

Revenue Budget 2016/17 - Second Quarter Review						
Adults, Health and Wellbeing Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Adult Services</u>						
Older People's Service						
Residential and Nursing - Homes	9,947	9,627	(320)	0	(320)	(131)
Home Care	6,354	6,356	2	0	2	177
Other	2,785	2,752	(33)	0	(33)	(60)
	19,086	18,735	(351)	0	(351)	(14)
Physical Disability Services						
Residential and Nursing	479	419	(60)	0	(60)	23
Home Care	1,016	1,041	25	0	25	36
Other	711	659	(52)	0	(52)	(1)
	2,206	2,119	(87)	0	(87)	58
Learning Disability Services	14,928	14,804	(124)	0	(124)	(290)
Mental Health Services						
Residential and Nursing	1,386	1,651	265	0	265	300
Other	2,004	1,899	(105)	0	(105)	0
	3,390	3,550	160	0	160	300
Other Services (Adults)						
Management	424	412	(12)	0	(12)	0
Older People and Physical Disability Team	2,412	2,403	(9)	0	(9)	0
	2,836	2,815	(21)	0	(21)	0
Adult Services Total	42,446	42,023	(423)	0	(423)	54

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Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Provider Services (showing net budget)</u>						
Residential Care	68	130	62	0	62	
Day Care	(20)	3	23	0	23	
Community Care	92	234	142	0	142	80
Other	26	(11)	(37)	0	(37)	(20)
<u>Provider Services Total</u>	166	356	190	0	190	60
<u>Other Services</u>						
Housing Services	4,392	4,420	28	0	28	20
Departmental Central Services <i>(including Department savings)</i>	3,012	3,520	508	(135)	373	200
<u>Total Other Services</u>	7,404	7,940	536	(135)	401	220
<u>Adults, Health and Wellbeing Total</u>	50,016	50,319	303	(135)	168	334

Adult, Health and Wellbeing

Older People's Services - an underspend of (£351k) is foreseen mainly as the number of clients in residential and nursing placements are reducing.

Physical Disability Services - an underspend of (£87k) is forecasted as a result of two residential and nursing cases being transferred to the responsibility of Health, a reduction in the number of direct payment cases, but an increase in the number of home care packages.

Learning Disability Services - following the same trend as the situation reported in Older People's Services above, an underspend on residential and nursing and day services but an overspend on support schemes and direct payments.

Mental Health Services - the same trend as in 2015/16 continues with a net overspend of £160k resulting from new residential and nursing cases, but an underspend on vacant staff posts.

Provider Services - an over and underspend on various headings within the Residential Care heading. An estimated overspend of £142k on community care, £85k of this resulting from an overspend on travelling costs, with the remainder on staffing and overheads.

Other Services - Departmental Central - a net £508k underachievement of the Department's savings schemes is forecasted, with slippage on a number of the schemes yet to be realised in 2016/17. The Department will be taking steps to ensure the situation improves by the end of the financial year, this will be done by re-assessing the savings schemes.

Specific changes were made relating to charging for the first six weeks of residential and nursing care in the Care Act 2014. This came into effect on 1 April 2016, but was introduced too late to be reflected in the 2016/17 budget. Consequently, a shortfall was seen in the related income received by the Council. As the consequences of the change is an unavoidable additional burden on the Department, it will be subject to a bid for 2017/18. It is recommended that £135k is transferred to the Department to finance the additional costs this year.

It is recommended that (£135k) is transferred from a corporate budget to the Adult, Health and Wellbeing Department to finance the additional costs resulting from the change to charging for the first six weeks of residential and nursing care.

