

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Adults, Health and Well-being Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Adults Services</u>						
Older People's Services						
Residential and Nursing - Homes	21,114	21,248	134		134	1,000
Domiciliary Care	9,020	9,470	450		450	(244)
Others	859	1,244	385		385	692
	30,993	31,962	969	0	969	1,448
Physical Disabilities Services	3,174	2,763	(411)		(411)	(340)
Learning Disabilities Services	26,638	28,985	2,347		2,347	2,761
Mental Health Services	4,442	4,734	292		292	336
Other Services (Adults)	3,700	3,884	184		184	80
<u>Adults Services Total</u>	68,947	72,328	3,381	0	3,381	4,285
<u>Provider Services (shows net budget)</u>						
Residential Care	353	489	136		136	285
Day Care	4	(116)	(120)		(120)	(113)
Domiciliary Care	408	2,143	1,735		1,735	1,679
Others	9	19	10		10	24
<u>Provider Services Total</u>	774	2,535	1,761	0	1,761	1,875

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Field:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Other Services</u>						
Departmental Central Services (<i>including Department savings</i>)	3,815	4,054	239		239	418
<u>Other Services Total</u>	3,815	4,054	239	0	239	418
<u>Adults, Health and Well-being Total</u>	73,536	78,917	5,381	0	5,381	6,578

Adults, Health and Well-being

Older People's Services - in residential and nursing higher fee costs from private providers continue but the implementation of legal arrangements relating to deferred payments due from residents, including historical debts, reduces the reported overspend. Furthermore, an increase in the use of internal home beds has a favorable effect on contributions from clients. Increased pressure on the home care budget when moving to the new delivery model. In 'Other' an overspend of £532k on direct payments.

Physical Disability Services - reduced demand for home care which is offset by pressure on direct payments

Learning Disability Services - increasing pressure and a number of new cases and the cost of supportive accommodation responsible for £2m of the overspend, pressure also seen on residential and nursing, direct payments and taxi costs for day services. The overspending is reduced by underspending on supportive schemes.

Mental Health Services - increased pressure on residential and nursing with a number of intensive new cases together with increased demand for supportive accommodation.

Provider Services - a reduction in the overspend reported on residential care as a result of a reduction in the use of agency staff, following a recent successful recruitment campaign. In domiciliary care, higher staffing costs, with sickness levels and non-contact hours rates high. The Day Care provision has been affected and reduced over the past few years, therefore is underspending.

Departmental Central Services - receipt of grants and income to finance core expenditure reducing the impact of jobs above the structure and failure to realise savings.

Savings - following the department's inability to realise savings plans, £1,488k worth of savings have already been written off this year. The predicted departmental overspend of £5.4m follows the elimination of the savings.

In view of the exceptional overspend forecasts by the Department of Adults, Health and Well-being, it is noted that the Chief Executive has already commissioned work to clarify the complex details of the picture in the care of Adults, in order to obtain a better understanding of the issues and a clear program to respond. The work is currently receiving attention and is being led by the Statutory Director of Social Services with the intention of reporting on the findings soon

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Children and Families Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	593	581	(12)		(12)	(27)
Operational	2,566	2,979	413		413	412
Placements						
Out-of-County Placements	5,536	6,042	506		506	(755)
Agency Fostering	1,791	1,478	(313)		(313)	(331)
Fostering – Internal	2,856	2,652	(204)		(204)	(282)
Support Services and Others	1,969	2,082	113		113	147
	12,152	12,254	102	0	102	(1,221)
Post-16	1,477	1,376	(101)		(101)	(100)
Specialist/Derwen	2,393	3,167	774		774	707
Youth Justice	275	244	(31)		(31)	(30)
Early Years	153	141	(12)		(12)	6
Workforce Development Unit	117	117	0		0	0
Others	2,107	2,236	129		129	142
Contribution to the Department's Overspend Fund			0		0	76
Children and Families Total	21,833	23,095	1,262	0	1,262	(35)

Children and Families

Operational - an increase in the pressure on the supporting schemes together with staffing above the field workers budget.

Placements - a movement of £1.3m in the forecast on Out-of-county Placements since the August Review with a forecasted overspend of £506k, increased cost due to the complexity of packages and increase in the the average number to 28.5 (compared to 25.7 for 2022/23), with the cost approximately £226k per case.

The average numbers of Fostering through Agent and Internal Fostering are consistent with 2022/23 numbers but as there are several asylum seekers without parents or guardians receiving a service, the income receipt from the Home Office for them has resulted in an underspend. Pressure on the support worker budget and the Placements Team.

