

Opening Budget 2011/12	Revised Budget 2011/12	Forecasted Position 2011/12	Estimated Gross Overspend / (Underspend)	Recommended Changes and Adjustments	Net Overspend / (Underspend)	Explanation	Decisions: Consideration to - - Return to balances, - Transfer to fund, - Approve additional budget, or - Suggest other specific action
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**Social Services and Housing**

**Central Services**

Central Services	4,146	4,507	4,187	(320)	50	(270)	<p>An underspend position of (£320k) which is an increase of (£83k) since the first quarter review, includes 'Category C' savings plans (£253k) achieved earlier than expected, together with one-off savings of (£67k).</p> <p>As a result of this underspend position, the Department is eager to transfer part of the underspend arising from the early achievement of the 'Category C' saving plans, to establish a Departmental Business Transformation Fund. However, it is recommended that the first call should be to support the saving plans for 2011/12 which have not been achieved and those which are likely to be under-achieved by 2012/13. Should the situation change, it is possible to review the position by the end of the financial year.</p> <p>Furthermore, due to another underspend position appearing under this heading, it would be appropriate to transfer budget on a one-off basis to alleviate some element of pressure on the Children and Families Service.</p>	<p><b>It is recommended</b> that £253k of the 'Category C' savings be earmarked on a one-off basis this year and on a permanent basis for 2012/13, to support the savings programme towards the £16million. In addition, it is recommended that a budget of £50k is transferred on a one-off basis to alleviate the overspend position in the Children and Families Service budget.</p>
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**Central Services Total =**                      **4,146**                      **4,507**                      **4,187**                      **(320)**                      **50**                      **(270)**

**Children and Families Service**

Out of County Placements	2,329	2,329	2,855	526	(500)	26	<p>A significant increase of £501k in the forecasted overspend since the first quarter review, due to a number of new cases and a reduction in the Education Department's contribution towards some specific cases.</p> <p>Due to the underspend position on some headings in the Adult Services budget, it would be appropriate to transfer budget to deal with some of the pressures on the Children Services budget.</p>	<p><b>It is recommended</b> that (£500k) of the underspend on various headings in 'Adult Service' be transferred on a one-off basis to ease the overspend position in the 'Out of County Placements' budget.</p>
Agency Adoption	1,573	1,573	1,653	80	(30)	50	<p>A reduction of £65k in the forecasted overspend since the first quarter, due to one case having been transferred to Post-Care, and a reduction in the growth previously forecasted.</p> <p>Because of the underspend on some headings in the Adult Service budget it would be appropriate to transfer budgets to alleviate some of the pressure on the Children Service.</p>	<p><b>It is recommended</b> that (£30k) of the underspend on various 'Adult' headings be transferred on a one-off basis to ease the overspend position under the 'Agency Adoption' heading.</p>
Post - 16 Services	993	991	1,097	106	(40)	66	<p>An increase of £92k in the forecasted overspend mainly due to an overspend of £93k on Support Schemes. Because of the underspend on some headings in the Adult Service budget, it would be appropriate to transfer budgets to alleviate some of the pressure on the Children Service.</p>	<p><b>It is recommended</b> that (£40k) of the underspend seen on various headings of the 'Adult Service' be transferred on a one-off basis to ease the overspend position under the 'Post -16 Service' heading.</p>
Other	8,780	8,813	8,837	24		24		

**Children and Families Service Total =**                      **13,675**                      **13,706**                      **14,442**                      **736**                      **(570)**                      **166**

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Adult Services

Elderly People	18,828	18,881	18,522	(359)	320	(39)	There has been an increase of (£133k) in the underspend position since the first quarter, including an underspend of (£323k) against the provision for 'Demographic Change', and a net underspend of (£53k) on Independent Residential and Nursing Homes. Also appearing here is the budget transfer relating to the recommendations seen above under the Children and Families heading (a £320k one-off transfer).	
Physical Disabilities	2,192	2,189	2,046	(143)	100	(43)	A net underspend position, mainly due to a reduction in the number of Residential and Nursing placements (£34k), an underspend on Direct Payments of (£27k) and an underspend of (£76k) on Home Care, due to a reduction in the number of cases. Also appearing here is a budget transfer relating to the recommendations seen above under the Children and Families heading (a £100k one-off transfer).	
Learning Disabilities	10,889	10,886	10,677	(209)	147	(62)	A movement of (£227k) since the £65k overspend position projected in the first quarter, including an underspend of (£159k) on Residential and Nursing, an underspend of (£112k) on Residential Support and an underspend of (£89k) on Support Schemes. Additionally, an overspend of £201k (an increase of £181k since the first quarter) on Day Services (reflecting the impact of new packages and higher costs of some cases). Also appearing here is the budgetary virement relating to the recommendations seen above under the heading Children and Families (a £100k one-off virement). Also included here are bids which have been approved but not used this year and, according to the usual procedure, will be returned.	<b>It is recommended</b> that £47k, that represents unused bids this year, is returned to general balances.
Mental Health	3,144	3,070	3,086	16		16	An improvement of (£72k) against the overspend position forecasted in the first quarter, including staff savings of (£79k) on Field Workers, an overspend of £81k on Residential Support, and an overspend of £20k on Direct Payments.	
Other	2,787	2,837	2,859	22		22		
<b>Adult Services Total =</b>	<b>37,840</b>	<b>37,863</b>	<b>37,190</b>	<b>(673)</b>	<b>567</b>	<b>(106)</b>		

