

SCRUTINY COMMITTEE	PRINCIPAL SCRUTINY COMMITTEE
DATE OF MEETING	11 FEBRUARY 2010
TITLE	2010/11 - 2012/13 FINANCIAL STRATEGY
AUTHOR	Dilwyn Williams, Corporate Director
PORTFOLIO LEADER	Councillor Dylan Edwards
What needs to be scrutinised and why?	The assumptions made in establishing the budget need to be scrutinised and in particular the recommendations made as outlined in part 10 of the report.
What are the next steps ?	The report, along with the Committee's decisions will be presented to the Council Board so that it may consider the recommendations to be made to the Council.

1 BACKGROUND

- 1.1 At its meeting on 15 December following recommendations by this Committee, the Board considered the probable budgetary position for the period 2010/11 - 2012/13.
- 1.2 At that time it was reported that we faced a probable financial deficit in 2010/11 of £4.2m (after taking into account the effect of a Council Tax increase of 4%). Services had identified savings of around £4m to meet this deficit which would mean that we could probably cope with the situation in 2010/11.
- 1.3 The assumptions made in preparing the budget were identified at the time, and this report notes the changes which have occurred in the meantime and reports on the residual issues which still need to be considered.
- 1.4 At its meeting on the 15 December the Board decided -
 - (a) To approve the recommendations of the Principal Scrutiny Committee, namely:-
 - (i) To accept the general strategy and the presumptions;
 - (ii) To agree that any remainder in the reserve budget is earmarked for meeting the deficit in the capital budget;

- (iii) To agree with the strategy to ensure that sufficient resources are included in the redundancy reserve and to establish a transformation reserve for the Council;
 - (iv) To aim towards an increase of 4% or slightly less if possible in the Council Tax for 2010/11, and to aim not to increase the savings that will need to be identified.
- (b) To ask officers to project the impacts of a range of from 3% to 5% in the Council Tax, to be included in the report submitted in February.
- (c) That the Cross Party Working Group meets early in the new year in order to consider the lobbying work and to attempt to maximise the work.

2 FINAL POSITION 2010/11

2.1 These are the final budgetary figures for 2010/11 (noting the comparative figures reported in December) -

Table 1
Final Budget 2010/11

£'000	Reported in December	Final Budget	Difference
Base Budget	211,839	211,839	-
Pay Inflation	1,650	1,648	(2)
Other Inflation	889	889	(-)
Precepts	190	102	(88)
Increments	266	179	(87)
Interest on Balances	300	300	-
Capital financing costs	(285)	(285)	-
Demography - children	-	-	-
Demography - elderly	107	231	124
Reducing income budgets	263	253	(10)
Miscellaneous	863	667	(196)
Transfers	1,276	1,369	93
Bids	2,887	2,778	(109)
Total requirement	220,245	219,970	(275)
Revenue support grant	(170,197)	(169,919)	278
Council Tax (no increase)	(44,854)	(45,509)	(655)
Deficit to be found from Council tax and savings	5,194	4,542	(652)

2.2 The figure required for precepts, increments and demography for the elderly has changed somewhat as a result of the latest information.

- 2.3 The figure for “miscellaneous” has reduced as a result of the requirement to set less aside than originally anticipated for the consequences of externalising the Housing Revenue Account (see part 4 below). The figure has also reduced as a result of our gaining £52,000 as a result of the rating revaluation exercise as well as a number of other minor gains.
- 2.4 It can also be seen that the Revenue Support Grant has reduced, but this is due to the fact that our Council Taxbase has increased by more than the Welsh average (following the Council’s decision to tax empty properties). The grant figure reduces as a result of the way the grant formula works. An consequent increase in Council tax income compensates for this loss. Taken together the Council is £377,000 better off.
- 2.5 Members will be aware of course that around 80% of the Council’s spending is financed from the Assembly grant and our ability to spend is driven largely by that figure. The comparative situation with the grant is noted below in table 2 –

Table 2
Increase in Revenue Support Grant

£'000	Average for Wales	Gwynedd
Revenue Support Grant 2009/10	3,969,129	168,504
Revenue Support Grant 2010/11	4,050,591	169,919
Increase	81,642	1,415
Increase (%)	2.1%	0.8%

- 2.6 As noted in the report submitted in December, if the changes in council taxbase were disregarded, the increase would equate to 1.1%.

