

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Adults, Health and Well-being Department</b>        | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| <b><u>Adults Services</u></b>                          |                               |                                  |   |   |  |   |
| Older People's Services                                |                               |                                  |   |   |  |   |
| Residential and Nursing - Homes                        | 18,257                        | 17,497                           | (760)   |   | (760)  | (554)   |
| Domiciliary Care                                       | 7,978                         | 7,712                            | (266)   |   | (266)  | (189)   |
| Others   | 296                           | 1,588                            | 1,292   |   | 1,292  | 1,256   |
|  | 26,531                        | 26,797                           | 266   | 0   | 266  | 513   |
| Physical Disabilities Services                         | 2,794                         | 2,323                            | (471)   |   | (471)  | (510)   |
| Learning Disabilities Services                         | 24,211                        | 24,935                           | 724   |   | 724  | 215   |
| Mental Health Services                                 | 4,176                         | 4,400                            | 224   |   | 224  | 258   |
| Other Services (Adults)                                | 3,853                         | 3,799                            | (54)  |   | (54)   | (41)  |
| <b><u>Adults Services Total</u></b>                    | <b>61,565</b>                 | <b>62,254</b>                    | <b>689</b>  | <b>0</b>  | <b>689</b>   | <b>435</b>  |
| <b><u>Provider Services (shows net budget)</u></b>     |                               |                                  |   |   |  |   |
| Residential Care                                       | 585                           | 638                              | 53  |   | 53   | 122   |
| Day Care   | 21                            | (159)                            | (180)   |   | (180)  | (165)   |
| Community Care   | 412                           | 2,192                            | 1,780   |   | 1,780  | 1,550   |
| Others   | 19                            | 30                               | 11  |   | 11   | 35  |
| <b><u>Provider Services Total</u></b>                  | <b>1,037</b>                  | <b>2,701</b>                     | <b>1,664</b>                                      | <b>0</b>  | <b>1,664</b>   | <b>1,542</b>  |

| <b>CYLLIDEB REFENIW 2022/23 - ADOLYGIAD DIWEDD TACHWEDD</b>           |                               |                                  |   |   |  |   |
|---|-------------------------------|----------------------------------|---|---|--|---|
| <b>Adults, Health and Well-being Department</b>                       | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>  | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| <b><u>Other Services</u></b>  |                               |                                  |   |   |  |   |
| Departmental Central Services ( <i>including Department savings</i> ) | 3,315                         | 3,601                            | 286   |   | 286  | 340   |
| Care Workforce Additional Expenditure due to Covid-19                 | 59                            | 59                               | 0   |   | 0  | 0   |
| Use of the Department's Underspend Fund                               |                               | (397)                            | (397)   |   | (397)  | (397)   |
| <b><u>Other Services Total</u></b>                                    | <b>3,374</b>                  | <b>3,263</b>                     | <b>(111)</b>                                      | <b>0</b>  | <b>(111)</b>   | <b>(57)</b>   |
| <b><u>Adults, Health and Well-being Total</u></b>                     | <b>65,976</b>                 | <b>68,218</b>                    | <b>2,242</b>                                      | <b>0</b>  | <b>2,242</b>   | <b>1,920</b>  |

## **Adults, Health and Well-being**

**Older People's Services** - In 'Other' impact of the increasing demand on supported accommodation and day services reduced by underspend on residential and nursing and domiciliary care. Difficulties in realising savings also contributes to this picture.

**Physical Disabilities Services** - reduced demand for domiciliary care; however, increased pressure on direct payments.

**Learning Disabilities Services** - new, costly cases in the field and increasing pressure on direct payments which is being reduced by fewer support plans.

**Mental Health Services** - the trend of increased pressures on residential and nursing continues.

**Provider Services** - staffing above budget level and income deficit are issues in community care, whilst higher electricity costs have led to an overspend by residential homes. The impact of Covid has disrupted the Day Care provision and it is therefore underspending.

**Departmental Central Services** - savings to the value of £545k still not realised, but the impact being reduced by staff turnover.

**2022/23 Budget** - this year, the department received bids to the value of over £3.4 million for the increased pressures on the 2022/23 budget, including for the Residential and Nursing, Learning Disability, and Older People fields.

**Savings** - failure to achieve savings is a prominent factor in the department's overspend, with savings to the value of £930k still not realised.

The department has used £397k of its underspend fund to reduce the overspend reported to £2.2 million.

