

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Adults, Health and Wellbeing Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Adult Services						
Older People's Service						
Residential and Nursing - Homes	10,200	9,854	(346)	0	(346)	(476)
Home Care	6,006	6,194	188	0	188	205
Other	2,570	2,458	(112)	0	(112)	10
	18,776	18,506	(270)	0	(270)	(261)
Physical Disability Services						
Residential and Nursing	462	472	10	0	10	20
Home Care	985	1,022	37	0	37	70
Other	686	691	5	0	5	0
	2,133	2,185	52	0	52	90
Learning Disability Services						
	13,724	13,644	(80)	0	(80)	0
Mental Health Services						
Residential and Nursing	1,292	1,404	112	0	112	150
Other	2,113	2,076	(37)	0	(37)	(50)
	3,405	3,480	75	0	75	100
Other Services (Adults)						
Management	369	382	13	0	13	0
Older People and Physical Disability Team	2,889	2,873	(16)	0	(16)	0
	3,258	3,255	(3)	0	(3)	0
Adult Services Total	41,296	41,070	(226)	0	(226)	(71)

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Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Provider Services</u>						
Residential Care	7	144	137	0	137	50
Day Care	5	(44)	(49)	0	(49)	(130)
Community Care	2	203	201	0	201	0
Other	(154)	(191)	(37)	0	(37)	0
Total Provider Services	(140)	112	252	0	252	(80)
<u>Other Services</u>						
Housing Services	5,000	4,983	(17)	0	(17)	(35)
Customer Care Services	226	155	(71)	0	(71)	0
Departmental Central Services	3,644	4,233	589	0	589	442
Total Other Services	8,870	9,371	501	0	501	407
Adults, Health and Wellbeing Total	50,026	50,553	527	0	527	256

Adult, Health and Wellbeing Summary

Main Issues:-

Older People's Services:-

- Residential and Nursing - Homes - a reduction of £130k in the underspend level previously forecasted, down to (£346k) and includes an underspend of (£131k) on Independent Homes due to the substantial reduction in the number of placements, together with additional income contribution of (£214k).
- Homes Care - a forecasted reduction of (£20k) in the overspend down to £188k, reflecting mainly, the continual pressure on the provision.
- Other - underspend of (£112k), which includes a number of variances, particularly an underspend of (£50k) on Residential Support and an underspend of (£20k) on Direct Payments.

Learning Disability Services - a net underspend position of (£80k) which includes savings schemes worth (£116k) that have been achieved in advance.

Mental Health Services:-

- Residential and Nursing - an overspend of £112k is now forecasted due to accepting new cases, which is a reduction of (£38k) since the first quarter.

Provider Services:-

For now, an overspend of £252k is forecasted on this heading and this includes a number of variances, mainly an overspend of £137k on Residential Care due to higher employment costs, an underspend of (£49k) on Day Care, and an overspend of £201k on Community Care due to higher employment and transport costs.

The Department is reviewing various elements of the Provider Service with the aim of reducing the overspend level currently forecasted.

Other Services:-

- Customer Care Services - net underspend of (£71k) is forecasted which includes a number of variances, but mainly a one-off underspend of (£36k) on staff costs.
- Departmental Central Services - the position of the "Savings Schemes to be Achieved" is included under this heading. The work of trying to achieve this year's target is still ongoing. However, there is a possibility that the target will not be fully achieved this year, with a risk that £652k worth of savings will not be realised.

Summary

I am confident that the Cabinet Member and the Head of Service will succeed in improving the position during the year, but, if this trend continues, there is a risk that the Department will face an overspend of £527k by the end of this financial year.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Children and Families Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	403	375	(28)	0	(28)	(43)
Operational Services	1,826	1,967	141	0	141	100
Placement Services						
Residential Unit	140	556	416	0	416	216
Out of County Placements	2,233	2,325	92	0	92	(49)
Agency Fostering	1,020	1,000	(20)	0	(20)	34
Internal Fostering	1,809	1,618	(191)	0	(191)	(100)
Other	1,500	1,527	27	0	27	(62)
	6,702	7,026	324	0	324	39
Post-16 Services	991	885	(106)	0	(106)	0
Specialist Services/Derwen	1,543	1,473	(70)	0	(70)	(50)
Youth Justice Services	257	239	(18)	0	(18)	0
Early Years Services	108	63	(45)	0	(45)	0
Other Services	1,900	1,846	(54)	0	(54)	(32)
Children and Families Total	13,730	13,874	144	0	144	14