3 THREE YEAR FORECAST 2010/11 - 2012/13

- 3.1 Members are reminded that we endeavour to budget for a three year cycle in order to ensure appropriate medium term financial planning and the assumptions made for the following two years are noted below in table 3 -

Table 3
Projection of the budgetary planning assumptions for 2010/11 - 2012/13

2011/12

	More Optimistic	Most likely	More pessimistic
Spending	£221.2m	£222.1m	£222.7m
Grant	£169.6m	£167.9m	£166.2m
Council tax	£49.1m	£49.1m	£49.1m
Deficit	£2.4m	£5.1m	£7.4m

Savings approved by the Council = £4.533m

2012/13

	More Optimistic	Most likely	More pessimistic
Spending	£223.4m	£223.7m	£223.2m
Grant	£169.6m	£165.9m	£162.8m
Council tax	£50.9m	£50.9m	£50.9m
Deficit	£2.9m	£6.9m	£9.5m

Savings approved by the Council = £7.123m

3.2 The spending figures will of course depend upon the Council Tax increase which the Council determines for 2010/11 but otherwise I do not consider that there is reason to alter any of the assumptions behind these figures in any material sense.

3.3 I noted the assumptions behind these figures in my December report and I would take the opportunity to remind members that a number of issues such as the following could materially affect the position -

- Pay agreements for teachers and the workforce in general;
- Actuarial Valuation of the Pension Fund operative from April 2011;
- The level of the additional budget required to meet the pressure on budgets (bids);
- General grant settlement and the share of the cake in the formula.

3.4 If pay inflation was to change by 1% this would create a 1.5m change. If the Assembly grant changed by 1%, this would also entail a £1.7m change.

4 THE EXTERNALISATION OF THE HOUSING STOCK

4.1 In transferring the housing stock to Gwynedd Community Homes the new housing association will have the choice of arranging its own support services or continuing to receive these from the Council (e.g. payroll services, internal audit, cash collection, grounds maintenance, legal services).

4.2 Discussions are currently taking place between the managers of the various services in question and the company's representatives to try and establish which services they will wish to take and which ones they wish to terminate.

4.3 If the company does not wish to continue with a service it is expected that units will reduce their costs to recognise that fact where that is possible, but in many instances, due to the fact that in many instances the service may represent a small proportion of an individual's time; or due to the fact that the costs represent fixed costs which cannot be deleted, some of these costs will stay with the Council.

- 4.4 There are also other elements of costs which were previously allocated against the Housing Revenue Account where it will no longer be possible to do so, and they will now fall on the Council Fund [Members costs would be one such example].
- 4.5 The Head of Finance has been through all of the costs in question and has prepared a detailed report on the issue for the Leadership group's consideration. Following consideration of that report they came to the conclusion that the following costs would have to remain with the Council as we cannot now recover them from the Housing Revenue Account nor delete them -

Table 4 - Housing revenue account costs which will now fall upon the Council

	£
Total current recharges to the Housing Revenue Account	1,957,710
Costs which can be deleted or where it is considered that GCH will wish to continue with the service	1,240,460
Residual costs	<u>717,250</u>