Post-16 - reduced pressure on the provision after intensive packages recently came to an end.

Specialist/Derwen - the increasing overspend trend continues, an overspend of £470k is projected on staff costs for support plans and specialist support. There is a change in the emphasis in terms of how the service is provided, with increased pressure on direct payments which is responsible for £76k of the overspend. An overspend of £96k is anticipated on the Short Respite Unit due to staff costs and reduced income after Anglesey Council established their own provision instead of coming to Gwynedd for the service.

Others - combination of overspending on staffing, specialist service fees and on the contributions of joint services.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Education Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Devolved Schools	91,408	91,408	0		0	0
Schools Quality Services	(1,558)	(1,751)	(193)		(193)	(201)
Infrastructure and Support Services						
Transportation	6,286	7,817	1,531		1,531	1,460
Ancillary Services	1,531	1,481	(50)		(50)	(3)
Others	3,574	3,543	(31)		(31)	(27)
	11,391	12,841	1,450	0	1,450	1,430
Leadership and Management	2,549	2,362	(187)		(187)	(222)
Additional Learning Needs and Inclusion service	5,255	5,228	(27)		(27)	24
Youth Service	980	955	(25)		(25)	(33)
Use of the Department's Underspend Fund	241		(241)		(241)	(241)
Use of Other Departmental Funds			(700)		(700)	0
Education Total	110,266	111,043	77	0	77	757

Education

Schools Quality Service - a combination of receiving income and reducing expenditure.

Transport - following the recent re-tendering of bus contracts an overspend of £833k is predicted by the end of the year, together with an increase in the forecast overspend on school taxis to £697k.

The Transport area has been the subject of a strategic review to try to control the increase in expenditure, it is suggested that the work by the Education Department and the Environment Department continues, so that it is possible to try to reduce the overspend and take advantage of efficiency opportunities.

Infrastructure and Support Services - Supplementary Service - increase in income and grant receipt in Catering together with staff turnover reducing the impact of higher staff costs and lack of income on the care element of the breakfast clubs which is overspending £122k.

Infrastructure and Support Services - Other - underspending on a number of different budgets.

Leadership and Management - staff turnover and underspending on a number of budget headings.

Additional Learning Needs and Inclusion - a mixed picture which is a combination of an increase in staff turnover and underspend on a number of different headings, while circumstances relating to one particular center continue and are responsible for an overspend of £138k.

In order to reduce the reported overspend the department's intention is to use their underspend fund of £241k in its entirety this year. In addition to this, the department's other funds worth £700k will be used to reduce the reported overspend.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Economy and Community Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	517	527	10		10	5
Community Regeneration and Support Programmes	479	479	0		0	(39)
Maritime and Country Parks	(147)	(80)	67		67	(27)
Byw'n lach and Other Leisure Contracts	2,222	2,322	100		100	70
Economic Development Programmes	(35)	(110)	(75)		(75)	0
Marketing and Events	296	296	0		0	0
Gwynedd Libraries	1,787	1,752	(35)		(35)	(43)
Museums, Arts and Gwynedd Archives	965	1,097	132		132	112
Use of the Department's Underspend Fund	140		(140)		(140)	0
<u>Economy and Community Total</u>	6,224	6,283	59	0	59	78

Economy and Community

Maritime and Country Parks - a clearer picture now on the impact of the bad weather over the summer on the income levels, which has meant a lack of income in Hafan, Pwllheli, Victoria Dock, beaches and the harbours.

Byw'n Iach and Other Leisure Contracts - the leisure provision was transferred to the Byw'n Iach Company in April 2019, but responsibility for the running costs of properties remained with the Council. In recent years, the impact of Covid affected the company's income. The Welsh Government compensated them for the loss in 2020/21 and 2021/22 from its hardship fund. In 2022/23, the Council provided £550k financial support above the contractual payment of the contract to Byw'n Iach to enable it to maintain its services. The financial support continues this year and the required amount has reduced to £350k.

Furthermore, there is an overspend of £100k on the running costs of Byw'n Iach properties.

Economic Development Programmes - success in attracting grants which free up the Council's core budget.

Gwynedd Libraries - vacant post and less expenditure on several budget headings but a reduction in room rental income received.

Museums, Arts and Gwynedd Archives - overspend mainly as lack of income are issues at Neuadd Dwyfor £88k and Storiell £44k.

