

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Adults, Health and Well-being Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|----------------------------------------------------|--------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| <u>Adults Services</u> | | | | | | |
| Management | 598 | 563 | (35) | | (35) | (62) |
| Learning Disabilities Services | 31,281 | 31,480 | 199 | | 199 | 189 |
| Mental Health Services | 6,076 | 6,683 | 607 | | 607 | 560 |
| Older People's Services | | | | | | |
| Residential and Nursing - Homes | 24,516 | 25,456 | 940 | | 940 | 912 |
| Domiciliary Care | 11,700 | 12,974 | 1,274 | | 1,274 | 1,558 |
| Physical Disabilities Services | 3,653 | 2,583 | (1,070) | | (1,070) | (1,072) |
| Direct Payments | 2,194 | 2,122 | (72) | | (72) | (183) |
| Others | 3,058 | 3,267 | 209 | | 209 | 90 |
| | 45,121 | 46,402 | 1,281 | 0 | 1,281 | 1,305 |
| Adults Services Total | 83,076 | 85,128 | 2,052 | 0 | 2,052 | 1,992 |
| <u>Provider Services (shows net budget)</u> | | | | | | |
| Residential Care | 68 | 979 | 911 | | 911 | 1,047 |
| Community Care | 1,147 | 1,240 | 93 | | 93 | 104 |
| Others | 1 | 7 | 6 | | 6 | (10) |
| Provider Services Total | 1,216 | 2,226 | 1,010 | 0 | 1,010 | 1,141 |
| Adults, Health and Well-being Total | 84,292 | 87,354 | 3,062 | 0 | 3,062 | 3,133 |

Adults, Health and Well-being

Over £3.1 million in additional permanent funding was allocated to the Department for the 2025/26 budget onwards. The latest projections suggest that if no operational changes are made during this year, then the budget deficit will be £3.06m by the end of the financial year.

Department Management - staff turnover and underspend on the legal budget, one-off costs reducing the underspend reported.

Learning Disability - the service received an additional budget allocation of £400k in 2025/26, the new savings schemes to the value of £735k are not being realised and therefore lead to an overspend. There is pressure on day services, support plans and on the residential service at the Council's homes. The work of reviewing care packages continues and is bearing fruit.

Mental Health - £177k of additional funding has been allocated to this field for 2025/26, a budget deficit of £731k is projected for the residential and nursing element following an unexpected and unusual increase in the numbers, with 11 new cases during this financial year (14 since November 2024). The support plans and supported accommodation are underspending and so reduce the overspend reported.

Older People - £1.5 million in additional permanent funding was allocated to the Department for 2025/26, with £1.2 million of it allocated to Domiciliary Care. Nevertheless, an overspend of £1.3 million is projected by the end of the year. In residential and nursing, the demand for residential services increased, with 46 additional residents in private homes, partly due to staffing challenges at in-house residential homes, which has led to a reduction in the beds available, leading to substantial cost increases. In Domiciliary Care, the costs are £1.3 million above the budget as a result of the additional costs of the efforts to provide domiciliary care in areas where a service is not readily available. In the physical disabilities field, the reduced demand for domiciliary care continues. In 'Others', increasing pressures and savings schemes are yet to be realised.

Provider Services - staff overspend in residential care including £606k of an overspend on the use of agency staff. An additional budget of £1 million has been permanently invested in domiciliary care in 2025/26 and therefore there is a reduction in the overspend reported this year; nevertheless, staff costs are above the budget, with high levels of sickness and rates of non-contact hours.

