

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Adults, Health and Wellbeing Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Adults Services</u>						
Older Peoples Services						
Residential and Nursing - Homes	11,408	11,423	15	0	15	(197)
Home Care	6,241	5,729	(512)	0	(512)	(215)
Other	1,820	1,874	54	0	54	(213)
	19,469	19,026	(443)	0	(443)	(625)
Physical Disability Services						
Residential and Nursing	523	454	(69)	0	(69)	(14)
Home Care	1,108	938	(170)	0	(170)	(37)
Other	663	689	26	0	26	(29)
	2,294	2,081	(213)	0	(213)	(80)
Learning Disability Services	16,618	16,413	(205)	0	(205)	(479)
Mental Health Services						
Residential and Nursing	1,569	1,563	(6)	0	(6)	166
Other	1,888	1,978	90	0	90	(200)
	3,457	3,541	84	0	84	(34)
Other Services (Adults)	2,965	3,080	115	0	115	(19)
Adults Services Total	44,803	44,141	(662)	0	(662)	(1,237)

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Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Provider Services (showing net budget)</u>						
Residential Care	115	379	264	0	264	362
Day Care	7	48	41	0	41	89
Community Care	545	982	437	0	437	270
Other	25	119	94	0	94	(59)
<u>Total Provider Services</u>	692	1,528	836	0	836	662
<u>Other Services</u>						
Housing Services	1,870	1,975	105	0	105	12
Departmental Central Services (including the Department's savings schemes)	3,950	4,281	331	0	331	426
2017/18 Final Accounts Adjustment						37
Use of specific reserve		(457)	(457)	0	(457)	
<u>Total Other Services</u>	5,820	5,799	(21)	0	(21)	475
<u>Adults, Health and Wellbeing Total</u>	51,315	51,468	153	0	153	(100)

Adults, Health and Wellbeing

Older Peoples Services - reduction in the number of home care packages, but a shortage of providers in parts of Gwynedd has led to an increase in the waiting list.

Physical Disability Services - the trend in the reduced number of home care and residential and nursing packages continues this year.

Learning Disability Services - underspend on residential and nursing and supported accommodation is being reduced by an overspend on day care services.

Mental Health Services - an increase in supported accommodation costs with discussions continuing with the health service regarding contributions for the provision.

Provider Services - increase in the overspend trend since 2017/18, additional staff costs is mainly responsible for the overspend with some of the reasons being homes in special measures, recommendations by Care Inspectorate Wales and appointments beyond the budget. Costs are higher than the income recovered on Community Care.

Housing Services - increasing pressure on temporary accommodation for the homeless and slippage in realising the savings scheme.

Departmental Central Services - slippage in realising some of the 2017/18 savings schemes.

While closing the 2017/18 accounts, the Cabinet on the 22 May 2018, gave the Department permission to transfer £457k equivalent to the supporting social services over winter grant to a specific reserve. As the Department is overspending this year, it's appropriate that the £457k is used to help alleviate the reported overspend.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Children and Families Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	611	595	(16)	0	(16)	(19)
Operational	2,069	2,231	162	0	162	256
Placement						
Out of County Placements	1,587	2,187	600	0	600	405
Agency Fostering	1,009	1,033	24	0	24	135
Internal Fostering	1,701	1,912	211	0	211	102
Support Services and Other	1,625	1,715	90	0	90	70
	5,922	6,847	925	0	925	712
Post-16	999	1,108	109	0	109	(5)
Specialist/Derwen	1,687	1,843	156	0	156	22
Youth Justice	252	207	(45)	0	(45)	(40)
Early Years	162	160	(2)	0	(2)	(27)
Youth	922	734	(188)	0	(188)	(53)
Other	1,597	1,586	(11)	0	(11)	(123)
2017/18 Final Accounts Adjustment						(676)
Children and Families Total	14,221	15,311	1,090	0	1,090	723

Children and Families

Operational - the 2017/18 trend continues with staff costs above the budget level together with an increase in the number children in care but not in foster placements.

Placement - increase in the costs of new out of county placement packages but a continuous reduction in health contributions. The 'When I'm Ready' scheme is overspending in Internal Fostering and pressure on support services due to the requirements of court orders, together with overspend on residential order allowances and fostering allowances. Work is being done on the out of county area to look at the accompanying savings schemes assumptions, the result of the research will soon be reported to the Cabinet.