- 4.6 A detailed breakdown of these costs is given in Appendix 1.
- 4.7 In addition, the Board has agreed to a revised structure for the residual housing function once the transfer has been implemented. This decision along with the decision to ask Gwynedd Community Homes to undertake an element of supporting people work will entail further costs of £243,940.
- 4.8 Taken together therefore, additional costs of £961,190 will fall upon the Council but against this we can set a gain of £125,730 as a result of a saving in capital financing charges which means that we will have to provide for £835,460 and this has been done (see paragraph 2.3 above).
- 4.9 A similar position has also arisen with the Provider Service as a result of the decision of the Isle of Anglesey Council to undertake their cleaning supervision themselves in future.
- 4.10 Again an assessment has been made of the costs that can be saved and where that cannot be done, and this work continues, but it is currently considered that £128,890 needs to be provided in respect of those costs. This has been included in the budget.
- 4.11 The Committee should also be aware that the rules relating to the externalisation of the housing stock mean that the council cannot transfer the deficit on the Pension Fund which exists in respect of those staff transferring to the new body.

- 4.12 At the moment of course , due to market circumstances, the Pension fund's position is weakened, and every employer currently has a deficit position.
- 4.13 Although we will not know the exact effect until the day of the transfer (when we will be conducting a valuation of liabilities) an initial assessment has suggested that the deficit could be of the order of £5m. This would translate into an additional employer's contribution of around 0.3% which would place further pressure on the 2011/12 and 2012/13 budgets.
- 4.14 It is possible to reduce the revenue effect by making a one off contribution into the Pension Fund.
- 4.15 When the Housing stock is transferred, any balance remaining in the Housing revenue account will stay with the Council, and it is recommended that this balance (along with any other opportunities which could arise) be used to reduce any effect on the employer's contribution.
- 4.16 In light of the above of course the unit cost for a number of the Council's support services will increase and with the distinct possibility that we will see more such instances in future as further services are provided by others, it raises the question of how these support services are going to ensure that they remain competitive in terms of their unit rates in the future.
- 4.17 The Leadership Group has commissioned a work stream to bring the managers of these units together to give further consideration to the issue.

5 BIDS

- 5.1 Under the heading of "bids" the sums shown in the following table have been provided -

Table 5 - Items which require provision to be made

	£
Final provision for prudential borrowing	500,000
Unavoidable bids from services	577,880
Developments in the three year plan	250,000
2009/10 budgetary review	1,450,000
Total	2,777,880

- 5.2 **Final provision for prudential borrowing** - this is the last element of the provision to be made to set aside resources in order to use the

prudential borrowing regime to borrow £23m to implement the Council's asset management strategy.

- 5.3 **Unavoidable bids from services** – in accordance with the annual arrangements, Heads of Service are asked to identify any bids which may be required in order to ensure continuity of service. The nature of the successful bids is that the risk of not agreeing is so significant that the Council must allocate resources to the matters under consideration. These are noted in a separate report from the Head of Strategy and Improvement.
- 5.4 **Three Year Plan developments** – unavoidable bids are invited in order to ensure continuity of service. However there are other developmental issues which do not fall into this category but which members may consider should be recognised due to the fact that they are a priority for the Council. [An example would be the discussions which we recently saw on parking for the disabled]. The proposal therefore is to provide £250,000 for such issues.

Budgetary Review

- 5.5 In undertaking the second quarter budgetary review it became apparent that there were problems in the areas of education and social services.
- 5.6 In education it came to light that the integration budget was overspending by £776,000 in 2009/10 and that the full year effect of this would be around £1m.
- 5.7 In the light of this information, Internal Audit were commissioned to identify how such an increase was possible, and this study suggested that at least half of the increase was due to an increase in demand but that there was some evidence to suggest that other reasons were responsible for the remainder.
- 5.8 It is considered therefore that we must recognise at least half of the increase £500,000 as one which arises from an increase in numbers, but it is also considered that it would be inappropriate to expect the service to cope with all of the residual amount, and it is therefore recommended that the Council contributes £750,000 to this budget and asks the service to take steps to bring the consequent budget under control.
- 5.9 As an offset, the service has £150,000 of transport funds given to them last year where the expected increase in transport costs as a result of re-tendering has not materialised, and therefore the net additional contribution required will be £600,000.