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**Housing**

Homelessness	828	797	818	21		21	A change of £66k from the overspend forecasted in the first quarter, including one-off staff savings of (£29k) and an overspend of £39k on temporary accommodation, due to an increase in the number of cases and a reduction in the number of houses available under the Private Leasing Scheme.	
Other	4,372	4,368	4,354	(14)		(14)		
<b>Total Housing =</b>	<b>5,200</b>	<b>5,165</b>	<b>5,172</b>	<b>7</b>	<b>0</b>	<b>7</b>		
<b>Social Services and Housing Total =</b>	<b>60,861</b>	<b>61,241</b>	<b>60,991</b>	<b>(250)</b>	<b>47</b>	<b>(203)</b>	<b>General</b> A number of recommendations relating to the Department's savings programme and budgetary virements are included here. Additionally, the Department are likely to face additional costs of around £60k on maintaining and on minor improvements to residential homes in the new year.	<b>It is recommended</b> that the Department gives priority to meeting these requirements within its current permanent budgets.

**Provider and Leisure**

Central Services	0	(20)	(59)	(39)		(39)	An underspend position mainly due to one-off staff savings.	
Provider	(9)	(19)	87	106		106	A substantial movement of £123k from the (£17k) underspend forecasted in the first quarter, including a combination of reduced income and higher expenditure on Catering £19k, Cleaning and Caretaking £17k, Residential and Day £54k and Community Services £16k.	
Leisure	4,517	4,543	4,543	0		0	A neutral position as the income from Leisure Facilities has reduced £87k, but measures were taken to restrict some expenditure heads so as to confine the overspend to £14k, and there was a combination of additional income and reduced expenditure resulting in an underspend of £14k on Sports Development.	
<b>Total Provider and Leisure =</b>	<b>4,508</b>	<b>4,504</b>	<b>4,571</b>	<b>67</b>	<b>0</b>	<b>67</b>		

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**Education**

Transport	4,585	4,508	4,564	56		56	A reduction of (£50k) in the overspend forecasted in the first quarter. The overspend is due to the failure to achieve the relevant savings target to increase income from over-16 pupils fully in the current financial year, after implementing it from September 2011. It is intended to manage the relevant financial bridging this year within the Department's resources.	
Compulsory Redundancy/ Voluntary Early Retirement	188	188	81	(107)	107	0	For this year, an underspend is foreseen on this provision, and, under these circumstances, the Head of Education is eager to transfer it to a specific reserve fund for similar expenditure in the future.	<b>It is recommended</b> that £107k is transferred to a specific reserve fund to meet the costs of teachers' redundancy / retirement in the future.
Integration	2,149	2,148	2,079	(69)	69	0	This heading has been very changeable in the past, but this year an underspend situation is projected and, again, the Head of Education is eager to transfer it to a specific reserve fund to be able to respond to any increase in intense and complex pupils in the future.	<b>It is recommended</b> that £69k is transferred to a specific reserve fund for Integrating pupils with Additional Learning Needs in the future.
Special Needs Education Units and Education other than in Schools	2,317	2,188	2,026	(162)		(162)	An underspend position is forecasted including an underspend of (£74k) in the Pupil Behaviour Support field, an underspend of (£40k) by changing working practices in the Education-at-Home Service and a further underspend of (£48k) by rationalising arrangements in the Units.	
Other	14,354	14,355	14,334	(21)		(21)		
Devolved Schools	62,750	62,828	62,828	0		0		
<b>Education Total =</b>	<b>86,343</b>	<b>86,215</b>	<b>85,912</b>	<b>(303)</b>	<b>176</b>	<b>(127)</b>		

