that a regular review would be needed in order to monitor the situation.

- It was highlighted that second home owners were not to blame and that a housing crisis could be seen across the county. It was emphasised

that there was a need to remind ourselves that this situation was the fault of the Westminster Government, and although the Senedd in Cardiff was attempting to improve the situation it was insufficient and the response was not quick enough. It was also explained that this was an increasing problem that could be seen across Britain.

- It was explained that the matter was complicated and things were not black and white, but there was a need to consider all documents and the situation of our communities and the current recommendation to raise it to 150% was sensible at this point in time.

## 7. ADOPTION OF RIGHTS OF WAY IMPROVEMENT PLAN

The report was submitted by Cllr Dafydd Meurig

### DECISION

To adopt the Rights of Way Improvement Plan.

To delegate powers to the Head of Environment Department to make non-material adaptations to the document prior to its publication.

### DISCUSSION

The report was submitted, and the decision noted. It was explained that the Countryside and Rights of Way Act 2000 highlighted a duty on the Council to publish and review the Rights of Way Improvement Plan. It was added that this plan was also used as a tool to improve the network. It was expressed that the Plan had been on quite a journey before reaching the Cabinet which included the Scrutiny Committee back in 2021, a three month public consultation over the summer period, before reporting back to the Scrutiny Committee in October to discuss the results of the public consultation. It was stated that minor adaptations had been made to the Plan following the Scrutiny Committee.

It was noted that this was a requirement to adopt the Plan and to give the Head of Department the right to make minor linguistic changes prior to the publication of the document.

Observations arising from the discussion

- Gratitude was expressed for the report and a concern was raised about the change which would permit horse-riding on all public paths. It was questioned how risk assessments would be carried out specifically on roadside paths. It was noted that the adaptation had been done as a result of inconsistency across the country and that there had been a reasonable request for them to be used by horses, it was explained that risk assessments were being undertaken and that the specific assessment was for paths off the main road.
- Enquiries were made about the process of identifying the county's Well-being Paths since Bala had been omitted. It was explained that specific conditions could be seen, which were being checked by the Welsh

Government in terms of Well-being Paths and favoured the centres where the population worked in the area and there was a need for an alternative way to reach work. It was expressed as a result that there was a potential need to review this in order to include the more rural communities.

#### **8. PV PANELS ELECTRICITY GENERATING SCHEME – PHASE 4**

The report was submitted by Cllr Craig ab Iago

#### **DECISION**

To proceed to invest £2.8m in the fourth phase of the PV panels electricity generating scheme, leading to an annual revenue saving.

To fund the capital investment from the Council's balances, leading to immediate permanent revenue savings, as a contribution to the savings / cuts scheme.

#### **DISCUSSION**

The report was submitted and it was noted that the Council led the way in Wales and possibly in Britain, regarding the steps it was taking to reduce its carbon footprint. It was explained that steps were being taken across the Council to make these important changes in order to look after the environment, and in order to save money.

The Energy and Commercial Services Manager expressed that this was the fourth phase of the Solar Plan which had been an incredibly successful plan. It was explained that phase 3 had ended as a result of a Government change but consequently to a reduction in the cost of solar panels and an increase in energy costs this had led to the creation of phase 4. It was emphasised that the Plan was based on today's energy costs, and therefore if energy costs continued to rise, it highlighted that the business case for it was mature.

Observations arising from the discussion

- Gratitude was expressed for the report and it was asked whether phase 4 would be the final step. It was explained that this would be the last phase in terms of the Council's buildings, but that options now existed following this, such as Solar Farms.
- It was explained that this plan was one that reduced carbon and assisted the Council to meet the financial deficit. It was expressed that there was a requirement here to use the Council's reserve funds to finance this so that it was possible to receive the financial savings emanating from the Plan immediately.

#### **9. LOCAL GOVERNMENT ACT 2021 - CYNGOR GWYNEDD SELF-ASSESSMENT (DRAFT) 2021/22**

The report was submitted by Cllr Dyfrig Siencyn

#### **DECISION**

To approve the Cyngor Gwynedd Self-assessment (Draft) 2021/22, accepting the recommendations made by the Governance and Audit Committee and to recommend its adoption to the Full Council.

## **DISCUSSION**

The report was submitted noting that this was the Council's first Self-assessment, which looked back at 2021/22. It was explained that a new statutory requirement under the Local Government and Elections (Wales) Act 2021 noted the need to create and publish this annually. It was added that the self-evaluation drew on a few sources of information and evidence and that a great deal of the information had been published in the Annual Performance Report and in the Social Services' Annual Report. It was emphasised that in order to keep the report concise, there were only references to the documents.