5.10 During the second quarter review, we also saw the following overspend figures in Social Services -

£'000	Overspend 2009/10	Effect 2010/11
Children and Families	52	243
Learning Disabilities	352	823
Mental Health	129	106
Total	533	1,172

5.11 £180,000 of the Learning Disabilities overspend is the result of savings which have yet to be realised, and the remainder is a combination of a number of factors including an increase in the number of clients. This is after allowing for a transfer from contingency budget in 2009/10 of £300,000.

5.12 The Joint Review's conclusions suggested that Social Service's problems did not arise from a lack of resources but rather the use made of those resources, which suggests that we should be very careful in directing even more resources to the service. Nevertheless we cannot start a new financial year with a budget which is obviously inadequate, and it is therefore suggested that we contribute £850,000 towards the situation and direct the service to sort out the remaining problem.

5.13 This underlines the need to ensure that we find transformational solutions in the social care environment and emphasises how crucial the plans to undertake strategic reviews and find different ways of undertaking functions are if we are to avoid continuous increase in budgets.

6 ONE OFF REQUIREMENTS

6.1 It can also be seen from the Head of Strategy and Improvement's report that essential one off bids to the value of £409,160 arise from the 2010/11 bidding process.

6.2 In addition however we must be alive to the opportunities which will arise from the convergence funding which can be targeted to promote developments in Gwynedd, and if we are to take advantage of this fund to improve the situation for Gwynedd's residents then we will have to be able to find match funding for some of the schemes.

6.3 In order to ensure that we have this ability I suggest that we set aside £500,000 in a fund for the Board to use in order to match fund convergence applications when the opportunities arise.

6.4 £337,830 of the one off requirement can be found from the Performance Incentive Grant monies which have not been earmarked for permanent

use, and I anticipate that there will also be £435,000 available in 2010/11 of the resources set aside to assist with the capital programme on a one-off basis.

6.5 This will leave £136,330 which will have to come from balances.

7 CAPITAL

7.1 The Council has now established its asset strategy for the 10 years to come.

7.2 The Head of Strategy and Performance's report on capital bids identifies those schemes which should be approved against the £500,000 set aside in the strategy for issues which arise outside of the strategy's scope. It can be seen for 2010/11 that the total of these schemes is £568,460 which is £68,460 higher than that provided for in the strategy.

7.3 This sum can be found from the revenue resource set aside to assist with prudential borrowing which will not be required in 2010/11.

7.4 The Head of Strategy and Improvement's report also outlines those schemes which should be included in the 2010/11 and 2011/12 capital programme as a result of the Council's decision on its Asset Strategy. This year, as this was one of the asset strategy's aims, we would have expected to be able to publish a three year capital programme including 2012/13.

7.5 However, as I have already reported, the capital resources available to the public sector will reduce substantially in 2011/12 and this presents a risk to the asset strategy.

7.6 The Board has already decided that it should earmark any element of the current year's contingency budget which remains unused to pay for future prudential borrowing (see clause 1.4 above) and this will give us some flexibility, but it is unlikely to be sufficient to answer the problem with which we will be faced and we will need to revisit the strategy once we know the size of the reduction.

7.7 We need to strike an appropriate balance therefore between committing sufficient resources to allow proper medium term planning and not committing too much so as to fetter ourselves.

7.8 It is therefore recommended that we commit resources for a two year programme and we note below how the programme is to be financed -

Table 6
Financing the Capital Programme 2010/11 a 2011/12

£'000	2010/11	2011/12
Capital requirement	15,787	18,642
To be financed by		
Basic capital support in the settlement	9,867	9,867
Contribution from earmarked reserves	325	424
Schools improvement grant	400	
Capital receipts	3,129	2,117
Contribution from revenue	2,066	734
Prudential Borrowing	-	5,500
Total Financing	15,787	18,642

