

# Finance (and Information Technology) Department

The Finance Department's intention is to contribute to achieving the aim of delivering the best for the people of Gwynedd during a difficult period by:

- ensuring the appropriate support to the Council's business operation and its services when managing, safeguarding and developing its financial position, in order to establish a sustainable community in an open, accountable and progressive manner
- ensuring professional supportive guidance and technology of high standard that promotes the Council's basic values and encourages innovation
- providing front line services (such as collecting revenue and paying benefits) of suitable quality to the customer, providing fairness to people and communities, and focusing on residents.

Together with the day to day work outlined below, this department leads on the following improvement priority projects:

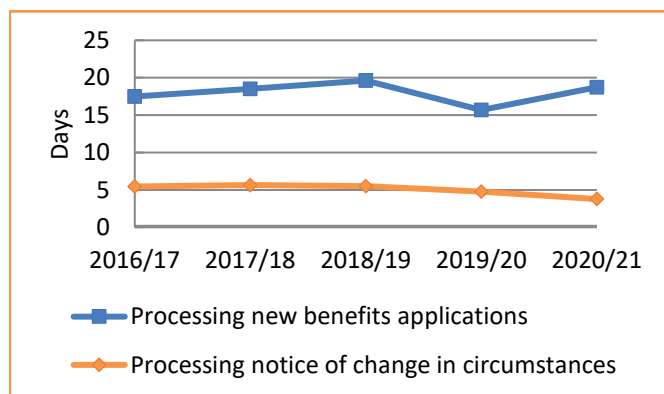
- Realising savings – (Improvement Priority 7)

It is also noted that the Department contributes to the improvement priority Improving the Use of Houses as Holiday Homes and Second Homes (Environment Department), continuing to press for system reform in this field, using the evidence that they gather on an ongoing basis, to get Welsh Government Ministers to understand the magnitude of the problem that exists in Gwynedd.

## Benefits Service

The Council administrates benefit support to approximately 7,500 tenants to pay their rents, and to approximately 10,000 individuals, couples or families to pay their Council Tax bill, aiming to do this in a timely and accurate manner.

It can be seen from the graph that the number of days it takes to pay has increased again in 2020/21, after a reduction in 2019/20. The result for the year reflects the spike in the first quarter of the financial year when there was a substantial increase in the number of applications, but the processing time returned to its average level by the end of the financial year.

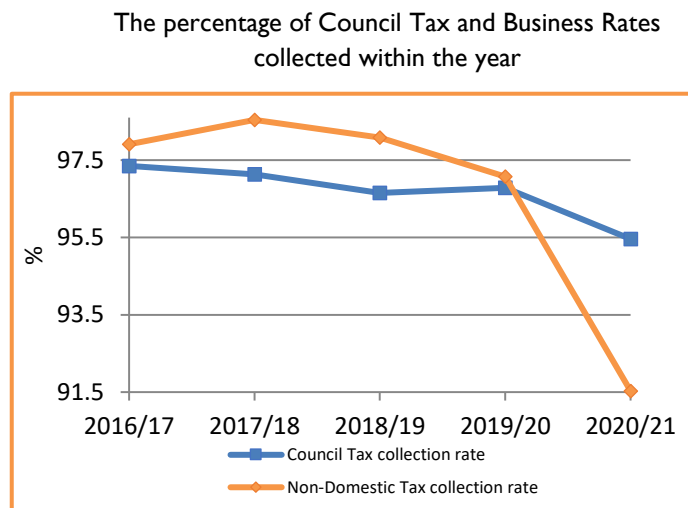


**The UK Government has started a comprehensive review of Discretionary Housing Payments arrangements during 2021/22. The review will continue into 2022/23 and the Council will continue to lobby the Government with the intention of convincing them to continue with the rural element of the Discretionary Housing Payments, which makes a significant difference for the people of Gwynedd.**

**On the whole, arrangements are operating smoothly and therefore the likelihood of a substantial decline in the service provided by the Council is low.**

## Taxation Service

Without Council Tax and Business Rates, the Council would not be able to provide its services. This service administrates and collects Council Tax for over 61,500 properties, and Business Rates (Non-domestic Rates) of approximately 9,000 business properties in the most timely and efficient manner possible, including administrating the various available discounts, exemptions and relief schemes.