It was noted that the act stipulated an expectation to present a draft of the Self-assessment to the Governance and Audit Committee for observations. It was expressed that this had occurred last week and that one observation had been received, namely the need to refer to the training available for Councillors under Corporate Planning in order to identify the good work that was taking place within the Council.

It was explained that this was the first time that the Self-evaluation had been submitted and that an effort had been made to keep it concise and legible. It was explained that arrangements continued to develop in terms of its preparation and that future arrangements were to be combined with the performance challenging arrangements and for it to be included in the Council's Annual Performance Report.

The Monitoring Officer added that this was a new procedure and that there was a statutory requirement to enter into a consultation on the procedure, but that this was to come.

Observations arising from the discussion

- It was expressed that the proposal to combine it with the Annual Performance Report was an opportunity to add another tier of governance within the Council. That the Council Plan indicated what the Council would do, the Performance Report noted what had been done and this would be a middle tier, highlighting how well the Council had done the work.

## **10. PETITIONS SCHEME**

The report was submitted by Cllr Dyfrig Siencyn

## **DECISION**

To approve the Petitions Scheme and recommend its adoption by the Full Council.

## **DISCUSSION**



The report was submitted noting that it was a report that sought to approve the Petitions Scheme and recommend its adoption at the next Full Council. It was explained that adopting a Petitions Scheme was a statutory requirement on the Council in the Local Government and Elections Act 2021. It was expressed that the Scheme noted how the Council would deal with petitions when it received them.

It was noted that a petition was a way for individuals, community groups and organisations to raise matters that caused them concern and gave an opportunity for Councillors to consider the need for change. It was added that the scheme set out steps on how to present the petition and what could be expected as a response and the steps that would be taken by the Council. It was emphasised that some cases such as school restructuring followed legal and statutory requirements on consultation and statutory response periods and a petition would not be accepted outside those arrangements.

It was highlighted that the Democracy Services Committee had discussed the Scheme last week, and observations had been received and minor adaptations had been made to the Scheme following these discussions.

#### Observations arising from the discussion

- It was asked that if a petition was received, could it be discussed by the Cabinet Member, the Cabinet or the Full Council, and an enquiry was made about who decided on the level of resolution. It was explained that it was subject to the nature of the petition and that it followed the sensible route.
- It was asked whether the scheme was different to what currently happened. It was explained that this Scheme formalised the arrangements and raised the awareness of residents.
- It was noted that it was nice to see the Cabinet being able to relax when discussing the requirements of the Act, and that this was as a result of very robust governance arrangements being seen in a number of teams who worked in the background across the Council.

### **11. ANNUAL REPORT OF THE NORTH WALES REGIONAL PARTNERSHIP BOARD**

The report was submitted by Cllr Dilwyn Morgan

#### **DECISION**

To accept the report and note the work and progress made in 2021/2022 in the areas of work that were brought forward regionally through the North Wales Regional Partnership Board.

#### **DISCUSSION**

The report was submitted, noting that this was an annual report for the North Wales Regional Partnership Board. It was explained that the report highlighted the work of the board for 2021/22 and had been drawn up and written to satisfy the Governance's

guidance. It was explained that the board had been established back in 2014, in order to comply with part 9 of the Social Services and Well-being (Wales) Act 2015.

The Head of Regional Collaboration drew attention to the main points and the key work being done in the region. It was explained that the role of the Board was to bring partners together in order to integrate services when possible. It was expressed that the governance system was complex but the Regional Partnership Board was the main board and was responsible for giving a clear direction to work in partnership across the region and ensure that work was being completed. It was explained that the board reported to the North Wales Leaders' Board.

It was highlighted that two main programmes could be seen by the Board in 2021/22, namely the Integrated Care and Transformation Programme Fund. It was explained that the Integrated Care fund had been established back in 2014, and had enabled the region to work together to assist older people with complex needs, children with complex needs, carers and looked after children or children at risk of coming into care. It was noted that the Transformation programme had been established in April 2018 with the purpose of improving services which was to commence as a three-year plan, but it had been extended as a result of the pandemic.

It was explained that the two programmes had ended in 2021/22 and that a new programme was now in place since April 2022, which was the Regional Integration Fund. As a result, the report provided a summary of the work of the two main programmes as well as the main points raised from the evaluation, which included the opportunities to develop plans and improve the relationship between partners. It was expressed that money had been a problem since the budget had been for a year only, and therefore made it difficult to plan further.

It was expressed that the team had also been working on creating a Population Needs Assessment, which assisted the region to develop priorities and for local authorities to be able to plan locally. It was noted that for the future, the Committee was eager to build on this year's work and to plan for the next 5 to 10 years.