Revenue Budget 2016/17 - Second Quarter Review						
Children and Families Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	467	445	(22)	0	(22)	0
Operational Services	1,864	2,059	195	0	195	80
Placement Services						
Out of County Placements	2,263	2,335	72	0	72	80
Agency Fostering	970	1,032	62	0	62	70
Internal Fostering	1,640	1,696	56	0	56	60
Support Services and Other	1,448	1,528	80	0	80	70
	6,321	6,591	270	0	270	280
Post-16 Services	1,037	843	(194)	0	(194)	(130)
Specialist Services/Derwen	1,445	1,391	(54)	0	(54)	(50)
Youth Justice Services	235	211	(24)	0	(24)	(20)
Early Years Services	107	56	(51)	0	(51)	(20)
Other Services	2,469	2,517	48	0	48	(20)
Children and Families Total	13,945	14,113	168	0	168	120

Children and Families

Operational Services - it is forecasted there will be an overspend of £195k by the financial year end on staffing and higher costs of financing complex care packages, which follows the same trend as the overspend of £175k reported in 2015/16.

Placement Services - an overspend of £270k is forecasted on placement services, with the estimate having reduced by £10k since the first quarter forecast. Whilst some cases have come to an end, it is forecasted that new out of county placements and agency fostering will lead to an overspend this year. An overspend on allowances, and the costs of the internal 'Cynllun Aros Ymlaen' fostering scheme overspending by £50k. Work continues in order to meet the savings scheme targets relating to this area.

Post 16 Services - an underspend of (£194k) is forecasted due to a reduction in demand for Post 16 support schemes.

Specialist Services / Derwen - an underspend of (£54k) is forecasted due to one off savings from staff turnover.

Early Years Services - additional fee income and a small underspend on numerous headings.

Revenue Budget 2016/17 - Second Quarter Review						
Education Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Delegated Schools	72,236	72,236	0	0	0	0
Transport	4,396	4,433	37	0	37	36
Redundancies and Early Retirement	347	550	203	(203)	0	267
Integration	140	140	0	0	0	0
Out of County	992	992	0	0	0	0
Catering and Cleaning	349	228	(121)	0	(121)	10
Nursery Education	597	576	(21)	0	(21)	0
Education Improvement Grant	529	529	0	0	0	0
Management	1,680	1,650	(30)	0	(30)	(20)
Additional Learning Needs Unit	1,933	2,118	185	0	185	186
Support for Underperforming Schools	30	30	0	0	0	0
Further Education	24	12	(12)	0	(12)	0
School Reserve Budgets	219	219	0	0	0	0
Contribution to Joint Committees	1,607	1,607	0	0	0	0
Other	3,804	3,779	(25)	0	(25)	0
Education Total	88,883	89,099	216	(203)	13	479

Education

Redundancies and Early Retirement - according to the latest information, an overspend position of £203k is forecasted on redundancies and early retirements, with 83% of the costs relating to secondary schools and 17% to primary schools. A reduction in pupil numbers, and accordingly demographic effects are the main reason for this situation. The Department will be using a specific reserve to mitigate the position.

Catering and Cleaning - according to the latest forecasts, an underspend of (£121k) is likely, mainly resulting from the early achievement of 2017/18 savings schemes relating to schools catering.

Additional Learning Needs Units - circumstances relating to one specific centre is responsible for the £185k overspend forecasted under this heading.

A fairly balanced position by the Department following the financing of the overspend on redundancies and early retirement from a reserve, with an underspend in some fields bridging the slippage of £64k in this year's savings.

Revenue Budget 2016/17 - Second Quarter Review						
Economy and Community Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	902	902	0	0	0	0
Business Support	173	192	19	0	19	40
Marketing and Customer Care	587	587	0	0	0	0
Community Regeneration	499	499	0	0	0	0
Skills and Enterprise	11	11	0	0	0	0
Strategic Projects Team	816	862	46	0	46	40
Strategy and Development	232	232	0	0	0	0
Archives	411	402	(9)	0	(9)	(5)
Museums	159	154	(5)	0	(5)	0
Galleries	77	77	0	0	0	0
Halls	278	289	11	0	11	0
Arts	272	269	(3)	0	(3)	0
Country Parks	116	100	(16)	0	(16)	0
Maritime	167	275	108	0	108	20
Youth Service	1,311	1,213	(98)	0	(98)	(80)
Healthy Communities Service - Leisure Centres	3,392	3,432	40	0	40	50
Sports Development	270	270	0	0	0	0
Libraries	1,897	1,877	(20)	0	(20)	0
Total Economy a Community	11,570	11,643	73	0	73	65

Economy and Community

Maritime - the latest forecasts suggest a £108k net overspend, mainly resulting from a shortfall of income at Hafan Pwllheli and other harbours, following a reduction in the demand for anchorages. An effort was made by the Department to reduce the gap in the income by reducing costs at the sites by £87k. It is forecasted that this trend will continue, and accordingly, the Department propose submitting a bid to mitigate the effects for 2017/18.

