

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Adults Services</u>						
Older Peoples Services						
Residential and Nursing - Homes	11,408	11,102	(306)	0	(306)	15
Home Care	6,241	5,923	(318)	0	(318)	(512)
Other	1,821	1,846	25	0	25	54
	19,470	18,871	(599)	0	(599)	(443)
Physical Disability Services						
Residential and Nursing	523	456	(67)	0	(67)	(69)
Home Care	1,108	945	(163)	0	(163)	(170)
Other	664	684	20	0	20	26
	2,295	2,085	(210)	0	(210)	(213)
Learning Disability Services	16,736	16,543	(193)	0	(193)	(205)
Mental Health Services						
Residential and Nursing	1,569	1,571	2	0	2	(6)
Other	1,878	1,933	55	0	55	90
	3,447	3,504	57	0	57	84
Other Services (Adults)	2,947	2,987	40	0	40	115
<u>Adults Services Total</u>	44,895	43,990	(905)	0	(905)	(662)

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Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Provider Services (showing net budget)</u>						
Residential Care	90	364	274	0	274	264
Day Care	11	133	122	0	122	41
Community Care	488	1,040	552	0	552	437
Other	(4)	71	75	0	75	94
<u>Total Provider Services</u>	585	1,608	1,023	0	1,023	836
<u>Other Services</u>						
Housing Services	1,867	2,005	138	0	138	105
Departmental Central Services <i>(including the Department's savings schemes)</i>	3,824	4,054	230	0	230	331
Use of specific reserve		(457)	(457)	0	(457)	(457)
<u>Total Other Services</u>	5,691	5,602	(89)	0	(89)	(21)
<u>Adults, Health and Wellbeing Total</u>	51,171	51,200	29	0	29	153

Adults, Health and Wellbeing

Older Peoples Services - increase in the residential and nursing income following assessments and an increase in numbers. An increasing demand for home care packages.

Physical Disability Services - the trend in the reduced number of home care and residential and nursing packages continues this year, but two intense Supported Accommodation cases have transferred from Ceredigion County Council.

Learning Disability Services - two expensive residential and nursing cases have ended in the period, with the underspend on residential and nursing and supported accommodation being reduced by the overspend on day services and support schemes.

Mental Health Services - contribution towards the provision of previous years' service received from Health in the period, which assists in reducing the effect of the overspend on supported accommodation.

Provider Services - the overspend trend continues and is increasing, additional staff costs is mainly responsible for the overspend with some of the reasons including homes having been in special measures, recommendations by Care Inspectorate Wales and appointments beyond the budget. Costs are higher than the income received on Community Care.

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

Departmental Central Services - income received and job vacancies reduce the effect of the slippage in realising £372k of the 2017/18 savings schemes.

As the department is overspending, it's appropriate that the department uses funds of £457k, which is equivalent to the supporting social services grant received in 2017/18, to help alleviate the reported overspend.

Due to the level of overspend by the Provider service, the Adults Cabinet Member and the Head of Department are expected to take clear steps to get to the root of the issue and reduce the overspend. The Cabinet Member is therefore asked to report directly to the Cabinet on the response plan.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	610	588	(22)	0	(22)	(16)
Operational	2,062	2,335	273	0	273	162
Placement						
Out of County Placements	1,587	2,577	990	0	990	600
Agency Fostering	1,009	1,007	(2)	0	(2)	24
Internal Fostering	1,701	1,957	256	0	256	211
Support Services and Other	1,616	1,755	139	0	139	90
	5,913	7,296	1,383	0	1,383	925
Post-16	998	1,173	175	0	175	109
Specialist/Derwen	1,684	1,926	242	0	242	156
Youth Justice	251	207	(44)	0	(44)	(45)
Early Years	162	167	5	0	5	(2)
Youth	972	793	(179)	0	(179)	(188)
Other	1,592	1,644	52	0	52	(11)
Grant Received 2018/19		(552)	(552)	0	(552)	0
Children and Families Total	14,244	15,577	1,333	0	1,333	1,090

Children and Families

Operational - the 2017/18 trend continues with staff costs above the budget level, together with an increase in the number of children in care but not placed in more expensive placements, the area is subject to a bid for additional resources in 2019/20.

Placements - three new out of county placements and a change in intensity of two cases, increase in the cost of new packages but a reduction in Health contributions. Increasing overspend within Internal Fostering, 'When I'm Ready' scheme and support services. A review of the out of county commitments has been undertaken, which has highlighted changes to the type of cases over recent years, and therefore the associated costs.

Post-16 - recent cases transferred from out of county placements are responsible for the overspend.

Specialist/Derwen – overspend of £190k on Support schemes following an increase in demand for service and specialist support. Overspend of £29k by the Hafan y Sêr respite Unit and on staff costs.

Youth – transitional period in providing youth service and with savings being realised in advance.

In December, the Council received a grant of £552k from the Welsh Government in order to support sustainable social services, due to the financial position of the Children's Department, it's appropriate that the money should be used to try and reduce the gross overspend from £1.9m to £1.3m.