**Economy and Community**

Management	1,452	1,416	1,394	(22)		(22)	An underspend, mainly due to accomplishing the 2012/13 savings programme early.	
Country Parks	177	157	136	(21)		(21)	On the whole an underspend position is forecasted, but it includes restricting expenditure (£20k), additional parking fee income of (£10k) in Parc Padarn and a net overspend of £9k in Parc Glynllifon.	
Maritime	(241)	(206)	(193)	13		13	A substantial movement of (£117k) from the overspend of £130k forecasted in the first quarter, and it includes a reduction of £174k in fee income in Hafan, Pwllheli, and a £43k income fee reduction in Harbours. The Department intends to respond to the situation by restricting the expenditure on various budget heads (£54k) and using a combination of reserve funds and previous departmental underspends (£150k) so as to limit the net overspend to only £13k . As part of the task of completing the financial strategy for 2012/13, the relevant income target level will be reviewed to consider the circumstances and the position that is projected in the new year.	
Other	4,581	4,697	4,689	(8)		(8)		
<b>Economy and Community Total =</b>	<b>5,969</b>	<b>6,064</b>	<b>6,026</b>	<b>(38)</b>	<b>0</b>	<b>(38)</b>		

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**Highways and Municipal Service (including Trunk Road Agency)**

**Relating to Waste**

Waste Disposal	3,770	3,821	3,905	84		84	It is forecasted that we will fall short of the internal recycling target, and as a result, there will be an increase in landfill tax costs.	
Civic Amenity Sites	844	771	614	(157)		(157)	An underspend position mainly due to one-off savings of (£118k) due to the delay in the opening of the Dolgellau amenity site and other operating savings of (£39k).	
Waste Collection and Recycling	4,078	4,257	4,044	(213)		(213)	There has been slippage in the relevant work programme for food waste circuits, mainly due to the delay in receiving new purposeful vehicles, and this is the main contributor to this underspend position.	
Commercial Waste	184	174	344	170		170	The recycling target which was estimated last year for the current year has not been achieved and, as a result, there is a considerable overspend on disposal costs and on the relevant landfill costs. The situation will be fully reviewed when establishing the commercial waste fees for 2012/13.	
Waste Disposal Sites	4,194	4,196	4,305	109		109	An overspend position, and includes the failure to find savings of £170k which were supposed to have arisen from the commercial recycling target (above), but, on the other hand, this has led to additional income of (£145k) to the sites. Also included is higher expenditure of £100k on effluence at Llwyn Isaf, reduction of £59k in electricity royalties receipts, and an underspend of (£76k) as a result of one-off staff savings and savings on operating costs.	
Other Waste	746	671	650	(21)		(21)		

**Total Relating to Waste =**      13,816      13,890      13,862      (28)      0      (28)

Highways and Municipal - Other	16,377	16,513	16,510	(3)		(3)		
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**Highways and Municipal Total =**      30,193      30,403      30,372      (31)      0      (31)

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**Regulatory (Planning, Transportation and Public Protection)**

Development Control	686	715	884	169	169	An overspend of £38k was forecasted in the first quarter due to a reduction in planning fee income. By now, the situation has deteriorated further, and although a flow of small applications are received, it is the large applications that are missing, and these are the ones that attract the level of income that usually supports the Unit.	
Car Parks	(1,009)	(914)	(835)	79	79	The Board on 26/07/11 approved to freeze parking fees for this year, and to bridge the relevant financial deficiency by releasing £95k from the Council's reserve provision. This adjustment is reflected in the reported position, with the remainder of the overspend being mainly due to a substantial loss in rental income from one bankruptcy case.	
Public Protection	2,392	2,539	2,289	(250)	(250)	A substantial underspend position mainly due to savings on vacant posts, ahead of restructuring.	
Other	9,001	8,924	8,903	(21)	(21)		
<b>Regulatory Total =</b>	<b>11,070</b>	<b>11,264</b>	<b>11,241</b>	<b>(23)</b>	<b>0</b>		

**Consultancy**

Consultancy	(567)	(479)	(365)	114	(70)	44	An overspend position, mainly due to a reduction in income (professional consultancy fees received which usually funds the Unit). The department is taking several measures to respond to the situation, including reviewing its income and expenditure levels, and comparing performance with the external market, which is likely to be competing for similar work. To this end the Head of Department is eager to reduce the Department's income target, by reducing the charging rate, which would, partly, help it to be more competitive in its quest for new work.	Under the circumstances, <b>it is recommended</b> to approve a budget of £70k for the department, to allow a reduction in the current income target, and to come from a reserve.
Building Control	269	266	361	95	95	95	The overspend position has deteriorated from the £16k forecasted in the first quarter, and the significant reduction in income reflecting the difficulties faced during a period of recession. The department is taking steps to try and reduce the deficit by the end of the year.	
Other	864	869	889	20	20	20		
<b>Consultancy Total =</b>	<b>566</b>	<b>656</b>	<b>885</b>	<b>229</b>	<b>(70)</b>	<b>159</b>		

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**Human Resources**

Expenditure	3,619					A net underspend position, arising mainly from an underspend of (£65k) in the Support Service Unit as savings have been realised early, and one-off staff savings due to high number of maternity cases.	
Income	(3,619)						
<b>Human Resources Net Total =</b>	<b>0</b>	<b>139</b>	<b>71</b>	<b>(68)</b>	<b>0</b>	<b>(68)</b>	