8 BALANCES AND EARMARKED RESERVES

- 8.1 It is anticipated that we will have balances of £7.77m at the end of the financial year (subject to the budgetary position between now and the year end).
- 8.2 We will need to use £136,330 to finance one-off items of expenditure in the strategy for 2010/11 (see clause 6.5 above) which will leave a balance of £7.6m by the end of 2010/11.
- 8.3 As noted in my previous report, due to the volatile environment which we face I would suggest that we retain this amount as a prudent sum which would be available to cope with any problems which may arise. In view of their one-off nature, using balances would only be deferring a problem in any case.
- 8.4 I also noted in my previous report that we were looking for opportunities to invest in transformational activity in order to generate savings.
- 8.5 During the second quarter review the Board has already taken the opportunity to earmark a little over £1m to establish this reserve.
- 8.6 In reviewing the sums set aside for financial hardship following the pay review, and the fact that we now intend to allocate a further £800,000 to the permanent budget in respect of classroom assistants, it is considered that we can now release £2.5m from the financial hardship reserve.
- 8.7 I would recommend that this sum be added to the transformation reserve with its use to be determined by the Board.

- 8.8 On the 28 January the finance issues scrutiny task group met for the final time to consider the position in relation to earmarked reserves. A note of the meeting appears in Appendix 2.
- 8.9 In scrutinising the earmarked reserves, the task group identified opportunities to reduce some reserves in order that we may use them in future to address one-off threats. An example would of course be the reduction in capital resources which will be available and the Committee is asked to confirm the task group's recommendations.

9 THE COUNCIL TAX

- 9.1 The committee will need to consider whether it is satisfied with the assumptions made in establishing the budget, but assuming that it is, it would lead to a budget as shown in Appendix 3.
- 9.2 It can be seen that this leads to an increase in the Social Services budget of 2.77%; an increase in the education budget of 2.35% (with an increase of 2.3% in the delegated schools budget) and the remaining services facing an average **reduction** of just over 4%.
- 9.3 The decision which then needs to be made is the balance which needs to be struck between increasing the Council tax and future cuts.
- 9.4 I would remind the Committee that it is the Council's policy to try and keep the annual Council Tax increase to the average increase across Wales over the lifetime of the Council.
- 9.5 Even though we do not have any definitive figures, from the information given orally I expect the average Council Tax increase across Wales to be between 3.3% and 3.8% with some councils trying to reduce the increase below 3%.
- 9.6 In view of the fact that the Council's financial position for 2010/11 has improved since the position reported in December (see paragraph 2.1 for the comparison) and as the Council has already identified £4.05m of savings which can be implemented at its meeting on 10 December, it can be calculated that if we were to consider the 2010/11 financial year in isolation we would need a Council tax increase of 2.96% to balance the books.
- 9.7 However the Council must bear in mind that we are currently planning on the basis of the need to find further savings of £12m in 2011/12 and 2012/13 taken together with only £11.6m having currently been found. As I note in paragraph 3.3 there is a possibility that the deficit could be greater and I would recommend that we take the opportunity now to assist with the situation in 2011/12 and 2012/13.

- 9.8 Consideration need to be given therefore to the extent to which the Committee wishes to take advantage of the opportunity to set a low Council Tax increase in 2010/11 or does it wish to keep the increase at around the welsh average (or any other figure above 2.96%) in order to afford itself greater financial flexibility in facing the uncertain financial future (and thus reducing the level of cuts in services we will require over the period).
- 9.9 I note below the range of Council Tax increases which conforms to the instructions I was given in December and note the consequent level of resources which would be available to reduce the pressure on budgets in 2011/12 and 2012/13.