Youth Service - a (£98k) underspend is forecasted at year end by the Youth Service, (£78k) being on two vacant development officers positions, and (£20k) on youth clubs, as the Department endeavour to identify savings from 2017/18 onwards in these areas.

Revenue Budget 2016/17 - Second Quarter Review						
Highways and Municipal Summary Position (including Trunk Roads)	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Highways Services (including Trunk Roads)	9,158	9,189	31	0	31	
Engineering Services	450	469	19	0	19	
Municipal Services						
Waste						
Waste Disposal	2,316	2,151	(165)	0	(165)	0
Treatment and Transfer Sites	1,638	1,685	47	0	47	200
Waste Collection and Recycling	3,713	3,805	92	0	92	0
Commercial Waste	(20)	105	125	0	125	0
Other Waste	1,693	1,730	37	0	37	0
Waste Sub-total	9,340	9,476	136	0	136	200
Crematorium and Cemeteries	128	71	(57)	0	(57)	0
Other Municipal	3,869	3,876	7	0	7	0
	13,337	13,423	86	0	86	200
Municipal Works Unit	(16)	(34)	(18)	0	(18)	0
Highways and Municipal (including Trunk Roads) Total	22,929	23,047	118	0	118	200

Highways and Municipal Department (including Trunk Roads)

Waste - numerous reasons for the variations by the services within the waste field including:

- Waste Disposal - an underspend of (£165k) is forecasted as a result of less waste going into landfill.

- Treatment and Transfer Sites - the trend of lack of income seen last year continues, but the forecasts appear better by this year. Savings achieved early and staffing costs reducing the net overspend to the £47k reported.

- Waste Collection and Recycling - the latest forecasts suggest an overspend of £92k on the heading. A combination of early realisation of savings on green waste, but this is counterbalanced by a £48k grant reduction, higher operational and renewal costs and slippage in the recycling bank savings.

- Commercial Waste - following on from new arrangements of rationalising school bins, a £125k loss of income was seen. However, running in parallel, the rationalising effect is already evident as there has been a reduction in the waste going into landfill, and accordingly an underspend against the Waste Disposal budget reported upon above.

Crematorium and Cemeteries - it is forecasted that the income will be (£57k) higher than the budget by the end of the financial year.

Revenue Budget 2016/17 - Second Quarter Review						
Regulatory Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Department Management	371	343	(28)	28	0	0
Planning Services						
Development Control	372	343	(29)	29	0	0
Other	(33)	(46)	(13)	13	0	0
	339	297	(42)	42	0	0
Street Works and Transport Services						
Forward Planning	2,432	2,432	0	0	0	0
Structural Maintenance	1,136	1,136	0	0	0	0
Road Safety	297	267	(30)	30	0	0
Traffic and Statutory Arrangements	336	337	1	0	1	0
Parking Services and Parking Enforcement	(1,015)	(1,092)	(77)	77	0	(214)
Transport	2,112	1,984	(128)	128	0	0
Enforcement and Transport	426	287	(139)	139	0	0
Other	27	2	(25)	25	0	0
	5,751	5,353	(398)	399	1	(214)
Countryside and Access Services	1,163	1,159	(4)	0	(4)	0
Joint Planning Policy Unit	304	304	0	0	0	0
Public Protection Services	1,801	1,766	(35)	31	(4)	0
Catering, Cleaning and Caretaking Services	6	2	(4)	0	(4)	0
Property Services	(79)	(91)	(12)	0	(12)	0
Regulatory Total	9,656	9,133	(523)	500	(23)	(214)

Regulatory

An underspend situation is forecasted by a number of the services within the Department by the end of the financial year following the early realisation of 2017/18 staffing costs, including in Management, Development Control, Road Safety, Enforcement and Transport, and Public Protection.