Savings - in terms of the situation of realising savings for the department, although progress has been seen in realising savings, savings to the value of £1.5 million are yet to be realised.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Children and Families Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Management | 708 | 797 | 89 | | 89 | 117 |
| Operational | 3,076 | 3,427 | 351 | | 351 | 375 |
| Placements | | | | | | |
| Out-of-County Placements | 6,984 | 7,667 | 683 | | 683 | 409 |
| Small Group Homes | 142 | 171 | 29 | | 29 | 12 |
| Fostering through an Agency | 1,755 | 1,484 | (271) | | (271) | (232) |
| Fostering - Internal | 3,119 | 3,244 | 125 | | 125 | 18 |
| Support Services and Others | 2,212 | 2,403 | 191 | | 191 | 218 |
| | 14,212 | 14,969 | 757 | 0 | 757 | 425 |
| Post-16 | 1,779 | 1,983 | 204 | | 204 | 229 |
| Derwen Service | 3,662 | 4,195 | 533 | | 533 | 515 |
| Youth Justice | 276 | 271 | (5) | | (5) | (5) |
| Early Years | 158 | (16) | (174) | | (174) | (171) |
| Workforce Development Unit | 312 | 312 | 0 | | 0 | 0 |
| Others | 2,371 | 2,472 | 101 | | 101 | 76 |
| Children and Families Total | 26,554 | 28,410 | 1,856 | 0 | 1,856 | 1,561 |

Children and Families

£2.175 million of additional permanent funding was allocated to the Department for the 2025/26 budget. Nevertheless, it is projected that the department's budgetary deficit will be £1.86 million by the end of the financial year.

Management - one-off additional staffing costs.

Operational - although a permanent additional resource to the value of £365k has been allocated to the field for 2025/26 onwards, the overspend trend continues as a result of substantial pressure on support plan support as well as field worker staffing above the budget.

Placements - although an increase has been seen in the average number of out-of-county placements again this year to 36.6 (34.3 in 2024/25, 32.5 in 2023/24, 25.7 in 2022/23), four exceptional cases in non-registered placements have already ended this year, with a further two which will have come to an end by the end of the financial year. Seven new placements were seen since the beginning of the year. £216k is the average cost of the placements.

The average numbers of Agency Fostering and In-house Fostering are consistent with the numbers for 2024/25, with only four in-house fostering cases since the last review. It was seen that the income from the Home Office has reduced for unaccompanied asylum seekers (without parents/guardians) who are receiving a service. In the support service and others, there is increasing pressure on the budget of the support workers and on the North Wales Adoption Service.

Small Group Homes - the homes are currently being established in Gwynedd with one home now operational, and the second by the end of the financial year and the third next year. This in-house provision means that children can be placed in-house instead of with out-of-county external providers. The Council received grants to establish the homes as well as a contribution towards the costs of running the homes this year.

Post-16 - additional pressures on the service including the over 18s asylum seeker element as the Home Office's contribution is not sufficient to cover the costs. Staffing above the social worker budget also contributes to the overspending.

Derwen - to respond to the overspending trend, Derwen received an additional permanent resource allocation of £1 million for the 2025/26 budget. Nevertheless, the projected overspend is £533k, with pressures on support plan workers and specialist support.

Early Years - staff turnover and increasing grants available to fund the core spending led to an underspend.

Others - many factors including one-off additional costs, overspending on specialist services fees and on the out-of-hours service.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Business and Care Commissioning Service | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|------------------------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Support and Commissioning | 1,328 | 1,246 | (82) | | (82) | 0 |
| Income and Finance | 1,556 | 1,518 | (38) | | (38) | (64) |
| Preventative Services | 279 | 255 | (24) | | (24) | (29) |
| Business and Care Commissioning Service Total | 3,163 | 3,019 | (144) | 0 | (144) | (93) |

Business and Care Commissioning Service

Support and Commissioning - saving as a result of a joint decision on a north Wales level to reduce the contribution level to the Regional Partnership Board. In addition, the use of various grants against costs and therefore improve the financial projections.

Income and Finance - underspend on staff costs and as a result of a grant receipt towards staff time associated with the work to implement care case software across north Wales. For a period, two care information systems will run concurrently.

Preventative Service - receipt of an additional grant for preventive services which means there is an underspend at the end of the financial year.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Education Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|-----------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Leadership and Management | 2,524 | 2,578 | 54 | | 54 | 48 |
| Devolved Schools | 105,240 | 105,240 | 0 | | 0 | 0 |
| Gwasanaethau Ansawdd Ysgolion | (2,237) | (2,283) | (46) | | (46) | (21) |
| Infrastructure and Support Services | | | | | | |
| Transportation | 8,328 | 8,328 | 0 | | 0 | 0 |
| Ancillary Services | 1,108 | 1,035 | (73) | | (73) | (87) |
| Others | 3,906 | 3,974 | 68 | | 68 | 60 |
| | 13,342 | 13,337 | (5) | 0 | (5) | (27) |
| Additional Learning Needs and Inclusion | 5,487 | 5,471 | (16) | | (16) | (28) |
| Youth Service | 1,013 | 1,011 | (2) | | (2) | 8 |
| Education Total | 125,369 | 125,354 | (15) | 0 | (15) | (20) |

Education

Leadership and Management - one-off spend on implementing a new information management system for schools and consultant fees.

