

**TAFLEN BENDERFYNIAD CABINET
CYNGOR GWYNEDD
CABINET DECISION NOTICE**

Dyddiad/Date: 02/06/2015

PWNC / SUBJECT

Eitem 7: Cyfrifon Terfynol 2014/15 – Alldro Refeniw

Item 7: 2014/15 Final Accounts – Revenue Out-turn

PENDERFYNIAD / DECISION

1. Cymeradwyo sefyllfa ariannol derfynol 2014/15 er mwyn galluogi'r Adran Gyllid i symud ymlaen a chynhyrchu'r datganiadau ariannol statudol ardystio gan y Pennaeth Cyllid erbyn 30 Mehefin a'u cyflwyno i'w craffu gan y Pwyllgor Archwilio ar 16 Gorffennaf 2015.
2. Cymeradwyo'r symiau i'w cario 'mlaen (y golofn "Gor/(Tan) Wariant Addasedig" o'r talfyriad yn Atodiad 1), sef –

| ADRAN | £'000 |
|-----------------------------|--------------|
| Oedolion, Iechyd a Llesiant | 0 |
| Plant a Theuluoedd | (100) |
| Addysg | 3 |
| Economi a Chymuned | (60) |
| Priffyrdd a Bwrdeistrefol | (49) |
| Rheoleiddio | 40 |
| Ymgynghoriaeth Gwynedd | (21) |
| Adran y Prif Weithredwr | (64) |
| Cyllid | (38) |
| Adnoddau Dynol | (64) |
| Strategol a Gwella | (94) |
| Cyllidebau Corfforaethol | 0 |

3. Cymeradwyo'r trosglwyddiadau ariannol canlynol (amlinellwyd yn Atodiad 2 yr adroddiad i'r cyfarfod) –
 - Gan fod y lefel o danwariant caniateir i'w gario ymlaen wedi'i gyfyngu i (£100k), cadarnhau fod y (£255k) sy'n weddill o'r Adran Plant i'w ryddhau a'i ail-gylchu ar gyfer delio gyda diffyg mewn adran arall.
 - Clirio gorwariant yr Adran Oedolion, a'i ariannu drwy:-
 - all gyfeirio tanwariant (£255k) roedd uwchben y trothwy (£100k);
 - defnyddio (£113k) o falansau cyffredinol.
 - Defnyddio (£235k) pellach o'r balansau cyffredinol er mwyn clirio'r diffyg net ar benawdau 'Corfforaethol'.

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4. Nodi'r gostyngiad yn lefel y cyfanswm o gronfeydd penodol (defnyddio'r cronfeydd i'r pwrpasau neilltuwyd), a'r gostyngiad yn lefel balansau cyffredinol y Cyngor (yn unol â'r Strategaeth Ariannol yn ogystal â'r uchod) yn ystod 2014/15.
1. *To approve the final financial situation for 2014/15 to enable the Finance Department to move forward and produce the statutory financial statements, certified by the Head of Finance Department by 30 June and to be submitted to be scrutinised by the Audit Committee on 16. July 2015.*
2. *To approve the amounts to be carried forward (the "Revised Over/(Under) Spend" column of the summary in Appendix 1), namely -*

| DEPARTMENT | £'000 |
|-------------------------------|--------------|
| Adults, Health and Well-being | 0 |
| Children and Families | (100) |
| Education | 3 |
| Economy and Community | (60) |
| Highways and Municipal | (49) |
| Regulatory | 40 |
| Gwynedd Consultancy | (21) |
| Chief Executive's Department | (64) |
| Finance | (38) |
| Human Resources | (64) |
| Strategic and Improvement | (94) |
| Corporate Budgets | 0 |

3. *To approve the following financial transfers (as outlined in Appendix 2 of the report to the meeting) -*
- *As the level of underspend permitted to be carried forward is restricted to (£100k), confirm that the (£225k) which is surplus from the Children's Department is to be released and recycled to deal with a deficit in another department.*
 - *Clear the Adults Department's overspend, and finance it by:-*
 - *re-directing the underspend (£225k) which was above the (£100k) threshold;*
 - *using (£113k) from general balances.*
 - *Use an additional (£235k) from general balances in order to clear the net deficit on 'Corporate' headings.*
4. *To note the reduction in the level of total specific reserves (use the reserves for the specific purposes) and the reduction in the Council's general balances (in accordance with the Financial Strategy as well as the above) during 2014/15.*

RHESYMAU DROS Y PENDERFYNIAD / REASON FOR THE DECISION

Adroddodd yr Aelod Cabinet Adnoddau fod sefyllfa ariannol derfynol y Cyngor yn

2014/15 yn gyffredinol dderbyniol, er gwaethaf amgylchiadau anodd a thynhau parhaus. Diolchodd yr Aelod Cabinet Adnoddau i bawb roedd wedi cyfrannu at y rheolaeth ariannol effeithiol o gyllidebau'r adrannau, gan gynnwys penaethiaid adrannau, rheolwyr cyllidebau, cyfrifwyr, a'r Aelodau Cabinet perthnasol.