Table 7
Range of Council Tax increases and resultant flexibility for 11/12

Increase	Transfer to 11/12 £'000
3.00%	20
3.25%	134
3.50%	247
3.75%	361
4.00%	475
4.25%	589
4.50%	703
4.75%	816
5.00%	930

10. COMMITTEE DECISIONS

- 10.1 The Committee will need to consider the following issues -
- a Is the Committee content with the work done to challenge the costs which will fall upon the Council as a result of the externalisation of the housing stock and does it approve the £835,460 provision which will have to be made ? [Clause 4.6]
 - b Is the Committee willing to approve the provision of £128,890 which will have to be made in the budget to compensate the Provider unit for the loss of an external contract ? [Clause 4.8]
 - c Does the Committee agree that we should take advantage of any reasonable opportunity to make a one-off contribution to the Pension Fund to reduce the consequent effect upon the employer's contribution at the next valuation including using any residual Housing Revenue Account balances which transfer to us for that purpose [Clause 4.13]

- d Does the Committee agree that the managers of the appropriate units should consider how we can obtain lower unit costs in the face of externalising services [Clause 4.15]
- e Does the Committee approve the budgetary additions noted in part 5 including the £600,000 for the Schools Service and £850,000 for the Social Services to assist with the budgetary pressures they face ?
- f Does the Committee approve the proposals for one-off expenditure and the methods of financing noted in part 6 of the report ?
- g. Does the Committee approve the proposals for the capital programme and the financing given in part 7 of the report ?
- h. Does the Committee agree that we should take advantage of the opportunity to add the amount released from the financial hardship reserve into the transformation reserve ? [Clause 8.6 & 8.7].
- i. Does the Committee approve of the Financial Issues Scrutiny task Group's recommendations in relation to earmarked reserves ? [Clause 8.8 & 8.9 & Appendix 2]
- j. Is the Committee satisfied with the proposed budget noted in Appendix 3 and the consequent increases/decreases for each service [Clause 9.1 and Appendix 3]
- k. What is the Committee's opinion on the appropriate level of Council tax increase bearing in mind the deficits we are likely to face in 2011/12 and 2012/13. [Part 9 of the report]

APPENDIX 1

Support Costs which cannot be extinguished following the housing stock transfer

Service	Current recharge £	Costs which can be extinguished/ transferred / continue to provide a service	Recharges on central units £	Costs which cannot be extinguished £
Human Resources	132,400	81,920	20,990	29,490
External Audit	21,740	-	-	21,740
Additional Pensions	13,220	-	-	13,220
Insurance	257,820	176,070	-	81,750
Finance	357,150	239,490	21,360	96,300
Legal and Translation	142,180	131,900	1,400	8,880
Democracy	98,310	-770	33,960	65,120
Provider and Leisure	92,330	92,330	-	-
Customer Care	249,070	127,900	20,350	100,820
Highways and Municipal	399,770	399,770	-	-
Corporate Director	38,270	-2,770	2,510	38,530
Strategy and Improvement	153,120	-5,380	22,820	135,680
Other corporate	2,330	-	-	2,330
Total	1,957,710	1,240,460	123,390	593,860
		Total	£717,250	

**Note of a meeting of the Finance Issues Task Group
28 January 2010**

Present : Councillor Dylan Edwards (Portfolio leader); Councillor John G Jones, Councillor Dewi Llewelyn, Dilwyn Williams (Corporate Director), Dafydd Edwards (Head of Finance), Williams Jones (Senior Finance Manager)

1. Following consideration of all the Council's earmarked reserves in May 2009, the group were reminded that they had chosen 36 to receive further consideration.
2. The Senior Finance Manager submitted detailed sheets on each reserve outlining its financial history, its purpose and the plans for future use of each reserve.
3. The Head of the Provider and Leisure Service so as to obtain more information on Reserve 8 (contracts reserve); head of Highways and Municipal for Reserve 6 (risk management reserve) and the Senior Audit and Risk manager on reserve 2 (self insurance).
4. Following consideration given to the 36 reserves the following were noted -
 - i) Reserve 1 (Renewals reserves) – consideration should be given to combining these reserves so that the varying profiles can be matched leading to the ability to reduce the balance by around £1.6m.
 - ii) Reserve 2 (Self Insurance) – in view of the historic profile, consideration should be given to the reduction of the annual contribution to this reserve by £100,000 (to assist with the corporate savings target) and that the balance be reduced by £1.5m.
 - iii) Reserve 6 (Risk management reserve) – that this should be left intact for the time being but that the situation be re-visited in the future.
 - iv) Reserve 8 (Contracts reserve) – in view of the fact that this reserve is no longer required for its original purpose it should be closed with the balance of £152,000 set aside.
 - v) Reserves 11,12,21 and 22 – the task group noted that these reserves were not required for their original purpose but that the service had utilised them for another Council priority.
 - vi) Reserve 25 (Waste reserve) – It was noted that the use of this reserve was part of the 2010/11 financial strategy.