Schools Quality Service - transitional period for the new service with vacant posts, income receipts and additional grants, but there is substantial pressure on the immersion system budget.

Transport - following substantial overspending in the field over the past years, a budget of £896k was allocated on a permanent basis and a further £939k for the year only to address the pressures in the field of school buses and taxis. Based on the latest projections, the one-off contribution can be cut to £587k, therefore we report on a balanced financial position.

The transport field continues to be the subject of a strategic review to try to control the increase in the expenditure, so that it is possible to reduce overspending and take advantage of opportunities for efficiencies.

Infrastructure and Support Services - Ancillary Service - projection of a higher income and lower costs for catering after receiving a grant receipt for primary school free school meals. Overspend on staff costs due to sickness are issues in school cleaning and caretaking. The care element of the breakfast clubs also continues to overspend by £97k as a result of higher staff costs and a lack of income.

Infrastructure and Support Services - Others - one-off costs being reduced by underspending on other budgets.

Additional Learning Needs and Inclusion - a mixed picture which is a combination of staff turnover and grant receipts but there is pressure on other various headings. The circumstances relating to one specific centre has ended and is responsible for an overspend of £50k.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Economy and Community Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|-----------------------------------------------|-------------------------------|----------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Management | 410 | 407 | (3) | | (3) | (4) |
| Community Regeneration and Support Programmes | 653 | 651 | (2) | | (2) | 0 |
| Maritime and Country Parks | (128) | (93) | 35 | | 35 | 26 |
| Byw'n Iach and Other Leisure Contracts | 2,293 | 2,679 | 386 | (295) | 91 | 114 |
| Economic Development Programmes | (63) | (63) | 0 | | 0 | 0 |
| Marketing and Events | 269 | 269 | 0 | | 0 | 0 |
| Gwynedd Libraries | 1,864 | 1,829 | (35) | | (35) | (25) |
| Gwynedd Museums, Arts and Archives | 1,102 | 1,116 | 14 | | 14 | 15 |
| Use of the Department's Underspend Fund | 49 | 0 | (49) | | (49) | (49) |
| <u>Economy and Community Total</u> | <u>6,449</u> | <u>6,795</u> | <u>346</u> | <u>(295)</u> | <u>51</u> | <u>77</u> |

Economy and Community

Management - grant receipt leading to an underspend on the core budget.

Maritime and Country Parks - a mixed picture which includes spending above the budget of £63k in Doc Fictoria, Caernarfon, income deficit of £58k from Beaches and a one-off spend on Parc Padarn whilst Parc Glynllifon underspends (£25k) as a result of exceeding income and less spending on several headings. Better income projections and staff underspend meaning that Hafan, Pwllheli is underspending (£76k).

Byw'n Iach and Other Leisure Contracts - transfer of the leisure provision to Byw'n Iach in April 2019, but the responsibility for the property running costs remain with the Council. Over the past few years, the company has received annual financial support from the Council which was £550k in 2022/23 and £308k in 2023/24, and £281k in 2024/25, which was above the contractual payment in the delivery contract, to enable them to maintain their services. It is projected that the demand for financial support continues this year, and the required amount is £295k by the end of the year.

Furthermore, an overspend of £91k on the Economy and Community Department budget to run leisure facilities.

Gwynedd Libraries - following a transitional period of restructuring the service, every post has now been filled. Income receipts are higher as banks make regular use of space in Caernarfon Library.

Gwynedd Museums, Arts and Archives - overspending mainly because staffing costs exceed the budget and lack of income is an issue in Storiel £12k and Lloyd George Museum £12k. Less spending on several budget headings in other museums reduced the overspend.