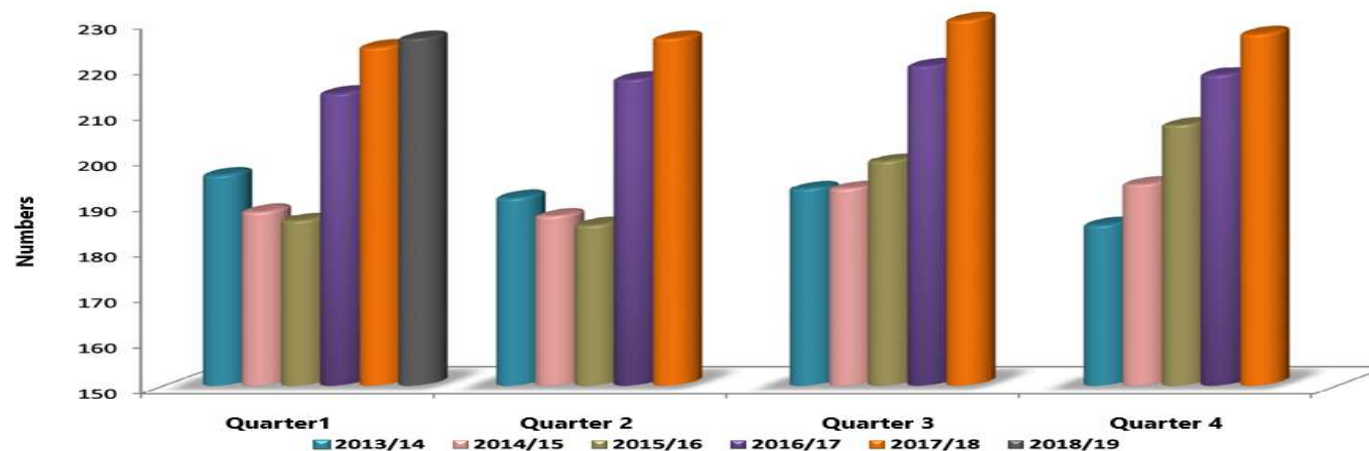
Post-16 - two cases that have recently transferred from out of county placements are responsible for the overspend.

Specialist/Derwen - increasing demand on the service which needs specialist support, with over fifty new cases for respite referred to the support services during 2018/19.

Youth - one off underspend during a transitional period in providing the youth service.

The increasing pressure from the number of cases for the Department can be seen in the chart below. But, the Cabinet Member for Children and Young People along with the Head of Department are asked to ensure decisive steps are taken to reduce the overspend by the end of the financial year.

Children in Care 2013/14 to 2018/19



REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Education Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Delegated Schools	74,087	74,087	0	0	0	0
Schools Quality Services	(411)	(558)	(147)	0	(147)	(347)
Infrastructure and Support Services						
Transport	4,606	5,088	482	0	482	284
Ancillary Service	413	513	100	0	100	262
Other	2,301	2,271	(30)	0	(30)	30
	7,320	7,872	552	0	552	576
Leadership and Management	2,112	2,121	9	0	9	20
Additional Learning Needs and Inclusion	4,184	4,520	336	0	336	(42)
Education Total	87,292	88,042	750	0	750	207

Education

Schools Quality Services - (£147k) forecasted underspend as a result of staff turnover, grant income and a reduction in costs.

Transport - the overspend trend observed in 2017/18 has deepened. Deficit of £25k on the sale of post-16 transport tickets and £117k overspend on school bus transport following retendering of routes of two operators.

Although a one-off budget of £200k has been given to taxi transport for schools at the beginning of the year, the level of overspend anticipated has increased to £340k, which is a full year effect of the growth in 2017/18, together with an increase in the applications since establishing this year's budget. The Head of Education in conjunction with the Environment Head were asked to investigate the increase in the expenditure on taxi transport for schools and take action to manage the situation in each of the 2017/18 quarterly reviews. We understand from the Education Department that a review is underway, with some practical steps to reduce the overspend already taken. With the intention to report on the findings of that report by the next financial review in January 2019.

As the associated financial situation has now worsened, the Cabinet Member is therefore asked to report directly to the Cabinet on the matter.

Infrastructure and Support Services - Ancillary Service - overspend of £100k, which is a combination of costs deriving from sickness and staffing matters in Catering, Cleaning and Caretaking of schools, overspend on the breakfast scheme together with an income deficit from school meals.