Following a report of a £1.9m overspend in the End of August Review, the Chief Executive convened a meeting with the relevant officers in an attempt to get to the root of the overspend with the intention of reporting to the Cabinet on the response plan.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Children and Families Department</b>                | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Service Management                                     | 860                           | 853                              | (7)   |   | (7)  | (43)  |
| Operational  | 2,502                         | 2,703                            | 201   |   | 201  | 146   |
| Placements   |                               |                                  |   |   | 0  |   |
| Out-of-County Placements                               | 5,064                         | 4,993                            | (71)  |   | (71)   | (335)   |
| Agency Fostering                                       | 1,696                         | 1,607                            | (89)  |   | (89)   | (16)  |
| Fostering – Internal                                   | 2,613                         | 2,314                            | (299)   |   | (299)  | (100)   |
| Support Services and Others                            | 1,819                         | 1,878                            | 59  |   | 59   | 117   |
|  | 11,192                        | 10,792                           | (400)   | 0   | (400)  | (334)   |
| Post-16  | 1,367                         | 1,408                            | 41  |   | 41   | 195   |
| Specialist/Derwen                                      | 2,240                         | 2,671                            | 431   |   | 431  | 327   |
| Youth Justice  | 270                           | 232                              | (38)  |   | (38)   | (39)  |
| Early Years  | 143                           | 141                              | (2)   |   | (2)  | (21)  |
| Youth  | 930                           | 741                              | (189)   |   | (189)  | (208)   |
| Others   | 1,998                         | 1,997                            | (1)   |   | (1)  | 65  |
| <b>Children and Families Total</b>                     | <b>21,502</b>                 | <b>21,538</b>                    | <b>36</b>   | <b>0</b>  | <b>36</b>  | <b>88</b>   |

## **Children and Families**

**Operational** - expenditure is higher as the numbers who receive the support of support plans are higher and therefore have implications on other costs, including travelling.

**Placements** - the average number of Out-of-County Placements this year is 23.3 and consistent with 23.25 for 2021/22. Although the average number of Agency Fostering is 33 at the end of November in comparison with 31 in 2021/22, it is anticipated that the cost will be within the budget. In Internal Fostering, as a result of an increase in the number of asylum seekers, the income receipt from the Home Office for them means that an underspend of (£299k) is anticipated. In Other Support Services, salaries above the organisation in the Placements Team but less pressure on the support workers budget.

**Post-16** - two intensive packages have now ended and a reduction in the pressure and intensity of other packages.

**Specialist/Derwen** - the increasing overspend trend continues as a result of an increase in the demand for support plans and specialist support. A change in the emphasis in terms of how the service is provided, and the increased pressure on direct payments is now obvious which is responsible for £100k of the overspend.

**Youth Justice** - staff turnover means that there is an underspend on this heading.

**Youth** - a grant receipt against the core expenditure as well as an underspend after remodelling the service. The service's activity has been disrupted by the impact of Covid and there is less expenditure as a result.

**Others** - more staff turnover reducing overspend on various other headings.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b>                                  |                               |                                  |   |   |  |   |
|---|-------------------------------|----------------------------------|---|---|--|---|
| <b>Education Department</b>   | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>  | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Devolved Schools  | 85,924                        | 85,924                           | 0   |   | 0  | 0   |
| Devolved Schools - Additional Staff Inflation and Electricity<br>Costs above the Budget | 0                             | 1,645                            | 1,645   |   | 1,645  | 1,508   |
| Schools Quality Services  | (989)                         | (1,027)                          | (38)  |   | (38)   | (115)   |
| Infrastructure and Support Services   |                               |                                  |   |   |  |   |
| Transportation  | 6,017                         | 6,499                            | 482   |   | 482  | 211   |
| Ancillary Services  | 1,254                         | 1,284                            | 30  |   | 30   | 40  |
| Others  | 3,158                         | 2,991                            | (167)   |   | (167)  | (93)  |
|   | 10,429                        | 10,774                           | 345   | 0   | 345  | 158   |
| Leadership and Management   | 2,488                         | 2,214                            | (274)   |   | (274)  | (228)   |
| Additional Learning Needs and Inclusion service   | 5,290                         | 5,306                            | 16  |   | 16   | (11)  |
| Use of the Department's Underspend Fund   |                               | (49)                             | (49)  |   | (49)   | 0   |
| <b>Education Total</b>  | <b>103,142</b>                | <b>104,787</b>                   | <b>1,645</b>                                      | <b>0</b>  | <b>1,645</b>   | <b>1,312</b>  |