Children and Families Summary

Main Issues:-

Operational Services - it's forecasted that a further increase of £41k in the overspend since the first quarter, which mainly consists of an overspend of £115k on field workers.

Placement Services :-

- Residential Unit - included here is the effect of the failure to achieve the relevant savings plan in relation to children's residential care in accordance with the original intention, the delay has significantly contributed to the overspend of £416k forecasted.

- Out of County Placements - although some cases came to an end, there were also a number of new cases with more substantial demands, and as a result, an overspend of £92k is forecasted this year.

- Internal Fostering - a substantial underspend reflecting the success of achieving the relevant savings plan for 2016/17 in advance.

Post 16 Services - a forecasted underspend of (£106k), mainly due to a reduction in the costs of Support Schemes.

Summary

The Department is taking steps to achieve an underspend on other headings, in order to stay within the net budget by the year-end. If this cannot be fully achieved then it is intended to use reserves to make up any shortfalls.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Education Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Delegated Schools	68,379	68,379	0	0	0	0
Transport	4,153	4,226	73	0	73	2
Redundancies and Early Retirement	422	918	496	(496)	0	32
Integration	(9)	(9)	0	0	0	0
Out-of County	982	982	0	0	0	0
Catering and Cleaning	395	595	200	(60)	140	0
Nursery Education	606	606	0	0	0	0
Education Improvement Grant	686	686	0	0	0	0
Management	1,846	1,815	(31)	0	(31)	0
Additional Learning Needs Unit	1,958	2,093	135	(206)	(71)	14
Inclusion Strategy	348	310	(38)	0	(38)	(30)
Further Education	24	24	0	0	0	0
School Reserves	68	68	0	0	0	0
Support to Under Performing Schools	0	0	0	0	0	50
Contribution to Joint Committees	1,576	1,576	0	0	0	0
Other	7,571	7,613	42	0	42	0
Education Total	89,005	89,882	877	(762)	115	68

Education Summary

Main Issues:-

Redundancies and Early Retirement - a gross overspend of £496k is now forecasted mainly due to demographic effects on the secondary sector i.e. reduction in pupil numbers, also partly the effect of the loss of 6th form grant, and the implications of the savings programme on the secondary sector.

The Department has already changed the method of financing these costs, so that it does not need to bear the full costs in one year, and it also intends to use reserves to finance the remainder of the £496k overspend.

Catering and Cleaning - a gross overspend of £200k is forecasted on this heading, mainly due to an overspend of £55k on the provision of Free Breakfasts, an overspend of £125k on School Catering and an overspend of £45k on School Cleaning and Caretaking. It is intended to use (£60k) from other sources, and the Department is expected to take appropriate action to ensure it operates within its budget by the end of the financial year.

Additional Learning Needs Unit - because of the position of two specific units and the need to make improved arrangements, it is forecasted that an additional cost of £206k will arise this year (an increase of £10k since the first quarter). It was mentioned in the first quarter that the Cabinet might consider giving additional financial support later on in the year.

Under the circumstances a recommendation is made and is shown below.

Within this budget there are also a number of underspends and overspends on various headings, particularly the receipt of additional grant of (£62k) in relation to the provision of Early Years Observation Units which have assisted the overall situation.

Summary

Through the use of reserves and other specific measures, including the recommendation made below, the net overspend is reduced to £115k, with the Department continuing to try and keep within its budget by the end of this financial year.