Additional Learning Needs and Inclusion - circumstances in relation to one specific centre continues and is responsible for £216k of the overspend. Pre School Units overspending by £90k and during the transitional period of the new regime, overspend of £70k in Education other than at School, but staff turnover in the service has reduced the reported overspend (£40k).

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Economy and Community Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	344	344	0	0	0	1
Community Learning	1,826	1,836	10	0	10	(27)
Tourism and Heritage	1,149	1,175	26	0	26	7
Economy and Community	366	332	(34)	0	(34)	16
Healthy Communities	1,716	1,915	199	(40)	159	21
Economy and Community Total	5,401	5,602	201	(40)	161	18

Economy and Community

Tourism and Heritage - overspend of £63k forecasted by Storiel is a combination of overspend on staff and a lack of income. Underspend by the Halls and Archives has reduced the overspend reported.

Economy and Community - underspend on supporting business, country parks and more income from beaches as a result of the favourable weather, is reduced by the income deficit of £52k by the Hafan, Pwllheli.

Healthy Communities - two main factors are responsible for the overspend of £199k, £157k slippage on the running of leisure facilities savings scheme and a £40k loss of income following the closure of the Arfon swimming pool for 10 weeks over the summer. While setting this year's budget, it was noted that closing the Arfon swimming pool over the summer would lead to a loss of income. No additional resource was given at the beginning of the year, but would be taken into consideration when completing the review of the budgets. It is recommended that the Cabinet compensates the Department for the loss of income.

It is recommended that £40k is given to the Economy and Community Department to compensate for the loss of income following the closure of the Arfon swimming pool over the summer.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Highways and Municipal Department (including Trunk Roads Agency)	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Highways Services (including Trunk Roads)	9,777	9,843	66	0	66	49
Engineering Services	373	402	29	0	29	112
Municipal Services						
Waste	10,959	11,137	178	0	178	184
Other	3,893	4,180	287	0	287	(42)
2017/18 Final Accounts Adjustment						(203)
Highways and Municipal Total (including Trunk Roads Agency)	25,002	25,562	560	0	560	100

Highways and Municipal (including Trunk Roads Agency)

Highways Services - one-off overspend on staff costs is responsible for the overspend.

Waste - £178k overspend is forecasted on waste collection and recycling, with a continuation in the trend of overspend associated with sickness and higher operational costs. The Department has already taken steps to find a solution, by changing shifts and collection route arrangements, which will be effective from November in Dwyfor and in 2019/20 in Arfon and Meirionnydd. An underspend on other headings contributes to reducing the overspend reported.

Other Municipal Services - the forecasts suggest an overspend of £287k primarily on the commercial waste side. Increasing vehicle running costs, an increase in the costs of contractors that handle recycling materials and loss of income all contribute to the overspend. £69k of the loss of income is a result of external competition for commercial waste with £15k because of the closure of businesses.

Although some steps have already been taken on the waste side, the Cabinet Member for Highways and Municipal and the Head of the Department are expected to take further decisive steps during the year to ensure measures to operate within the budget. The Cabinet Member is therefore asked to report directly to the Cabinet on the matter.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Environment Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Department Management	493	495	2	0	2	(49)
Planning Services						
Development Control	194	321	127	0	127	40
Other	204	189	(15)	0	(15)	(16)
	398	510	112	0	112	24
Street Works and Transport Services						
Network Management (Transport)	748	657	(91)	0	(91)	46
Parking and Parking Enforcement	(1,651)	(1,717)	(66)	0	(66)	48
Integrated Transport	1,671	1,670	(1)	0	(1)	(257)
	768	610	(158)	0	(158)	(163)
Countryside and Access	748	745	(3)	0	(3)	12
Public Protection	1,636	1,621	(15)	0	(15)	(43)
Property, Caretaking, Catering and Cleaning	3,247	3,280	33	0	33	30
2017/18 Final Accounts Adjustment						89
Environment Total	7,290	7,261	(29)	0	(29)	(100)

Environment

Planning Services - a deficit in income for Development Control is anticipated, which follows the trend from previous years.

Street Works and Transport Services - favourable forecast primarily due to the income from the Network Management (Transport) area and Parking and Parking Enforcement, along with an underspend on staffing.