Yn Atodiad 1 yr adroddiad i'r cyfarfod, adroddwyd ar sefyllfa tanwariant / gorwariant pob adran i'r Cabinet, gan gymeradwyo'r symiau sydd i'w cario ymlaen. Yn unol â rheol 16.3.1(a) o'r Rheoliad Gweithdrefn Ariannol, mae'r Pennaeth Adran Oedolion, gyda chefnogaeth y Tîm Rheoli Corfforaethol, yn cyflwyno cais i'r Cabinet ddileu diffyg yr Adran Oedolion, roedd tu hwnt i'w ddylanwad. Y rhagdybiaeth arferol, yn unol â rheoliad 16.3.1(b) uchod, fyddai i'r Adran gario ymlaen £50,000 o'u diffyg, ond mae'r Cabinet yn cytuno i roi tudalen lan i'r Adran Oedolion symud ymlaen i wynebu a rheoli rhai tueddiadau gwariant heriol yn 2015/16 a rhoi blaenoriaeth i wireddu arbedion ariannol sylweddol.

Yn gyffredinol, lle mae'r adrannau wedi tanwario, mae'r sefyllfa hwnnw am un tro yn 2014/15 yn unig, lle mae cynlluniau arbedion effeithlonrwydd 2015/16 wedi'u gwireddu yn gynnar.

Yn y mwyafrif o'r cyllidebau lle bu gorwariant yn 2014/15, rhoddwyd ystyriaeth briodol i'r anghenion perthnasol yng nghylch cyllidebu 2015/16, ac mae'r mwyafrif o'r gorwariant hynny eisoes wedi'i gyfarch yn y strategaeth ariannol ar gyfer 2015/16 (drwy weithrediad rheolaethol i atal y tueddiad a/neu drwy addasu'r gyllideb).

Mae gan yr Adran Addysg drefniadau ar gyfer herio'r ysgolion unigol i gyfiawnhau'r angen am eu balansau, ac maent yn gofyn i'r penaethiaid a chyrrff llywodraethu'r ysgolion perthnasol i egluro'u bwriad i defnyddio eu balansau (yn arbennig rheiny sydd gyda balansau dros 5% o'i cyllideb). Bydd yr Uned Gyllid berthnasol hefyd yn atgoffa penaethiaid a chyrrff llywodraethol yr ysgolion sydd â diffygion ariannol fod angen delio gyda hynny.

Bu canlyniadau cymysg ar benawdau cyllideb corfforaethol eleni, fel a amlinellir yn rhan olaf Atodiad 2 yr adroddiad i'r cyfarfod. Os defnyddir y tanwariant fel argymhellir ym mharagraff 3 o'r Penderfyniad uchod, bydd balansau cyffredinol y Cyngor wedi gostwng £2m o £8.4m i £6.4m ar 31/03/2015. Mae £2m o'r balansau cyffredinol yma eisoes wedi'u ymrwymo eleni, yn Strategaeth Ariannol 2015/16. Fodd bynnag, dylid nodi, trwy reolaeth effeithiol o'i gyllidebau yn 2014/15, llwyddodd y Cyngor i ddelio gyda sawl mater ariannol yn ystod y flwyddyn.

Gwelwyd ostyngiad o £1.3m o holl gronfeydd penodol y Cyngor, o £49.8m i £48.5m yn 2014/15. Er bod y cronfeydd yma wedi'u neilltuo at ddibenion penodol lle byddwn yn wynebu gwariant yn y dyfodol, mae adolygiad trylwyr o'u digonolrwydd wedi'i gyflawni gan y Pennaeth Cyllid. Fodd bynnag, wrth ystyried yr hinsawdd ariannol heriol bresennol, dylid herio'r cronfeydd hyd yn oed ymhellach. Cymeradwywyd felly i gynnal adolygiad pellach yn fuan yn ystod 2015/16, gyda golwg ar gynhaefu mwy o adnoddau er mwyn diwallu anghenion y Gronfa Ddiswyddo a'r Gronfa Trawsnewid, sy'n cynnwys adnoddau ar gyfer Buddsoddi i Arbed. Adroddir ymhellach i gyfarfod dilynol o'r Cabinet ar ganlyniad yr adolygiad.

The Cabinet Member Resources reported that the final financial position of the Council in 2014/15 was generally acceptable, despite difficult conditions and continuous tightening. The Cabinet Member for Resources thanked everyone who had contributed to the effective financial management of departmental budgets, including heads of departments, budget managers, accountants, and the relevant Cabinet Members.