## Education

**Devolved Schools** - Additional Staff Inflation and Electricity Costs above the Budget - additional cost of inflation on the salaries of teachers, assistants, administrative staff is £1,031k above the budget this year. The impact of higher electricity costs on the schools for the first six months of October 2022 onwards is £614k. Considering that the schools have already benefited from almost a million in energy savings which have derived from Covid and the associated lockdown periods, it is therefore considered appropriate to use school balances of £1,645k to fund the additional pressures this year.

**Transportation** - although £146k of permanent additional funding has been allocated to the school taxis and trains in 2021/22 and a further £150k in 2022/23, an overspend of £279k is anticipated this year. A substantial increase also in the pressures on the schools buses budget with £199k of overspend anticipated by the end of the year.

The Transport field has been the subject of a strategic review to try to control the increase in expenditure, it is suggested that the need for further work by the Education Department and Environment Department continues, so that it is possible to take advantage of opportunities for efficiencies.

**Infrastructure and Support Services - Ancillary Services** - a Welsh Government plan to fund free school meals for reception and Year 1 children from September 2022 and Year 2 from January 2023, means that the income deficit trend that was seen over the past years on school meals is not apparent this year. An increase in food costs, lack of income and higher staffing costs can be seen in the care element of the breakfast clubs. Grant funding, vacancies and less pressure on other budgets reducing the level of overspend.

**Infrastructure and Support Services - Others** - less demand on a number of various budgets including grant receipt to fund core expenditure.

**Leadership and Management** - vacancies and underspend on a number of budget headings.

**Additional Learning Needs and Inclusion service** - mixed picture which is a combination of vacant posts and underspend on several varied headings, while circumstances involving one specific centre continue and responsible for an overspend of £218k.

The Cabinet is asked to note that the £1,645k overspend of the Education Department is as a result of the additional costs of inflation on the salaries of teachers, assistants, administrative staff and electricity above the budget levels in the schools, **it is recommended** that the Cabinet considers whether the additional costs for this year should be funded from the balances of the individual schools.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Economy and Community Department</b>                | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Management   | 397                           | 397                              | 0   |   | 0  | 0   |
| Community Regeneration and Support Programmes          | 1,169                         | 1,132                            | (37)  |   | (37)   | 15  |
| Maritime and Country Parks                             | 56                            | (9)                              | (65)  |   | (65)   | (89)  |
| Byw'n Iach and Other Leisure Contracts                 | 1,597                         | 2,620                            | 1,023   |   | 1,023  | 1,178   |
| Economic Development Programmes                        | 56                            | 56                               | 0   |   | 0  | 0   |
| Marketing and Events                                   | 364                           | 369                              | 5   |   | 5  | 5   |
| Gwynedd Libraries                                      | 1,727                         | 1,704                            | (23)  |   | (23)   | (24)  |
| Museums, Arts and Gwynedd Archives                     | 918                           | 977                              | 59  |   | 59   | 146   |
| Use of the Department's Underspend Fund                | 123                           | 0                                | (123)   |   | (123)  |   |
| <b><u>Economy and Community Total</u></b>              | <b>6,407</b>                  | <b>7,246</b>                     | <b>839</b>  | <b>0</b>  | <b>839</b>   | <b>1,231</b>  |



## **Economy and Community**

**Maritime and Country Parks** – a combination of reasons responsible for the underspend including exceeding income in the Country Parks and at Hafan Pwllheli following favourable weather and therefore a busy season. Staff turnover at the Harbours and Hafan, Pwllheli has also assisted the situation but the increasing electricity costs is reducing the underspend reported.

**Byw'n Iach and Sports Other Leisure Contracts** - the Leisure provision was transferred to the Byw'n Iach Company on 1 April 2019, but responsibility for the running costs of properties remained with the Council. Due to the side effect of Covid, the Byw'n Iach Company received financial aid from the Welsh Government's hardship fund valued at £1.4 million in 2021/22 and £2.7 million in 2020/21. Such support is not available from the Government this year. However, as the side effect of Covid continues in 2022/23 and disrupts the ability to generate income, the Council confirmed necessary financial support to maintain Cwmni Byw'n Iach services by extending the assurance period provided to the Company until the end of the 2022/23 financial year. According to latest projections, the value of the aid required is £839k. Higher electricity costs of £183k are responsible for the remainder of the overspend.