There was a reduction in the Council Tax collection rates during the first months of 2020/21, mainly as a result of the Council's decision to delay any taxation debt recovery work for the first three months of the year due to the pandemic and lockdown period. By the end of the year the collection rate was close to returning to the usual level.

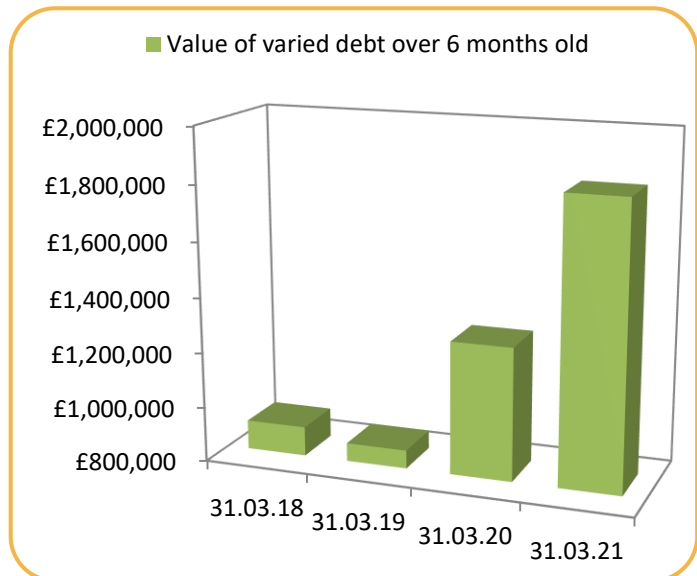
Some businesses have suffered considerably during 2020/21, and despite the business rate relief schemes for businesses in specific sectors, it is seen that the non-domestic rates collection rates are substantially lower in 2020/21 compared to a usual year. We will continue to work with businesses to direct them to suitable support, in collaboration with other services across the Council.

The Council's Taxation staff seeks to encourage individuals to request advice on personal budgeting and broader debt advice.

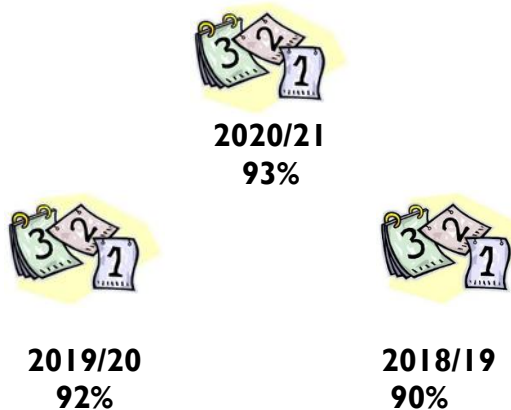
## Income Service

The Council receives income (e.g. grants, payments for service) of all types, and the Income Service processes this income, collecting the Council's debts in a timely and efficient manner in order to make the most of the income. The service considers the needs of the Council's departments and operates sensitively to debtors' financial circumstances when carrying out its work.

***The debtors figure over 6 months old on 31 March 2021 was higher than the equivalent date in previous years, partly due to the restrictions of the pandemic.***



### % of Invoices paid within 30 days



## Payments Service

The service is responsible for paying the Council's creditors in an accurate and timely manner. We pay over 151,000 invoices annually, with 93% of the invoices being paid within 30 days on average, aiming to prioritise paying local suppliers promptly.