It is recommended that the Cabinet approves additional financial support for Byw'n Iach if the overspend continues at the end of the financial year, with the existing projections estimating support to the value of £295k.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Highways, Engineering and YGC Department (including Trunk roads) | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|------------------------------------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Services: | | | | | | |
| Highways (including Trunk roads) | 12,255 | 12,475 | 220 | | 220 | 188 |
| Engineering | 488 | 460 | (28) | | (28) | (31) |
| Municipal | 6,149 | 6,530 | 381 | | 381 | 445 |
| Gwynedd Consultancy | 204 | 123 | (81) | | (81) | (80) |
| Highways, Engineering and YGC Total | 19,096 | 19,588 | 492 | 0 | 492 | 522 |

Highways, Engineering and YGC (including Trunk roads)

Highways Services - although an increase was seen in realising savings in this area, savings to the value of £250k remain to be achieved in the County Roads field. Provision has been made for winter maintenance costs, which have been high in previous years. Furthermore, a reduction in the income from external agencies on contracts.

Engineering Services - underspend on various headings as well as a higher income receipts.

Municipal Services - a mixed picture which is a combination of factors, including the need to realise savings to the value of £117k. Pressures also on the budgets of street cleaning and public toilet cleaning staff. Income losses are issues for land maintenance and public toilets. Following recent work in the Crematorium, a reduction was seen in the associated income projections. Underspend on Street Enforcement and on Tidy Teams, which reduces the overspend reported.

Gwynedd Consultancy - projected performance over the income from external organisations such as other councils and the Welsh Government in the area of roads and engineering as well as vacancies and staff turnover.

Savings - the value of the financial savings not realised is £462k and so contributes to the overspend position reported. Although there has been some slippage with the delivery, the department will implement definitive steps over the next 12 months to achieve a proportion of the savings.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Environment Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|-----------------------------------------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Management | 783 | 941 | 158 | | 158 | 161 |
| Planning and Building Control Service | 745 | 744 | (1) | | (1) | 67 |
| Street Care and Transport Services | | | | | | |
| Network Management (Transportation) | 349 | (13) | (362) | | (362) | (374) |
| Parking and Parking Enforcement | (2,614) | (2,401) | 213 | | 213 | 206 |
| Integrated Transport | 2,313 | 2,401 | 88 | | 88 | 70 |
| | 48 | (13) | (61) | 0 | (61) | (98) |
| Markets | 8 | 8 | 0 | | 0 | (1) |
| Countryside and Access | 772 | 780 | 8 | | 8 | 7 |
| Public Protection | 1,938 | 1,902 | (36) | | (36) | (58) |
| Waste | 14,686 | 15,303 | 617 | | 617 | 662 |
| Environment Total | 18,980 | 19,665 | 685 | 0 | 685 | 740 |
| <u>Income / Grant received in 2025/26 to be put into Funds</u> | | | | | | |
| Parc Adfer Refinance Gain Share | | (187) | (187) | 187 | 0 | |
| Extended Producer Responsibility for packaging | | (3,713) | (3,713) | 3,713 | 0 | |
| Total | 0 | (3,900) | (3,900) | 3,900 | 0 | |

Environment

Department Management - a delay in realising savings schemes to the value of £150k as well as an overspend on vehicle costs.

Planning and Building Control Service - although income deficit is an issue in Land Charges and Development Control, the planning fee income projections are now more favourable but continue to be longer than the target. Staff turnover and vacant posts assist the underspend on staff costs.

Projected costs to the value of £1.5 million relating to a dangerous building, namely the Corbett Arms Hotel, Tywyn, which is a Grade II listed building, which has been cause of concern for Cyngor Gwynedd and the local community for years as it is in a dangerous structural condition and has meant that the Council has had to act to protect and safeguard the public. On 16 December 2025, the Cabinet approved funding of £1.5 million from a financial strategy fund to fund the costs as the Department cannot cope with such levels of unexpected spending from their budget.

Network Management (Transportation) - exceeding the streetworks fees income, as well as vacant posts and underspend on many of the budget's headings.

Parking and Parking Enforcement - after parking fees were increased in April 2025, the parking income projections are better than the deficit of £826k reported in 2024/25 but continues to be £321k lower than the target. An underspend on staff and other budgets improves the situation.