**Gwynedd Libraries** - a combination of underspend on staff and receipt of various grants.

**Museums, Arts and Gwynedd Archives** - it is not anticipated that plans to the value of £70k in Neuadd Dwyfor will be realised this year as the side-effects of Covid have had a negative impact on Neuadd Dwyfor's income levels and since it will also be closed for a two-month period during the financial year for phase 2 work on the building. Reduction in the deficit for Storiol to £8k.

The Cabinet is asked to note that the overspend in the Economy and Community Department is as a result of financial aid to the value of £839k to Byw'n Iach Company.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b>           |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Highways and Municipal Department (including Trunk roads)</b> | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Highways Services (including Trunk roads)                        | 10,853                        | 10,868                           | 15  |   | 15   | 18  |
| Engineering Services   | 394                           | 509                              | 115   |   | 115  | 209   |
| Municipal Services   |                               |                                  |   |   |  |   |
| Waste  | 12,509                        | 13,729                           | 1,220   |   | 1,220  | 1,151   |
| Others   | 5,354                         | 5,744                            | 390   |   | 390  | 458   |
| <b>Highways and Municipal Total</b>                              | <b>29,110</b>                 | <b>30,850</b>                    | <b>1,740</b>                                      | <b>0</b>  | <b>1,740</b>   | <b>1,836</b>  |

### **Highways and Municipal (including Trunk roads)**

**Highways Services** - the effect of a delay in realising savings schemes is reduced by a reduction in the works commissioned by the main clients.

**Engineering Services** - delay in realising savings schemes including CCTV savings which will be delivered during 2023/24 and failure to realise savings on Aber Bridge.

**Waste** - a number of matters are responsible for the overspend, but mainly on waste and recycling collection. Additional circuits have resulted in overspending on employment and fleet costs. Sickness and overtime levels are also problematic, while there are additional costs in terms of vehicle hire. Overspend on the costs of handling recycling materials but the income on sales of recycling materials exceeds the budget. Reduction in residual waste means that the associated costs are lower. Higher electricity costs and problems in realising savings in the field also contribute to the level of overspend reported.

Following the increased overspend trend in the waste field in recent years, and external review was commissioned from WRAP Cymru. The report and recommendations on ways to improve the service are already being considered by the Department with steps to respond to the situation to be implemented in the new year.

**Other Municipal Services** - a mixed picture which is a combination of factors, with some of the main reasons including saving schemes still not found and land maintenance and public toilets income losses. Additional pressure on street cleaning, cleaning public toilets, commercial waste budgets and also rising electricity costs. Higher incomes are predicted by the bereavement services which reduces the overspend reported.

Following a report of a £1.8m overspend in the End of August Review, the Chief Executive convened a meeting with the relevant officers in an attempt to get to the root of the overspend with the intention of reporting to the Cabinet on the response plan.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Environment Department</b>                          | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Department Management                                  | 852                           | 846                              | (6)   |   | (6)  | 27  |
| Planning and Building Control Service                  | 628                           | 520                              | (108)   |   | (108)  | (95)  |
| Street Care and Transport Services                     |                               |                                  |   |   |  |   |
| Network Management (Transportation)                    | 269                           | (142)                            | (411)   |   | (411)  | (377)   |
| Parking and Parking Enforcement                        | (1,810)                       | (1,638)                          | 172   |   | 172  | 346   |
| Integrated Transport                                   | 1,809                         | 2,188                            | 379   |   | 379  | 267   |
|  | 268                           | 408                              | 140   | 0   | 140  | 236   |
| Countryside and Access                                 | 777                           | 771                              | (6)   |   | (6)  | (4)   |
| Public Protection                                      | 1,851                         | 1,643                            | (208)   |   | (208)  | (177)   |
| <b>Environment Total</b>                               | <b>4,376</b>                  | <b>4,188</b>                     | <b>(188)</b>                                      | <b>0</b>  | <b>(188)</b>   | <b>(13)</b>   |

## Environment

**Planning and Building Control Service** - the income projections have improved after substantial bids were submitted over the past months. Underspend on various budgets including statutory notices, professional services and appeals.

### **Street Care and Transport Services**

**Network Management (Transportation)** - exceeding street work fees income, as well as empty posts and an underspend on a number of budget headings.