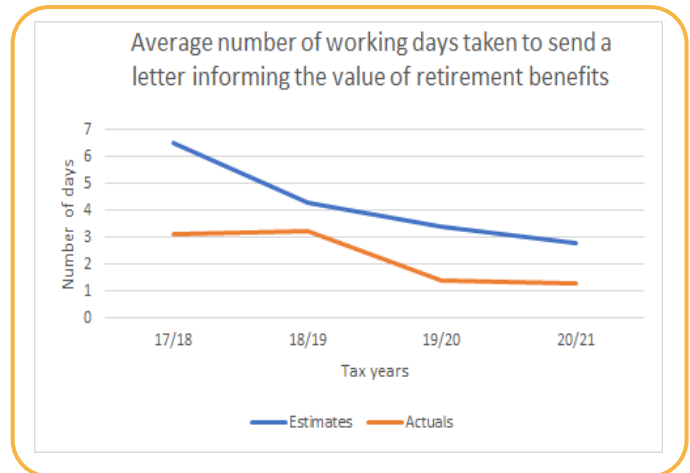
***The service has now moved to a procedure of receiving invoices electronically, with over 97% of our payments now being bank transfers, rather than cheque payments.***

## Payroll Service

There are over 7,200 different individuals working for the Council in order to enable it to serve on behalf of the people of Gwynedd, and the purpose of the Payroll Service is to ensure that they get paid accurately and in a timely manner. The service also keeps appropriate accounts in order to pay external bodies such as HMRC.

## Pensions Service

The Pensions Service is responsible for administrating the Local Government Pension Scheme (LGPS) on behalf of over 40 employers including Gwynedd Council, Anglesey County Council and Conwy County Borough Council. The fund has over 18,000 active members, 12,000 deferred members and 10,000 pensioners. The service's daily duties include establishing a record for new members, making changes to members' records, calculating deferred benefits, transferring pension rights in and out of the LGPS, and paying benefits after the retirement and death of the scheme's members.



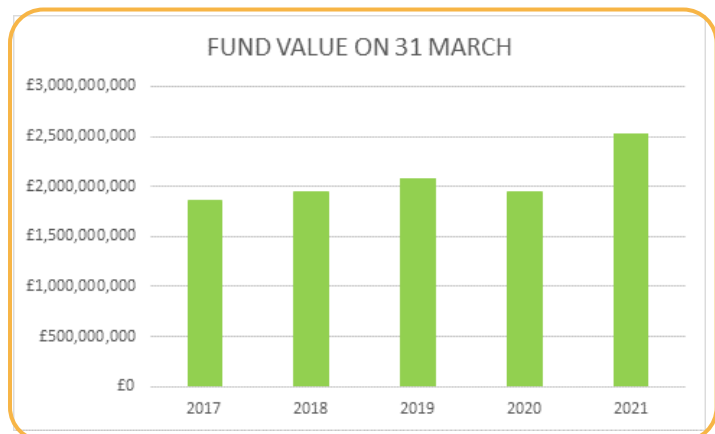
***During 2022/23, the Pensions Service will focus on improving the correspondence and self-service provision for members. Also, it is intended to work with the employers of the Pension Fund to receive relevant details for re-calculating member benefits following the 'McCloud' case.***

## Investment and Treasury Management Service

This service invests the Council's money in order to earn interest, to contribute to the funding of the services. It also manages the investments of the Pension Fund, to ensure its ability to pay pensions now and in the future. In addition to this, the service plans and arranges long-term borrowing.

The Unit's aim is to keep money safe, earn interest and ensure that funding is available to pay for daily expenditure. During 2020/21, the Council's borrowing activity remained within the constraints originally set. £422,000 was the total interest and dividends received on Council investments, which is higher than the £400,000 included in the budget. No banks used by the Council for investments failed to pay.

Local government pension funds in Wales work by increasingly pooling investments in order to get the greatest benefit to the pension fund members. The Gwynedd Fund has pooled the equity and fixed-income and emerging markets investments, which means that 83% of Gwynedd's Pension Fund investments have now been pooled.