In Appendix 1 of the report to the meeting, the underspend / overspend position of each department was reported to the Cabinet, approving the sums to be carried forward. In accordance with regulation 16.3.1(a) of the Financial Procedure Regulation, the Head of Adults Department, with the support of the Corporate Management Team, is submitting a request that the Cabinet writes off the Adults Department's deficit, which was beyond its influence. The usual assumption, in accordance with regulation 16.3.1(b) above, would be for the Department to carry over £50,000 of its deficit, but the Cabinet agrees to give the Adults Department a clean slate in order to move forward to face and manage some challenging expenditure trends in 2015/16 and give priority to realising substantial financial savings.

Generally, where departments have underspent, that position would be for one time in 2014/15 only, where 2015/16 efficiency savings schemes have been realised early.

In the majority of budgets where there was an overspend in 2014/15, appropriate consideration has been given to the related requirements in the 2015/16 budgetary cycle, and most of that overspend has already been addressed in the Financial Strategy for 2015/16 (by management action to halt the trend, and/or by amending the budget).

The Education Department has arrangements to challenge individual schools to justify the need for their balances, and they are asking school heads and the relevant schools' governing bodies to explain their intention to use their balances (particularly those with balances exceeding 5% of their budget). The relevant Finance Unit will also remind the head teachers and governing bodies of the schools which have financial deficits that this needs to be dealt with.

There were mixed results on corporate budget headings this year, as outlined in the final section of Appendix 2 in the report to the meeting. If the underspend is applied as recommended in paragraph 3 of the Decision above, the Council's general balances will reduce by £2m from £8.4m to £6.4m on 31/03/2015. £2m of these general balances has already been committed this year in the 2015/16 Financial Strategy. However, it should be noted that through effective control over its budgets in 2014/15, the Council will have succeeded in dealing with several financial issues during the year.

The total of all the Council's specific reserves reduced by b£1.3m from £49.8m to £48.5m in 2014/15. While these reserves have been earmarked for specific purposes where we will incur future expenditure, a thorough review of their adequacy has been completed by the Head of Finance Department. However,

whilst considering the current challenging financial climate, reserves should be challenged even further. Approval was, therefore, given to conduct a further review early in 2015/16, with a view to harvesting more resources to meet the ongoing needs of the Redundancy Reserve and the Transformation Reserve. which includes resources for Investing to Save. The outcome of this review will be reported to a subsequent meeting of the Cabinet.

SYLWADAU NEU BWYNTIAU CROES / OBSERVATIONS OR OPPOSING VIEWS

Derbyniwyd yr adroddiad a gyflwynwyd gan y Cyng. Peredur Jenkins.

The report submitted by Councillor Peredur Jenkins was accepted.

BARN Y SWYDDOGION STATUDOL / THE VIEWS OF THE STATUTORY OFFICERS

1. Y Prif Weithredwr / *Chief Executive:-*

Mae rheolaeth ariannol gadarn yn gosod sylfaen gref i'r Cyngor fedru goresgyn y cyfyngiadau ariannol yr ydym yn eu wynebu tra'n sicrhau fod ardrawiad y cyfyngiadau hynny ar bobl Gwynedd cyn lleied ag y mae modd iddo fod. Mae'r adroddiad yma ar sefyllfa ariannol derfynol 2014/15 yn dyst i'r ffaith fod ein disgyblaeth ariannol yn parhau'n gryf. Mae hynny'n glod i bawb sy'n ymwneud a'r broses ac yn arbennig y Penaethiaid a holl reolwyr y Cyngor sy'n ymarfer y ddisgyblaeth angenrheidiol.

Mae'r argymhellion sydd yn cael eu cynnig yn yr adroddiad i weld yn rai synhwyrol ac 'rwyf yn eu cefnogi'n llawn.

Robust financial control enables the Council to have a strong foundation in order to overcome the financial constraints with which we are faced whilst at the same time ensuring that the effect of those constraints on the people of Gwynedd are kept to the absolute minimum. This report on the 2014/15 financial outturn position is evidence that our financial discipline remains strong. This is a credit to all those who are involved in the process and in particular the Heads of Service and all managers who exercise the required discipline.

The recommendations made in the report appear to be reasonable and I fully support them.

2. Swyddog Monitro / *Monitoring Officer:-*

Dim i'w ychwanegu o ran priodoldeb. / *Nothing to add regarding propriety.*

3. Prif Swyddog Cyllid / *Chief Finance Officer:-*

Rwyf wedi cydweithio gyda'r Aelod Cabinet i baratoi'r adroddiad yma ac yn cadarnhau cywirdeb y cynnwys.

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

Barn yr aelod lleol / Views of the Local Member

Ddim yn fater lleol. / Not a local mater.