Recommendation

Under the circumstances, **it is recommended** that the Cabinet underwrites the additional cost of £206k as detailed above for Additional Learning Needs Unit with the exact sum to be confirmed at the year-end, and subject to the Department's net overall position at that time.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Economy and Community Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	816	809	(7)	0	(7)	0
Business Support	261	273	12	0	12	0
Marketing and Customer Care	1,017	1,017	0	0	0	0
Community Regeneration	601	589	(12)	0	(12)	0
Skills and Enterprise	67	58	(9)	0	(9)	0
Strategic Projects Team	596	596	0	0	0	0
Strategy and Development	208	208	0	0	0	0
Archives	435	428	(7)	0	(7)	(10)
Museums	173	176	3	0	3	5
Galleries	63	63	0	0	0	0
Halls	250	260	10	0	10	15
Arts	265	265	0	0	0	0
Country Parks	117	117	0	0	0	10
Maritime	200	190	(10)	0	(10)	30
Youth Service	1,299	1,260	(39)	0	(39)	(20)
Healthy Communities Service	3,801	3,981	180	(75)	105	43
Sports Development	255	255	0	0	0	0
Libraries	1,939	1,959	20	0	20	15
Total Economy a Community	12,363	12,504	141	(75)	66	88

Economy and Community Summary

Main Issues:-

Healthy Communities Service - Leisure Facilities:-

A number of variances appear here, particularly -

- Free Swimming Grant - there was a reduction of £55k in the grant received from the Welsh Government. The Department is taking steps to deal with this deficit, and is eager to receive a contribution towards the deficit. In similar circumstances, it is not usual practice to give support during the current year, and it's expected that Departments operate within their departmental budget for this year.
- Bangor Swimming Pool - the facility was closed for five months for improvement work rather than the three months originally forecasted. This resulted in a loss of £50k over the period. ***A recommendation on this issue is shown below.***
- Other Leisure Facilities - an overspend position on a number of budgets is forecasted, including an income deficit of £50k on Healthy Foods (it is intended to use £25k from other sources towards the situation), together with an income deficit of £30k in Centres.

Libraries - an overspend of £20k is forecasted, mainly due loss of rental income of £15k from community education providers in the Lifelong Learning Centres, together with other rental income losses of £5k.

Recommendations

Under the circumstances, **it is recommended** that the Cabinet considers approving financial support towards :-

- Bangor Swimming Pool Income Loss - consider approving an additional budget of £50k for this year.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Highways and Municipal Department Summary Position (including Trunk Road Agency)	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Highways Services (including Trunk Roads)	10,202	10,198	(4)	0	(4)	0
Engineering Services	545	549	4	0	4	0
Municipal Services						
Waste						
Waste Disposal	2,262	2,124	(138)	0	(138)	0
Treatment and Transfer Sites	1,422	1,604	182	0	182	200
Recycling Centres	1,306	1,338	32	0	32	0
Waste Collection	1,564	1,578	14	0	14	0
Recycling	2,147	2,101	(46)	0	(46)	0
Other Waste	880	822	(58)	0	(58)	0
Waste Sub-total	9,581	9,567	(14)	0	(14)	200
Other Municipal	3,885	3,848	(37)	0	(37)	0
	13,466	13,415	(51)	0	(51)	200
Fleet Unit	0	6	6	0	6	0
Highways and Municipal (including Trunk Roads) Total	24,213	24,168	(45)	0	(45)	200

Summary Highways and Municipal (including Trunk Roads)**Main Issues:-**

Waste Disposal - as a result of lower landfill than originally estimated, there are savings in landfill tax costs and disposal costs, giving an underspend of (£138k).