The beginning of the 2020/21 financial year was challenging, as a result of the collapse of the stock markets in March 2020 due to the pandemic, however, the markets have bounced back with a recovery in the value of the Pension Fund to £2.5 billion again by 31 March 2021, mainly in the equity markets.

***During 2022/23, the Pension Fund's triennial valuation will take place, in order to identify the value of assets and liabilities of the 40 employers, and to adapt the level of their contributions to the pension fund by 2023/24.***

## **Finance and Accounting Service (including devolved units)**

The service provides a finance and accounting service for the Council's services, to help and support them to be effective and efficient. The service:

- Sets an annual balanced budget for the Council
- Regularly monitors and reports on the Council's financial performance
- Provides financial support with a gross budget of over £472 million
- Is responsible for producing final accounts for Gwynedd Council, GwE, Joint Planning Policy Committee, Harbours and North Wales Economic Ambition Board
- Assists the departments to realise over £32.7 million of savings since 2015 (out of a total of £34.8 million).



**Success in staying within the budget**

The Auditor General for Wales has published an unconditional audit report on the 2020/21 financial statements, indicating that the accounts have been appropriately prepared and provide an accurate and fair picture of the financial situation.

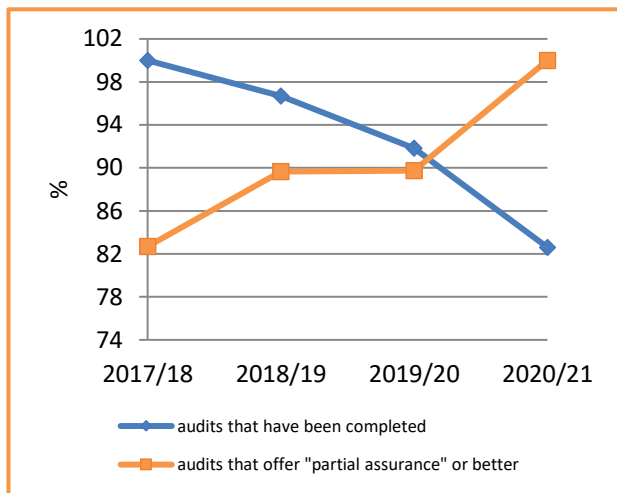
***As a result of the pandemic's impact on the Council, with a combination of additional costs and income losses we will provide additional financial advice to all Council budget holders, as well as "business" advice to the departments.***

***In general, the money the Council receives from Welsh Government is insufficient to pay for the key services provided by the Council. Therefore, in order to ensure a balanced budget, we will also continue to realise the savings that have already been approved, and will also plan, as needed, to identify and select the savings required in order to respond to the financial challenge facing the Council in the future.***

## Internal Audit Service

The service reviews the Council's governance and administrative arrangements in order to give confidence to the authority and the citizen that these arrangements are robust. We report independently and objectively to the Head of Finance Department and the Audit and Governance Committee, and to the joint-committees where Gwynedd acts as the host authority.

For periods during 2020/21, Internal Audit resources had to be redirected temporarily to deal with the Covid-19 crisis, therefore, not every audit was completed in accordance with the expected timetable.



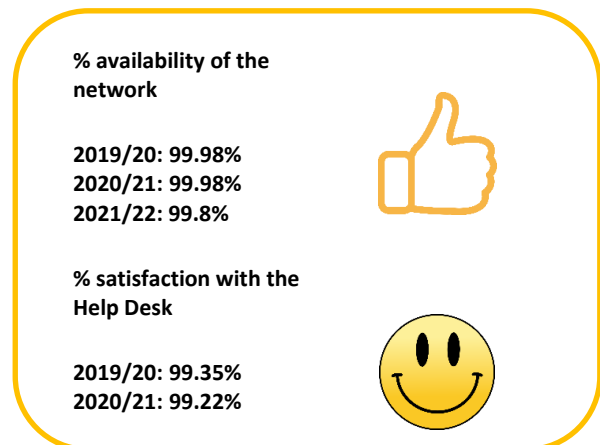
## Risk and Insurance Service

All Council departments need to assess the threats and opportunities that could face them when providing their services, and prioritise their activities based on the assessment. The role of the Risk and Insurance Service is to advise and support the departments in doing so. The Service also protects the interests of ratepayers, by ensuring appropriate insurance arrangements and dealing with around 250 claims per year.