**Parking and Parking Enforcement** - parking income deficit of £221k and overspend of £28k on electricity costs which is reduced by an underspend on other budgets.

**Integrated Transport** - increase in the overspend on public bus contracts to £487k, but higher incomes and various underspend reduce the overspend reported. It is suggested that the review into the Transport provision should continue following a delay as a result of the Covid crisis.

**Public Protection** - empty posts, additional income and less expenditure on a number of the budget headings this year, including food and water samples, services and supplies.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Consultancy Department</b>                          | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Roads and Engineering Services                         | (352)                         | (424)                            | (72)  |   | (72)   | (36)  |
| Flood Risk Management Unit                             | 613                           | 613                              | 0   |   | 0  | 0   |
| Building Service                                       | (34)                          | (31)                             | 3   |   | 3  | 6   |
| <b>Consultancy Total</b>                               | <b>229</b>                    | <b>160</b>                       | <b>(69)</b>                                       | <b>0</b>  | <b>(69)</b>  | <b>(30)</b>   |

### **Consultancy**

**Roads and Engineering Services** - vacancies and exceeded income from external organisations such as other Councils and Welsh Government.

**Building Service** - vacancies and staff turnover having a negative effect on the ability to generate income.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Housing and Property Department</b>                 | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Management   | 286                           | 257                              | (29)  |   | (29)   | (29)  |
| Housing Services                                       |                               |                                  |   |   |  |   |
| Homelessness   | 3,942                         | 6,816                            | 2,874   |   | 2,874  | 3,210   |
| Private Sector Housing                                 | 466                           | 399                              | (67)  |   | (67)   | (25)  |
| Others   | 451                           | 328                              | (123)   |   | (123)  | (75)  |
|  | 4,859                         | 7,543                            | 2,684   | 0   | 2,684  | 3,110   |
| Property Services                                      |                               |                                  |   |   |  |   |
| Property   | 5,074                         | 5,137                            | 63  |   | 63   | 194   |
| Caretaking, Catering and Cleaning                      | 8                             | 18                               | 10  |   | 10   | 8   |
|  | 5,082                         | 5,155                            | 73  | 0   | 73   | 202   |
| <b>Housing and Property Total</b>                      | <b>10,227</b>                 | <b>12,955</b>                    | <b>2,728</b>                                      | <b>0</b>  | <b>2,728</b>   | <b>3,283</b>  |

### **Housing and Property**

**Housing Services, Homelessness** - the trend of significant pressure on the Temporary Accommodation service in Homelessness continues to be intense. During the year, the Welsh Government compensated us for £2.9 million of the relevant additional expenditure of £3.3 million from the Covid hardship fund. However, this year the Welsh Government grant is worth only £475k towards the cost. The current financial year has seen a further increase in demand, along with higher average costs as the availability of temporary accommodation in the county has reached capacity. The reported net overspend of £2.9m on Homelessness follows an allocation of £1.5m from the Council's covid recovery arrangements fund to the service.

**Housing Services, Private Sector Housing and Others** - underspend on staff costs and on a number of budget headings.

**Property Services** - in Property the effect of the increase in electricity prices is £37k as well as a one-off expenditure above the budget level. In Caretaking, Catering and Cleaning, a combination of income deficit and less expenditure on services and supplies.

The Cabinet is asked to note that the overspend of the Housing and Property Department is as a result of a change in legislation in relation to Homelessness, with the implications leading to a net overspend of £2.7 million this year. **It is recommended** that the Council Tax Premium Fund is used to meet this year's overspend.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |  |   |
|--|-------------------------------|----------------------------------|---|---|--|---|
| <b>Central Departments</b>                             | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Estimated<br/>Adjusted Over<br/>/ (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000  | £'000   |
| Corporate Management Team and Legal                    | 2,176                         | 2,158                            | (18)  |   | (18)   | (27)  |
| Finance (and Information Technology)                   | 7,249                         | 7,235                            | (14)  |   | (14)   | (21)  |
| Corporate Support                                      | 7,999                         | 7,980                            | (19)  |   | (19)   | (42)  |
| <b>Central Departments Total</b>                       | <b>17,424</b>                 | <b>17,373</b>                    | <b>(51)</b>                                       | <b>0</b>  | <b>(51)</b>  | <b>(90)</b>   |

### **Central Departments**

**Corporate Management Team and Legal** - the impact of vacancies of the two Corporate Directors for part of the year along with staff turnover and vacancies in Legal, which is reduced by the use of agency solicitors.