Integrated Transport -the grants received for this area do not meet all the increasing costs of contracts. Projected underspend on staff costs and other budgets reduces the reported overspend.

Public Protection - vacant posts and less expenditure on many of the budget headings, including on vehicle costs. Projected to exceed income in trading standards but income down in the field of taxi licensing, licences and environmental protection.

Waste - although an additional budget of £400k has been allocated for 2025/26 onwards, several factors are responsible for the overspend of £617k projected. The work of restructuring and introducing changes to the field continue, with several steps associated with the process, with some of the steps slipping to 2026/27 and therefore several savings schemes slip as a result of the restructuring challenges. Overspend on waste collection and recycling, on disposal sites and on running the recycling centres. The income projections from the sale of materials has improved and therefore reduces the overspend on waste treatment and transfer sites.

Recycling Target 2024/25 - after Cyngor Gwynedd achieved a 65.3% rate for recycling in 2024/25 which is below the Welsh Government's 70% recycling target, this means that the Council is facing a £612k fine subject to an assessment against various criteria from the Government. We believe that the risk of forcing the fine on us is low and therefore we have not included this sum in the end of year projections.

Reclaiming the Shared Returns of Parc Adfer - One-off saving to all councils from the returns of re-funding Parc Adfer. The contribution has been placed in a fund, with the first call on it to be used to fund the overspending in the waste field.

Extended Producer Responsibility for packaging material - new income receipt for councils which derives from a levy on packaging for producers and retailers, to promote recycling. The first proportion of this income will have to be used to address any deficit from the waste service and the rest will be placed in a fund to prioritise.

Savings - savings to the value of £940k are not being realised by the department and are therefore contributing to the overspend position.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Housing and Property Department | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|----------------------------------------|-------------------------------|----------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Management | 785 | 593 | (192) | | (192) | (136) |
| Housing Services | | | | | | |
| Homelessness | 6,791 | 7,322 | 531 | | 531 | 463 |
| Private Sector Housing | 485 | 455 | (30) | | (30) | (66) |
| Others | 446 | 349 | (97) | | (97) | (99) |
| | 7,722 | 8,126 | 404 | 0 | 404 | 298 |
| Property Services | | | | | | |
| Property | 3,882 | 3,893 | 11 | | 11 | (6) |
| Caretaking, Catering and Cleaning | 11 | 36 | 25 | | 25 | 11 |
| | 3,893 | 3,929 | 36 | 0 | 36 | 5 |
| Housing and Property Total | 12,400 | 12,648 | 248 | 0 | 248 | 167 |
| | | | | | | |

Housing and Property

Management - underspending on services and supplies and on staffing costs.

Homelessness - the trend of significant pressure on the emergency accommodation service continues, with expenditure on the field forecast to be £6.6 million this year, compared to £6 million last year. An additional budget of £3m was allocated from council tax premium to emergency accommodation as well as an additional one-off budget allocated as part of the bids system and further to this to assist with the additional pressure. A combination of higher costs for moving and storing the personal property of households who receive emergency accommodation, and prices per night for emergency accommodation continue to be high with some providers. In addition to this, substantial progress was seen in the costs of private housing leasing.

Private Sector Housing - staff turnover and underspend on supplies and services. Reduction in the underspend reported since the August Review as there are costs associated with extending the National Empty Homes Scheme.

Housing Services, Others - underspend on staff costs and on property budgets as well as a grant receipt.

Property Services - underspend on staffing costs and travelling costs but pressure on the services and supplies budget in Property whilst lack of income is a problem in Pest Control.

Caretaking, Catering and Cleaning - income losses as a result of losing a cleaning contract and an overspend on the costs of services and supplies.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Central Departments | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|--------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Corporate Management Team and Legal | 2,950 | 2,936 | (14) | | (14) | (21) |
| Finance (and Information Technology) | 9,346 | 9,333 | (13) | | (13) | (8) |
| Corporate Services | 8,513 | 8,507 | (6) | | (6) | (6) |
| Central Departments Total | 20,809 | 20,776 | (33) | 0 | (33) | (35) |

Central Departments

Corporate Management Team and Legal - exceeding income in various fields and a vacant post for part of the year responsible for the projected underspend. Various one-off costs will also be funded within the financial position.