- vii) Reserve 26 (Pay Review reserve) – it was also noted that this reserve was the subject of review in the 2010/11 financial strategy with a significant portion being diverted for the purposes of a transformation reserve.
 - viii) Reserve 29 (Bridging reserve) – in view of the fact that this was no longer required for its original purpose it should be closed and the balance of £107,000 set aside.
 - ix) Reserve 30 (Overspend reserve) – in view of the fact that this reserve was no longer required for its original purpose it should be closed and the balance of £80,000 set aside)
 - x) Reserves 9, 14, 18 and 19 (Various Reserves with minor balances) – It was noted that following further investigation the relevant departments had stated that these reserves were no longer necessary and could be closed with the aggregate balance of £97,000 being set aside.
- 5 In view of the precarious financial position which the Council was facing in the years to come, the task group was also of the view that the sums outlined above should be set aside in order to assist with any call for one-off resources which might arise in the coming years – for example the anticipated reduction in capital resources.
- 6 Following consideration of all Council reserves and receiving the appropriate explanations, having taken the steps outlined in part 4 above, the members of the task group were satisfied that the remaining reserves were necessary and that the balances contained therein seemed reasonable bearing in mind the risks they are meant to cover.

APPENDIX 3

2010/11 proposed budget analysis by service

	Base Budget 2009/10	Transfer into settlement	Inflation	Increments	Other adjustment:	Income budget adjustments	Precepts Interest Capital and Demography	Various	Bids	Savings	Base Budget 2010/11
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DEPARTMENTS											
Leadership Group & Strategic & Improvement	2,996		(1)	(13)	109			(40)	(84)	(70)	2,897
Finance	4,401		(17)	17	(16)			(11)		(258)	4,116
Democracy & Legal	3,509		(28)	11	(3)			7	81	(99)	3,478
Customer Care	6,835		(88)	33	166			(20)	(46)	(203)	6,677
Human Resources	3,379		8	9	(232)			(8)	224	(166)	3,214
Highways and Municipal	23,242		243	24	(20)	63		(10)	10	(983)	22,569
Regulatory Services	7,246		36	0	9	15		(2)	(115)	(261)	6,928
Gwynedd Consultancy	710		(9)	0	(29)	180		(7)		(93)	752
Education (non delegated)	18,827		142	11	173			(34)	291	(109)	19,301
Delegated Schools	60,187	469	1,233	66	274				300	(478)	62,051
Economic and Community Development	3,769		21	7	(10)	(5)		9		(226)	3,565
Social Services	49,411	552	528	(3)	14		231	(17)	939	(310)	51,345
Housing	1,385		(1)	(1)	1			(3)	(18)	(112)	1,251
Provider and Leisure	2,634		(295)	48	(2)			131	(23)	(249)	2,244
Total Departments	188,531	1,021	1,772	209	434	253	231	(5)	1,559	(3,617)	190,388
Corporate & capital items	26,430	348	765	(30)	(919)		117	672	4	(434)	26,953
GROSS TOTAL	214,961	1,369	2,537	179	(485)	253	348	667	1,563	(4,051)	217,341
Balances and earmarked reserves	(3,123)				485				1,215	855	(568)
NET TOTAL	211,838	1,369	2,537	179	0	253	348	667	2,778	(3,196)	216,773