***Work continues to ensure that all Council departments record their main risks and that they are regularly reviewed. The Risk and Insurance Service will support all departments to ensure that the use made of the Corporate Risk Register is consistent across the Council, and that risk assessments are updated continuously. In parallel, there will be increasing consideration of the content of risk registers when monitoring departmental performance.***

## Information Technology Service

The Council's Information Technology Strategy is implemented in order to help the people of Gwynedd to gain easy access to the Council's information and services, and for staff to work efficiently. The face of this service is the *Support Service and the Help Desk* which supports 2,711 users and deals with approximately 20,000 service requests per annum. 12,179 service requests received attention in the first two quarters of the year, and feedback was received from 480 users, with 466 noting that they were very satisfied, 9 satisfied and 2 dissatisfied and 2 extremely dissatisfied, with 1 stating that they were neither satisfied nor dissatisfied with the service provided.



Although the initial upheaval associated with working from home has diminished, the unit's activity continues to be higher than usual as there are elements of catching up with the work programmes that slipped as a result of the crisis.

There are preparations in the pipeline internally to bring technical support to schools in-house, in the light of publishing the *Gwynedd Schools Digital Strategy*. The unit has provided 4,500 laptops and 900 iPads to the primary sector and are providing a further 3,700 laptops for the secondary pupils and 1,050 for the County's teachers.

The *Infrastructure, Security and Network Unit* ensures that technology services are introduced on firm foundations, extending to 300 buildings, 1,400 WiFi access points and 3,500 telephone connections and supports all systems in the data centre, on 440 servers and over 1,000TB of storage. The two data centres are connected with a direct fast fibre connection. Our resilience was further strengthened during 2021/22 by introducing a second internet connection in the data centre in Penrhyndeudraeth, and the generator became operational in the Headquarters.

One exceptionally important and critical element for the delivery and support of digital services is having robust security defences and our ability to respond and recover following cyber-attacks. Our defences were strengthened by updating our anti-virus packages and adding the ability to identify and deal with attacks more swiftly, adding a back-up copy procedure to strengthen our ability to recover from a catastrophe. In addition to new technology, a web-networking exercise was conducted, and a training programme was introduced to educate our users to act as the front line of our defences.

The *Development and Geographical Information Service Unit* provides systems that have been developed around the bespoke needs of the user, including systems that are being used by the departments to serve the public, direct interfaces for the public, and self-service for staff. Considerable progress was made during 2021/22 in the introduction of new systems, although numerous requests continue to be made for the provision of urgent new systems in response to the pandemic, such as claiming and processing various grants for the county's businesses.

The *Programme Management and Innovation Unit* provides support for the departments to meet their IT needs, including ordering IT equipment and materials, implementing and monitoring

agreements and analysing needs. This unit led on enabling the Council's meetings to be held virtually, and established the capability to do this in a hybrid method by the third quarter of the year, with this provision expanded further to officer meetings by the end of the year. Significant support was provided to the test, trace and protect campaigns and the increased testing, in addition to supporting various departments to establish new systems.

The Council Cabinet approved the Gwynedd Schools Digital Strategy, and in doing so, the preparations began to internalise the digital support. Substantial work was undertaken within the service's existing resources, including the renewal of all the County's schools' networks and Wi-Fi, the provision of computers to primary schools, migration of schools' e-mails to the HWB national system, migration of all the schools' files to HWB from their dependency on local servers. This work will continue and will intensify further during 2022/23.

***During 2020/23, the Information Technology Service will carry out resilience exercises on the Council's infrastructure, bring the technical support to Gwynedd's schools in-house, and implement the new Corporate Digital Strategy.***