

## REPORT TO THE CABINET

16 February 2016

**Cabinet Member:** Councillor Peredur Jenkins, Cabinet Member - Resources

**Subject:** Revenue Budget 2015/16 –  
Third Quarter Review (December 2015)

**Contact Officer:** Dafydd L Edwards, Head of Finance

---

### 1. The decision sought / Purpose of the report

The Cabinet is asked to:

- Receive the report on the third quarter review of the 2015/16 Revenue Budget (position as at 31 December 2015), and consider the latest financial situation regarding the budgets of each department / service, asking the Cabinet Members and relevant heads of department to take appropriate steps regarding the matters under their leadership/management.
  - Note the various reviews noted in the report and the steps to be taken by departments to manage their budgets.
  - Give consideration to, and approve as appropriate, the recommendation included under Corporate Budgets.
- 

### 2. Introduction / Background

It is the Cabinet's responsibility to take action, as necessary, in order to secure appropriate control over the Council's budgets (e.g. approval of significant virements or supplementary budgets).

This quarterly report presents the latest review of the Council's revenue budget for 2015/16, and a summary of the position by each Department is outlined in **Appendix 1**.

**Appendix 2** shows further details relating to the main issues and the budget headings where significant variances are forecasted, along with specific recommendations where appropriate.

## **2.1 Adults, Health and Wellbeing Department – £338k overspend**

A significant improvement in the overspend position previously forecast, down from £527k in the second quarter to £338k, and this pattern will need to continue to try to ensure a sound basis when moving forward to the new financial year. The departmental savings programme has slipped and means that around £725k has not been achieved this year as originally targeted. It follows that these must be achieved in due course, and in the meantime, means that appropriate bridging arrangements will have to be put in place.

## **2.2 Gwynedd Consultancy**

Latest forecasts reflect the Department's success in attracting additional work and, for the time being, to achieve a possible financial surplus of £137k by the end of the year.

## **2.3 Corporate**

Advantage has been taken with the favourable financial position seen with underspends on Benefits and headings under 'Other', and it is recommended to use it to assist with the Financial Strategy's position for 2016/17, and specifically to fund one-off bids.

## **2.4 General**

It can be seen that a combination of firm action and measures taken by a number of departments, together with the use of specific resources in reserve, and taking advantage of favourable financial performances on some headings this year, to contribute towards our Financial Strategy for 2016/17 all assist in achieving a net position for the Council which, for the time being, and in general, reflects a very acceptable level of financial control.

---

### **Next steps and timetable**

Act on the recommendations submitted and present a follow-up report to the Cabinet at the end of the financial year.

---

### **Local member's views**

Not relevant

---

## **Opinion of the Statutory Officers**

### **Chief Executive:**

The report demonstrates live management of the Council's revenue expenditure during the year. Clearly, there are fields where there is cause for concern but we have also recognised steps to attempt to manage the position. It is key that sound financial management continues to be a high priority for every Cabinet Member and Head of Department.

The specific recommendation to use the 2015/16 corporate underspend in order to fund one-off bids in the 2016/17 Financial Strategy is one that I support.

### **Monitoring Officer:**

Nothing to add from a propriety perspective.

### **Head of Finance:**

I have collaborated with the Cabinet Member in the preparation of this report and I confirm the content.

---

### **Appendices**

Appendix 1 – Summary of Departments' net budget position.

Appendix 2 – Details of budgets and significant variances.