The Corporate Director for Social Services added that this report looked specifically at the end of Morwena Edwards' period in her post. It was noted that the report highlighted that it was a much broader field than care alone, with elements to be seen in the Housing and Education field. It was highlighted that the influence of the Board was essential when moving forward.

Observations arising from the discussion

- Pride was expressed from seeing an investment for a period of more than a year, so that the Board could plan to a realistic timetable to transform services.

## **12. PERFORMANCE REPORT OF THE CABINET MEMBER FOR ADULTS, HEALTH AND WELL-BEING**

The report was submitted by Cllr Dilwyn Morgan

### **DECISION**

To accept and note the information in the report.

## DISCUSSION

The report was submitted, noting that it provided an update on the department's work, outlining what had happened against the Council Plan's pledges, reporting on the department's performance and the financial situation. Pride was expressed that progress had been made, despite the challenges facing the department and the majority of these were as a result of capacity difficulties within the department. The department was thanked for its commitment to the field and the individuals they supported, and on the whole, he was satisfied with the department's performance.

It was noted that a number of the matters that had arisen in the performance report had also been highlighted as a part of a recent inspection from Care Inspectorate Wales. It was explained that a further report on the inspection would come to the Care Scrutiny Committee before long.

He guided members through the Council Plan projects, which included the Penrhos site which was a joint plan with the Housing and Property Department, as well as an increase in dementia beds in the county and their concern about empty units as a result of lack of staffing. It was highlighted that staff recruitment and retention was one of the department's main difficulties and it was explained that this was an issue that was being discussed corporately within the Council, as well as regionally and nationally.

In terms of the department's performance, it was noted that big steps had been taken to secure the correct measures. Attention was drawn to the numbers on the lists for domiciliary care and it was noted that the numbers continued to increase and that this was as a result of a lack of capacity in terms of staffing. It was explained that the latest report highlighted frustration with the measure in the Mental Health Service as the staff of the integrated teams continued to use paper files. It was expressed that work had been done to find a temporary measure for this service.

In terms of the financial position, it was noted that the financial projections as a part of the end of August review projected an overspend of £1.9 million in the department by the end of this financial year. It was explained that the department had submitted bids in order to be able to continue with statutory services or legislative changes. It was expressed that the department was currently looking at ways to deliver some services in a different way, and thus achieve savings.

### Observations arising from the discussion

- It was noted that staffing challenges could be seen across the Council, due to the failure to recruit and not due to the financial deficit. It was emphasised that there was no easy answer to the problem and that this was as a result of decisions made on a British level. It was explained that the department was looking at what other counties were doing to secure services and make the best use of the support that was available.
- It was explained that an overspend of £1.9 million was anticipated as well as another £1 million of unrealised savings on top of that, before even looking at the savings for next year. It was noted that a meeting would be

held with the department soon in order to consider this very challenging situation.

- It was noted that there was concern about the department's ability to measure performance but that measures were now being developed. It was explained that there was some way to go again, but that big steps had been made.

### **13. PERFORMANCE REPORT OF THE CABINET MEMBER FOR CHILDREN AND SUPPORTING FAMILIES**

The report was submitted by Cllr Elin Walker Jones

#### **DECISION**

To accept and note the information in the report.

#### **DISCUSSION**

The report was submitted, noting that it provided an update on the department's work, outlining what had happened against the Council Plan's pledges, reporting on the department's performance and the financial situation. The staff of the department were thanked for their commitment to the county's children and young people.

It was explained that priority projects continued to move forward, although staff had been redeployed to support individuals from Ukraine. It was explained that the priorities corresponded with the department's main risks and it was noted that progress was being made against these projects. Members were guided through the projects which included noting that the Strategy for Keeping Families Together had received funding confirmation and was able to move forward with the work. It was expressed that the department had succeeded to recruit to posts in the referrals team in order to respond to the progress made in the demand and waiting lists.

In terms of the Supporting People Plan, it was noted that the work continued, but it now focused on the cost of living crisis. The work in the Plan was highlighted, which included extending the hub network and a series of drop-in events.

It was noted that workforce capacity was also a problem within this department, and that recent work had been done with an independent advisor but that no results were available to view yet. It was explained that there had been a change in the nature of the cases reaching the department, with children's needs intensifying, which consequently required more complex care packages.

It was explained that the projections highlighted that the department was likely to overspend by around £88,000. It was added that the department had submitted bids in excess of £1m in order to meet the additional pressures and to deliver priority plans.

Observations arising from the discussion

- An enquiry was made about the Supporting People Plan and the response received from the public. It was explained that it had been varied, with many appreciative of the support available.

The meeting commenced at 1pm and concluded at 3:25pm

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**CHAIR**