Finance (and Information Technology) - staff turnover and attracting additional income assisting the department to cope with the substantial increase in the costs of processing income from the customers and residents of Gwynedd. It is also seen that there are pressures in terms of software costs and on various department systems become more apparent.

Corporate Services - underspend on staff costs and exceeding income in several areas including Translation, Customer Contact, Democracy and Human Resources and Health and Safety Advisory Service. The latest projections suggest that the Printroom will be overspending £35k by the end of the year.

REVENUE BUDGET 2025/26- END OF NOVEMBER REVIEW

| Corporate (Reflects variances only) | 2025/26 Proposed Budget | 2025/26 Estimated Position | Estimated Over / (Under) Spend 2025/26 | Use of Other Sources or Other Adjustments Recommended | Estimated Adjusted Over / (Under) Spend 2025/26 | Estimated August Review Over / (Under) Spend 2025/26 |
|---------------------------------------------|-------------------------|----------------------------|----------------------------------------|-------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| Area:- | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Council Tax | * | * | (871) | | (871) | 0 |
| Council Tax Reductions | * | * | 412 | (412) | 0 | 0 |
| Capital Costs | * | * | (1,612) | 1,612 | 0 | 0 |
| Interest | * | * | (631) | 631 | 0 | 0 |
| Savings Provision | * | * | 0 | 0 | 0 | 0 |
| Budgets / Bids Returned | * | * | (924) | 924 | 0 | 0 |
| Welsh Government grant towards salary costs | * | * | (602) | 602 | 0 | 0 |
| Others | * | * | (8) | 8 | 0 | 0 |
| Corporate Total | * | * | (4,236) | 3,365 | (871) | 0 |

Corporate

Council Tax - additional council tax returns as a result of prudent projections when setting the 2025/26 budget. We saw 459 properties transfer from non-domestic rates to council tax up to the end of November (692 in 2024/25, 381 in 2023/24). However, contrary to this picture, the Valuer's Office allowed 163 properties to transfer from council tax to non-domestic rates (189 in 2024/25, 193 in 2023/24, 452 in 2022/23). In terms of the premium, up to the end of November, a reduction of 18 was seen in the number of premium second homes since the beginning of the year, which is contrary to the 387 seen last year. In 2025/26, £6 million in council tax premium has been earmarked for the Housing Strategy, and a further £3 million for the Homelessness field.

As noted in **Appendix 3**, following a recent review of the Council Tax Premium allocation for 2024/25, a similar review of the 2025/26 position is sustained after the end of the current financial year, so that the tax can be allocated appropriately.

Council Tax Reductions - following a campaign to target different groups to increase the number of applications, an increase was seen in the number who claim the reduction in Gwynedd over the past 15 months compared with the trend in previous years, therefore the spending is above the budget.

Capital Costs - a combination of factors create the underspend, including the favourable impact of the early repayment of a historical loan to the value of £16 million, which was not supposed to mature until 2078. In addition, a reduction in general capital costs as there was no need for external borrowing, therefore avoiding the associated costs.

Interest - projections that the interest received will exceed the expected target.

Savings Provision - following the inability of some departments to realise savings in certain areas, corporate provision has been made so that it is available to eliminate problematic savings and bridge the realisation of savings.

Budgets / Bids Returned - following a review of the council tax premium as noted in **Appendix 3**, it is considered appropriate that permanent bids to the value of £893k to the Homelessness field are now being funded from the premium, so that Council monies can be released. A bid that was not fully used this year was also returned.

Welsh Government grant towards salary costs - a grant receipt during the year towards the additional costs of public sector salaries, the grant will come into the settlement from the Welsh Government on a permanent basis from 2026/27 onwards.

It is recommended that £3.365 million is transferred to the Council's Financial Strategy Reserve, to be used at the end of the financial year to fund the overspend faced by the departments.

Following a reserve review exercise detailed in **Appendix 3**, that a transfer relating to the 2024/25 Council Tax Premium to the value of £2.089 million would be made from the Council's Financial Strategy Support Fund to the Council Tax Premium Fund, namely:

- £1.761 million relevant to the inflation of 2024/25, 2023/24 and 2022/23
- £328k for the remainder from the Council Tax Premium 2024/25.