An increase in overspend is noted on a number of budget headings since the previous review, with the the situation to be considered when receiving the Cabinet Member's performance report (29/01/19 Cabinet) with a view to attempt to reduce the overspend by the end of the financial year.

REVENUE BUDGET 2018/19 - END OF NOVEMBER REVIEW						
Education 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Delegated Schools	74,036	74,036	0	0	0	0
Schools Quality Services	(392)	(532)	(140)	0	(140)	(147)
Infrastructure and Support Services						
Transport	4,605	5,052	447	0	447	482
Ancillary Service	414	618	204	0	204	100
Other	2,300	2,290	(10)	0	(10)	(30)
	7,319	7,960	641	0	641	552
Leadership and Management	2,133	2,180	47	0	47	9
Additional Learning Needs and Inclusion	4,169	4,362	193	0	193	336
Education Total	87,265	88,006	741	0	741	750

Education

Schools Quality Services - (£140k) forecasted underspend as a result of staff turnover, grant income and reduction in costs.

Transport - the overspend trend continues, with a deficit of £10k on the sale of post-16 transport tickets and £170k 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 £267k, being the full year effect of 2017/18 growth, together with an increase in the applications since establishing this year's budget. The Head of Education in conjunction with the Head of Environment were asked to investigate the increase in the expenditure on taxi transport for schools and take action to manage the situation. A review of the situation has been undertaken with the findings presented to the Department's performance challenge meetings. Following a request by the Department for additional resource to help with the increasing costs, it's anticipated that additional resource will be allocated in 2019/20.

Infrastructure and Support Services - Ancillary Service - deficit in school meals income and the care element of the breakfast scheme, together with costs deriving from sickness and staffing matters in Catering, Cleaning and Caretaking of schools.

Additional Learning Needs and Inclusion - circumstances in relation to one specific centre continues and is responsible for £220k of the overspend. ABC Pre School Units overspending by £96k during the transitional period of the new regime. Overspend of £91k in Education other than schools. Underspend within out of county placements and additional learning needs units, has reduced the overspend reported.

Due to the level of overspend on pupils' transport by the Education Department, the situation is to be considered when receiving the Cabinet Member's report (29/01/19 Cabinet).

REVENUE BUDGET 2018/19 - END OF NOVEMBER REVIEW						
Economy and Community 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	344	344	0	0	0	0
Community Learning	1,823	1,779	(44)	0	(44)	10
Tourism and Heritage	1,144	1,167	23	0	23	26
Economy and Community	374	380	6	0	6	(34)
Healthy Communities	1,769	1,971	202	0	202	159
<u>Economy and Community Total</u>	5,454	5,641	187	0	187	161

Economy and Community

Community Learning - underspend due to vacant jobs and savings being realised in advance.

Tourism and Heritage - forecasted overspend of £60k by Storiell, which is a combination of overspend on staff and lack of income. Underspend by the Halls and Archives has reduced the overspend reported.

Economy and Community - movement since the previous report as the income forecasted for harbours is not as promising. Overspend by Hafan, Pwllheli and Doc Fictoria, Caernarfon but is mitigated by the underspend on country parks and more income from beaches.

Healthy Communities - overspend of £157k due to the slippage on establishing a company to run the leisure facilities, together with a reduction in the income forecasted for leisure centres.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Highways Services (including Trunk Roads)	9,748	9,787	39	0	39	66
Engineering Services	365	364	(1)	0	(1)	29
Municipal Services						
Waste	11,035	11,505	470	0	470	178
Other	3,943	4,024	81	0	81	287
<u>Highways and Municipal Total (including Trunk Roads Agency)</u>	25,091	25,680	589	0	589	560

Highways and Municipal (including Trunk Roads Agency)

Highways Services - staff turnover during the period is responsible for reducing the income deficit expected.

Waste - substantial increase in the overspend expected to £470k, with an increase in staff costs and costs associated with sickness. Higher operational costs were seen on transport, fleet maintenance and dealing with recycling material. Although the Department has taken steps to reduce costs by changing shifts and collection route arrangements, changes were expected to be effective from November in Dwyfor and in 2019/20 in Arfon and Meirionnydd, there has been a slippage in the timetable, with Dwyfor being effective from January 2019.

Other Municipal Services - reduction in the level of overspend forecasted to £81k, with the forecasted income from commercial waste is more promising. Cost relating to running and hiring of vehicles continue to be problematic, but negotiating better prices on recycling materials and reduced transport and landfill costs help reduce the level of overspend reported.

Although some steps have already been taken on the Waste side during the year in order to operate within the budget, there has been a delay in implementation.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Department Management	472	391	(81)	0	(81)	2
Planning Services						
Development Control	192	274	82	0	82	127
Other	204	187	(17)	0	(17)	(15)
	396	461	65	0	65	112
Street Works and Transport Services						
Network Management (Transport)	720	592	(128)	0	(128)	(91)
Parking and Parking Enforcement	(1,656)	(1,675)	(19)	0	(19)	(66)
Integrated Transport	1,702	1,594	(108)	60	(48)	(1)
	766	511	(255)	60	(195)	(158)
Countryside and Access	715	720	5	0	5	(3)
Public Protection	1,609	1,580	(29)	0	(29)	(15)
Property, Caretaking, Catering and Cleaning	3,256	3,322	66	0	66	33
Environment Total	7,214	6,985	(229)	60	(169)	(29)

Environment

Management - savings in advance following re-structuring and receipt of a grant to fund a post within the Department has led to a one-off savings within the Management area.