Additional costs derived from retendering of contracts of two bus operators in Integrated Transport. At the end of 2017/18 financial support was received from the Welsh Government towards increasing costs, and the Cabinet on the 22 May 2018 gave the Department permission to transfer £378k of this into a specific reserve for this purpose. Part of the reserve has been used to fund the current year's associated overspend.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Consultancy Department	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Roads and Engineering Services	(361)	(433)	(72)	0	(72)	(110)
Building Services	(24)	7	31	0	31	(8)
Flood Risk Management Unit Services	549	551	2	0	2	9
Building Control	116	135	19	0	19	27
Consultancy Total	280	260	(20)	0	(20)	(82)

Consultancy

Roads and Engineering Services - the latest forecasts suggest an underspend of (£72k), following the success of the Department in attracting additional income through a combination of internal and external work. With the forecasts at this point in the year much more promising than in previous years

Building Services - the service continues to apply for work from external organisations to attract income, but based on the current situation an income deficit of £31k is predicted by the end of the year.

Building Control - an income deficit is responsible for the overspend of £19k.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Central Departments	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	1,992	1,934	(58)	0	(58)	(66)
Finance (& Information Technology)	6,151	6,085	(66)	0	(66)	(66)
Corporate Support	7,614	7,514	(100)	0	(100)	(67)
Central Departments Total	15,757	15,533	(224)	0	(224)	(199)

Central Departments

Corporate Management Team and Legal - the latest forecasts suggests an underspend of (£58k) with the majority deriving from the receipt of additional income from the Legal Unit and a (£14k) saving which has been realised in advance in Emergency Planning.

Finance (& Information Technology) - one-off underspend on vacant posts across the Department, along with attracting income in excess of the budget, which can contribute to savings schemes from 2019/20 onwards. Following Information Technology problems in July, the Department has already diverted savings identified in advance to strengthen the infrastructure provision.

Corporate Support - the anticipated underspend is a combination of one-off staff savings due to vacant posts, along with the Department's success in attracting external income in excess of the budget, which could be used to contribute to the savings schemes of 2019/20 onwards. As there is no demand for the savings this year, the Department has already transferred part of the savings in advance for corporate purposes.

REVENUE BUDGET 2018/19 - END OF AUGUST REVIEW						
Corporate (Only reflecting the variances)	Proposed Budget 2018/19	Estimated Final Position 2018/19	Estimated Gross Overspend / (Underspend) 2018/19	Use of Other Sources or Other Recommended Adjustments	Estimated Adjusted Overspend / (Underspend)	Net Overspend / (Underspend) Final Position 2017/18
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax and Council Tax Premium	*	*	(792)	0	(792)	441
Council Tax Reduction	*	*	(150)	150	0	(307)
Net Interest Receipts	*	*	22	0	22	1
Savings and Savings Realised in Advance	*	*	(404)	404	0	0
Bids and Budgets Returned by the Departments	*	*	(630)	630	0	(563)
Other	*	*	(720)	720	0	(466)
2017/18 Final Accounts Adjustment						894
Corporate Total	*	*	(2,674)	1,904	(770)	0

Corporate

Council Tax and Council Tax Premium - a forecast of an additional tax return of (£792k) (in excess of the tax premium return of £2.2m budgeted), within the position the effect of the Council Tax Premium, that is the premium of 50% on second homes and properties which have been empty over 12 months, together with the Council Tax. During the first five months of the year the Valuation Office has allowed 146 properties to transfer from the Council Tax register to Non Domestic Rates (63 properties in the first five months of 2017/18), as a result of back dating the applications to 2017/18, there is a loss in tax income which reduces the effect of the tax return of the premium.

Council Tax Reduction - the underspend trend on the Council Tax Reduction scheme (benefits) continues from 2017/18, with a reduction in the number of applications over previous years.

Underspend as a result of savings and savings realised in advance (£404k), bids and budgets returned by the Departments (£630k) and other budgets (£720k) following changes after setting the budget for the year. A one-off grant received from the Welsh Government means it's possible to release the adults' demography budget, legislative changes and an increase in the non-residential care client contribution cap policy in the adults care area means it's possible to yield further budgets.

It's expected that the back dated Tax Claim relating to the Value Added Tax changes in the Leisure area will result in a one-off repayment of around £1.5m during 2018/19. The figures will be reflected in the review once the claim has been approved.

It is recommended that (£1,904k) of the net underspend from Corporate budgets is harvested, with (£40k) to be used to compensate the Economy and Community Department for the loss of income while the Arfon swimming pool was closed over the summer. The balance, that is (£1,864), is to be transferred to the Financial Strategy Reserve to assist with unavoidable one-off pressures on the Council's budgets.