**Finance**

Expenditure	7,385					A net underspend position is forecasted, and mainly includes one-off staff savings (£76k) and additional expenditure on maintaining empty buildings £22k.	
Income	(6,496)						
<b>Finance Net Total =</b>	<b>889</b>	<b>901</b>	<b>845</b>	<b>(56)</b>	<b>0</b>	<b>(56)</b>	

**Democracy and Legal**

Expenditure	6,063					An overspend position of £130k was forecasted in the first quarter, that has improved slightly to £97k. Despite an underspend on staffing of (£34k) and an underspend of (£8k) on transport costs, the Printing Unit is forecasted to show a deficit of £147k by the end of the financial year, mainly due to the income deficit. A business review on the Unit's position was conducted recently and the Head of Department will be presenting a report to the Leadership Group shortly. Meanwhile, the Department is considering different financial sources to bridge the difference for this year, and it appears reasonable to consider supporting them as recommended opposite. Additionally, the Head of Department is eager to transfer £112k from the Democratic Fund to the Members Training Fund, to secure sufficient resources for that purpose, which is managed by the Learning and Development Manager in the Training Unit.	Under the circumstances, <b>it is recommended</b> that further consideration to any financial support towards the situation should be done after receiving and considering the Head of Democracy and Legal Department's report on the matter. In accordance with the Head of Democracy and Legal Department's request, <b>it is recommended</b> that £112k is transferred from the Democratic Fund to the Members Training Fund.
Income	(5,488)						
<b>Democracy and Legal Net Total =</b>	<b>575</b>	<b>638</b>	<b>735</b>	<b>97</b>	<b>0</b>	<b>97</b>	



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**Customer Care**

Expenditure	11,649					An underspend position is forecasted, mainly resulting from several units' one-off staff savings, namely the Information Technology Unit (£61k), Communications Unit (£32k), Web Team (£11k), Property Unit (£71k), and the Processing Unit (£6k). However, several Units are showing overspend positions which are mainly due to the failure to realise this year's savings plans. These are receiving further attention. As the capital resources situation has become extremely variable, the Head of Department is eager to ensure the ability to respond to a reduction in capital projects, by adjusting the relevant level of staffing. This is to be done by ensuring that a specific provision be set aside for redundancy costs if necessary, to be funded by transferring additional income (received by capitalising staff costs to the capital programme) to a specific fund.	In accordance with the Head of Customer Care Department's request <u>it is recommended</u> that £47k be transferred to a specific fund for redundancy costs in order to respond to the changes in the capital programme.
Income	(9,378)						
<b>Customer Care Net Total =</b>	<b>2,271</b>	<b>2,448</b>	<b>2,373</b>	<b>(75)</b>	<b>47</b>	<b>(28)</b>	

**Strategic and Improvement**

Expenditure	6,150					Net underspend position, consisting of an underspend of (£39k) as a result of the early realisation of the 2012/13 efficiency savings, an additional (£16k) of income from the Research and Information Unit, an underspend of (£30k) by the Gwynedd ar y Cyd Partnership Unit due to underspends on staffing and supplies and services, and an underspend of (£21k) by the Strategic Review Unit.
Income	(5,246)					
<b>Strategic and Improvement Net Total =</b>	<b>904</b>	<b>608</b>	<b>510</b>	<b>(98)</b>	<b>0</b>	<b>(98)</b>

**Leadership Team**

Expenditure	751					
Income	(751)					
<b>Leadership Team Net Total =</b>	<b>0</b>	<b>29</b>	<b>23</b>	<b>(6)</b>	<b>0</b>	<b>(6)</b>



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**Corporate Budgets**

Council Tax (additional element only)	0	0	70	70		70	For the 2011/12 budget, the tax collection rate was increased from 98% to 99%. Although the performance may vary at different times of the year, it is currently forecasted that there will be a £70k reduction in the tax collected, which is a likely reflection of the general economic situation .	
Net Interest Receipt	(700)	(700)	(810)	(110)		(110)	the latest forecasts show an increase in net interest received of (£110k) due to performance that is better than expected, resulting from higher than anticipated rates of interest, as well as a more favourable cash flow. Due to the variable nature of this area, no recommendations are to be made until later in the year.	
Corporate Savings Plans	(838)	(920)	(738)	182		182	A substantial progress in the savings projects that have been realised, but for the time being it is foreseen that £182k will not be achieved this year.	
Other	16,757	17,050	17,049	(1)		(1)		

**Corporate Net Total =**                      **15,219**      **15,430**      **15,571**      **141**                      **0**                      **141**

**Total (for reviewing purpose) =**                      **219,368**      **220,540**      **220,126**      **(414)**                      **200**                      **(214)**