Planning Services - forecasted income deficit in the Development Control area, but the prospects now look more promising following income receipts due to two significant applications.

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

Additional costs in Integrated Transport due to the retendering of routes of two bus operators, but an element of the financial support towards the rising costs received from the Welsh Government at the end of 2017/18 is being used to fund the associated overspend this year. Underspend on staff costs and an increase in income forecasts has improved the financial position. The Department is eager to conduct a review of public transport and therefore it is suggested that £60k of the Department's underspend is earmarked to commission research by the University to review the provision and employing extra officers to collect evidence within the area.

Property, Caretaking, Catering and Cleaning - increase in overspend, mainly due to staff costs.

It is recommended to allow the Environment Department to allocate (£60k) of the underspend to conduct a review by commissioning research by the University and employing extra officers to collect evidence in the Public Transport field following a number of issues over recent years.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Roads and Engineering Services	(389)	(391)	(2)	0	(2)	(72)
Building Services	(26)	(29)	(3)	0	(3)	31
Flood Risk Management Unit Services	549	550	1	0	1	2
Building Control	110	103	(7)	0	(7)	19
Consultancy Total	244	233	(11)	0	(11)	(20)

Consultancy

Roads and Engineering Services - movement of £70k since previous review, due to decrease in the income forecasted, together with increase in staff and transport costs.

Building Services - underspend on staff and transport costs outweigh the anticipated income deficit of £46k for the area, with the service continuing to apply for work from external organisations to attract income.

Building Control - one-off staffing underspend cancelling the impact of income below the budget within the Building Control area.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	1,991	1,898	(93)	0	(93)	(58)
Finance (& Information Technology)	6,078	6,025	(53)	0	(53)	(66)
Corporate Support	7,621	7,562	(59)	0	(59)	(100)
Central Departments Total	15,690	15,485	(205)	0	(205)	(224)

Central Departments

Corporate Management Team and Legal - the latest forecast suggest an underspend of (£93k), due to vacant post, receipt of additional income of (£46K) from the Legal Unit and a reduction in costs within the Emergency Planning area. These savings will be part of the savings plans offered for 2019/20 onwards.

Finance (and Information Technology) - one-off underspend on vacant posts across the Department is mainly responsible for the underspend, along with attracting additional income. Savings in advance have been planned in preparation to contribute to the 2019/20 and onwards savings plans.

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 includes Occupational Health, with the intention of using it as part of the savings plans from 2019/20 onwards.

REVENUE BUDGET 2018/19 - END OF NOVEMBER 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) End of August Position
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	*	*	(360)	360	0	(92)
Council Tax Premium	*	*	(700)	700	0	(700)
Council Tax Reduction	*	*	(106)	106	0	0
Net Interest Received	*	*	8	0	8	22
Capital Costs	*	*	(435)	435	0	0
VAT claim in the Leisure Area	*	*	(1,383)	1,383	0	0
Other	*	*	(55)	0	(55)	0
Corporate Total	*	*	(3,031)	2,984	(47)	(770)

Corporate

Council Tax and Council Tax Premium - forecast of additional tax of (£360k) is anticipated by the end of the financial year. In respect of the Council Tax Premium, forecast of (£700k) additional tax above the budgeted premium tax of £2.2m, which is a premium of 50% on second homes and empty properties for over 12 months. It is recommended that it should be considered to be used as part of the Housing Strategy.

To date this year, the Valuation Office has already allowed 287 properties to transfer from the Council Tax list to Non Domestic Rates (282 for a full year in 2017/18, 199 in 2016/17) with the impact of applications being backdated leading to further income loss. Further more, the tax income would have been higher. We will continue to draw attention of the Welsh Government and the Valuation Office to this unsatisfactory situation.

Council Tax Reduction - underspend as the number of applications on the Council Tax Reduction scheme (benefits) is at its lowest level compared with the previous two years throughout North and Mid Wales.

Capital Costs - existing treasury management policy means there is an underspend against the interest budget on long-term external borrowing. As the 2019/20 Asset Management Plan is under development, it is suggested that this underspend should be earmarked specifically to assist with the financing of the capital program.

VAT Claim in the Leisure Area - one-off refund of £1.383m net relating to changes in Value Added Tax in the Leisure area has been received since the previous review.

It is recommended to harvest (£2,984k) of the net underspend on Corporate budgets, with (£700k) associated with the Council Tax premium to be allocated to a specific fund to be considered for the Housing Strategy, (£435k) relating to capital costs to be transferred to the capital program's financing fund, with the remainder of (£1,849k) to be transferred to the Supporting the Financial Strategy Fund to assist with inevitable one-off pressures on the Council's budgets.