Transport - a combination of underspend on staffing, fuel and supplies and services.

Parking Services and Enforcement - the trend of higher income than the target mirrors the situation seen last year, together with staffing savings.

Summary and Recommendation

A (£523k) underspend is forecasted this year, and therefore, subject to the Cabinet approval, is an opportunity for the Department to use (£200k) to self-finance specific plans to improve the condition of car parks, freeing up (£300k) to transfer to the Corporate Redundancy Fund to assist with the changes facing us as a Council.

It is recommended that the Regulatory Department use (£200k) of their underspend to finance specific plans to improve the condition of car parks. **It is recommended** that (£300k) is transferred from the Regulatory Department to the Corporate Redundancy Fund to assist with the changes facing us as a Council.

Revenue Budget 2016/17 - Second Quarter Review						
Consultancy Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Roads and Engineering Services	49	177	128	0	128	122
Flood Risk Management Unit Services	948	896	(52)	0	(52)	0
Building Services	184	178	(6)	0	(6)	0
<u>Consultancy Total</u>	1,181	1,251	70	0	70	122

Consultancy

Roads and Engineering Services - according to the latest forecasts, an overspend of £128k is likely resulting from a reduction in fee income, but the Department continue to try to identify other sources of income.

Flood Risk Management Unit Services - an underspend of (£52k) on staffing and travelling costs.

The Department is trying to manage it's budget, but if the overspend position continues at the end of the financial year, the Department propose using sources from a reserve to mitigate the position.

Revenue Budget 2016/17 - Second Quarter Review						
Central Departments	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	642	613	(29)	0	(29)	0
Finance	943	876	(67)	0	(67)	0
Corporate Support	551	463	(88)	0	(88)	0
Resources Total	2,136	1,952	(184)	0	(184)	0

Central Departments

Finance - an estimated underspend of (£67k) forecasted following the success of the Department to attract income and one-off staffing underspend.

Corporate Support - a net (£88k) underspend position is forecasted, mainly due to one-off staffing savings. Also included within this position is a £32k income shortfall within Galw Gwynedd and £18k within the Print Room.

Revenue Budget 2016/17 - Second Quarter Review						
Corporate (Only reflecting variances)	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	*	*	(300)	300	0	0
Benefits	*	*	(290)	290	0	(60)
Net Interest Income	*	*	66	0	66	0
Other	*	*	(456)	200	(256)	0
Corporate Total	*	*	(980)	790	(190)	(60)

Corporate

A favourable position is forecasted from the higher collection of (£300k) on Council Tax, mainly due to an increase in the number of new properties during the year. An underspend of (£290k) on Benefits, but a £66k reduction in Net Interest Income due to present market conditions.

Within the 'Other' heading is a net savings of (£295k) which includes savings that were realised early, (£100k) bid that is no longer required, (£31k) additional income receipt and an underspend of (£30k) on capital costs.

Harlech Swimming Pool - on 4 October 2016 the Cabinet agreed to contribute £20k this year as one off bridging finance towards the Harlech Swimming Pool venture. As a result of the favourable Corporate position that is forecasted this year, it is possible to finance this contribution from Corporate budgets.

It is recommended that (£300k) is harvested from the favourable Council Tax collections, and (£290k) from the Benefits underspend, together with (£200k) of the underspend included within 'Other', and transferred as follows:

- use (£20k) of the underspend as a financial contribution to the independent Harlech Swimming Pool as a one-off bridging payment for the period to 31 March 2017, in accordance with the Cabinet decision on 4 October 2016.
- use (£135k) to finance the financial obligations of the change in the Care Act 2014 by the Adult, Health and Wellbeing Department.
- the remainder (£635k) to be set aside in the Transformation Fund, to assist with the changes ahead of us to fulfil the Council's priorities.