Treatment and Transfer Sites - an overspend position of £182k is forecasted, consisting of a number of variances, particularly, a deficit of £258k on sales of recycling materials because of the relevant market conditions, additional costs of £16k at Penhesgyn composting site and an underspend of (£100k) on green bags.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Regulatory Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	345	338	(7)	0	(7)	0
Planning Services						
Development Control	406	301	(105)	100	(5)	0
Other	39	36	(3)	0	(3)	0
	445	337	(108)	100	(8)	0
Street Works and Transport Services						
Forward Planning	2,106	2,106	0	0	0	0
Structural Maintenance	1,362	1,364	2	0	2	0
Road Safety	354	359	5	0	5	0
Traffic and Statutory Arrangements	654	643	(11)	0	(11)	0
Parking Services	(835)	(1,039)	(204)	200	(4)	0
Transport	2,210	2,198	(12)	0	(12)	(16)
Other	474	474	0	0	0	0
	6,325	6,105	(220)	200	(20)	(16)
Countryside and Access Services	1,275	1,275	0	0	0	0
Joint Planning Policy Unit	285	285	0	0	0	0
Public Protection Services	1,819	1,854	35	0	35	0
Catering, Cleaning and Caretaking Services	11	4	(7)	0	(7)	0
Property Services	(81)	(88)	(7)	0	(7)	1
Regulatory Total	10,424	10,110	(314)	300	(14)	(15)

Regulatory Summary

Main Issues:-

Development Control - an underspend position mainly due to higher fee income received. ***A recommendation is made below.***

Parking Services - Again, a forecasted underspend position, mainly due to higher parking fees received and higher income from season ticket sales. ***A recommendation is made below.***

Summary and Recommendation

A gross underspend position of (£314k) is forecasted, this after creating a reserve provision to finance some of the Council's specific schemes which would have otherwise been subject to a bid for additional resources in 2016/17, should the Department had not secured the financing. As is usual under these circumstances, the Council has also adjusted the annual income targets to respond to the situation at the time, and the income targets for these two headings have been reduced in the past.

Therefore, under the circumstances and taking the above into consideration, **it is recommended** that (£100k) of the underspend on Development Control and (£200k) of the underspend on Parking Services are transferred to a contingency budget by the Cabinet to be used towards other financial demands facing the Council this year.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Consultancy Department Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Roads and Engineering Services	(190)	(39)	151	(100)	51	166
Flood Risk Management Unit Services	865	865	0	0	0	0
Building Services	287	245	(42)	0	(42)	0
Consultancy Total	962	1,071	109	(100)	9	166

Consultancy Summary

Main Issues:-

An overspend of £166k was forecasted in the first quarter, mainly due to a reduction in fee income this year. The position now shows a gross overspend of £109k, and although the Department is continuing to identify other sources of income, there is currently an intention to use reserves to ease the situation, should this trend continue during the remainder of the year.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Central Departments Summary Position	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive's Department	655	610	(45)	0	(45)	0
Finance	1,011	951	(60)	0	(60)	0
Corporate Support	532	443	(89)	0	(89)	10
Central Departments Total	2,198	2,004	(194)	0	(194)	10

Central Departments Summary

Main Issues:-

Corporate Support - a net underspend position of (£89k) is forecasted, including a number of variances, especially one-off staff savings and success in obtaining additional income from various sources.

REVENUE BUDGET 2015/16 - SECOND QUARTER REVIEW						
Corporate Summary Position (Only showing the variances)	Revised Budget 2015/16	Estimated Final Position 2015/16	Estimated Overspend / (Underspend) 2015/16	Use of Other Sources or Other Recommended Adjustments	Revised Overspend/ (Underspend)	Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	*	*	(285)	180	(105)	0
Benefits	*	*	(293)	120	(173)	0
Net Interest Receipt	*	*	169	0	169	64
Other	*	*	(107)	0	(107)	0
Corporate Total	*	*	(516)	300	(216)	64

Corporate Summary

Summary and Recommendations

A favourable position of higher Council Tax collection of (£285k), together with an underspend of (£293k) on Benefits. However, there is a reduction of £169k in Net Interest Receipt and an underspend of (£107k) on Other, which consists of a number of variances on various headings, especially additional income of (£51k) from various sources, and an underspend of (£11k) on capital costs.

Under the circumstances, **it is recommended** to transfer (£180k) of the favourable Council Tax collection and (£120k) of the underspend on Benefits as a resource allocation to the Cabinet to allocate at year end towards the likely overspend within the Adults, Health and Wellbeing Department.