**Finance (and Information Technology)** – a combination of reasons are responsible for the underspend including one-off underspend due to vacant posts, as well as income for administrating various grants and higher income received in several fields.

**Corporate Support** - underspend on staff turnover and on a number of headings across the department is being reduced by forecasts of a £67k income shortfall by the Printroom.

| <b>REVENUE BUDGET 2022/23 - END OF NOVEMBER REVIEW</b> |                               |                                  |   |   |   |   |
|--|-------------------------------|----------------------------------|---|---|---|---|
| <b>Corporate (Reflects variances only)</b>             | 2022/23<br>Proposed<br>Budget | 2022/23<br>Estimated<br>Position | <b>Gross Under /<br/>(Over) Spend<br/>2022/23</b> | Use of Other<br>Sources or<br>Other<br>Adjustments<br>Recommended | <b>Amended<br/>Over / (Under)<br/>Spend<br/>2022/23</b> | Estimated<br>August Review<br>Over / (Under)<br>Spend 2022/23 |
| <b>Field:-</b>   | £'000                         | £'000                            | £'000   | £'000   | £'000   | £'000   |
| Council Tax  | *                             | *                                | (1,955)   | 1,955   | 0   | (962)   |
| Council Tax Reductions                                 | *                             | *                                | (1,233)   | 1,233   | 0   | (913)   |
| Capital Costs  | *                             | *                                | (310)   |   | (310)   | (310)   |
| Interest Received                                      | *                             | *                                | (1,292)   |   | (1,292)   | (1,145)   |
| Pay Inflation Pressure Above Budget                    | *                             | *                                | 1,315   |   | 1,315   | 1,907   |
| Savings Provision                                      | *                             | *                                | (1,200)   |   | (1,200)   | (1,200)   |
| Requirements of Financial Side Effects of Covid        | *                             | *                                | 467   |   | 467   | 474   |
| Others   | *                             | *                                | (460)   |   | (460)   | (334)   |
| <b>Corporate Total</b>                                 | *                             | *                                | <b>(4,668)</b>                                    | <b>3,188</b>  | <b>(1,480)</b>  | <b>(2,483)</b>  |



## **Corporate**

**Council Tax** - a favourable situation is anticipated from the output of the additional tax as legislative changes mean that more houses are subject to council tax as they are not eligible for non-domestic rates, as well as prudential projections when setting the 2022/23 budget. Nevertheless, up to the end of November, the Valuer's Office permitted 299 properties to transfer from Council Tax to Non-domestic Tax (469 in 2021/22, 506 in 2020/21, 397 in 2019/20, 453 in 2018/19). £6m of Council Tax Premium has been programmed to be received during 2022/23 to be earmarked for consideration for the Housing Strategy.

**Council Tax Reductions** - a further reduction in the numbers who claim the reduction in Gwynedd compared with previous years as well as setting prudential estimates.

**Capital Costs** - current treasury management policy means that external borrowing can be avoided, consequently creating underspend.

**Interest Received** - the further increase in interest rates during the year means that the projected interest receipts exceed the expected budget.

**Pay Inflation Pressure Above Budget** - following confirmation of the national level of salary increases for Local Government workers in the autumn, it can be confirmed that the value of the increase is £1.3m above the budget, which is substantially higher than the 4% inflation Councils were advised to budget for when setting the budget for 2022/23 which was considered to be prudent at the time.

**Savings Provision** - following the failure of certain departments to realise savings in some fields, a corporate provision has been set up for the purpose, which is available for appropriate distribution.

**Requirements of Financial Side Effects of Covid** - the requirement above the £1.4m provided in the budget for Covid is £467k, which is to be funded from a fund.

**It is recommended** that £3.188 million is transferred to the Council's Financial Strategy Reserve.

Although it is premature to transfer money from funds until the financial situation is finalised at the end of the year, **it is recommended** that the procedure in terms of using funds to fund the financial deficit at the time will be:

- firstly, use School Balances to fund the additional costs of inflation on the salaries of teachers, assistants, administrative staff and electricity which is above the budget level in the schools
- secondly, use the Council Tax Premium Fund to fund the additional pressure in the Homelessness field
- finally, use the post-Covid recovery arrangements fund established to fund the associated financial challenges that face the Council.