In order to reduce the reported overspend the department's intention is to use their underspend fund of £140k in its entirety this year.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Highways, Engineering and YGC Department (including Trunk roads)	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Services:						
Highways (including Trunk roads)	11,812	12,079	267		267	507
Engineering	415	392	(23)		(23)	(5)
Municipal	5,528	6,073	545		545	480
Gwynedd Consultancy	12	3	(9)		(9)	16
Highways, Engineering and YGC Total	17,767	18,547	780	0	780	998

Highways, Engineering and YGC Department (including Trunk roads)

Highways Services - less work being commissioned by external agencies and, therefore, having a negative impact on income.

Engineering Services - receipt of income and underspend on various headings.

Municipal Services - a mixed picture which is a combination of factors, additional pressure on the street cleaning and cleaning public toilets budgets. Income losses in ground maintenance and public toilets, but higher income by the bereavement services which reduces the overspend reported.

Gwynedd Consultancy - underspend on staff and improved income projections by the building service and road and engineering services.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Environment Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Department Management	814	815	1		1	(17)
Planning and Building Control Service	600	788	188		188	65
Street Care and Transport Services						
Network Management (Transportation)	135	5	(130)		(130)	(260)
Parking and Parking Enforcement	(2,015)	(2,058)	(43)		(43)	142
Integrated Transport	2,059	2,072	13		13	379
	179	19	(160)	0	(160)	261
Countryside and Access	697	698	1		1	1
Public Protection	1,917	1,713	(204)		(204)	(196)
Waste	14,407	14,994	587		587	452
Use of the Department's Underspend Fund	75		(75)		(75)	(55)
Environment Total	18,689	19,027	338	0	338	511

Environment

Planning and Building Control Service - increasing lack of income are issues in Building Control and Land Charges, but are reduced with underspend on staff costs.

Street Care Services and Transport

Network Control (Transportation) - exceeding the streetworks fees income, as well as vacant posts and underspend on many of the budget's headings.

Parking and Parking Enforcement - parking income deficit has reduced to £23k by now together with underspend on other budgets.

Integrated Transport - the recent re-tendering of public bus contracts has further increased the overspend but the receipt of a significant grant from Transport for Wales has helped to alleviate the situation. It is suggested that the review to the Transport provision should continue.

Public Protection - vacant posts and less expenditure on a number of the budget headings.

Waste - a number of matters are responsible for the overspend, but mainly on waste and recycling collection. Additional circuits have led to overspending on employment costs and fleet costs. Sickness and overtime levels are also problematic, while there are additional costs in terms of vehicle hire. Overspend on the running costs of the recycling centers and on the handling of recycling materials. Although there is a reduction in residual waste, essential one-off costs in the field increase the reported overspend.

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

In order to reduce the overspend reported, the department intends to use its £75k underspend fund this year.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Housing and Property Department	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	362	315	(47)		(47)	(30)
Housing Services						
Homelessness	4,993	6,406	1,413		1,413	1,555
Private Sector Housing	442	429	(13)		(13)	42
Others	248	198	(50)		(50)	(83)
	5,683	7,033	1,350	0	1,350	1,514
Property Services						
Property	4,261	4,229	(32)		(32)	(21)
Caretaking, Catering and Cleaning	12	8	(4)		(4)	(2)
	4,273	4,237	(36)	0	(36)	(23)
One-off Corporate Covid Provision	1,200		(1,200)		(1,200)	(1,400)
Housing and Property Total	11,518	11,585	67	0	67	61

Housing and Property

Management - underspend on staff costs and on supplies and services.

Homelessness - the trend of significant pressure on the Temporary Accommodation service continues to be very intense with higher average costs as the availability of temporary accommodation in the county has reached its capacity. The reported overspend of £1.4m follows consideration of the additional budget of £3m which has been allocated from council tax premium and also the receipt of a grant of £597k from the Government to assist with the additional pressure.

Private Sector Housing - staff turnover and underspend on supplies and services but an income deficit in the disabled facilities grant income.

Housing Services, Others - the effect of grant acceptance and underspending on staff costs is reduced by additional costs in the Gypsy and Traveler field.

Property Services - vacancies in Property which alleviate the overspend on services and supplies and on vehicle costs in Pest Control.

Corporate One-off Covid Provision - it was possible to reduce the one-off allocation to meet the additional costs relating to Homelessness from £1.4 million to £1.2 million.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Central Departments	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	2,608	2,649	41		41	37
Finance (and Information Technology)	7,874	7,944	70		70	102
Corporate Support	7,715	7,737	22		22	62
Central Departments Total	18,197	18,330	133	0	133	201

Central Departments

Corporate Management Team and Legal - additional pressure of £47k on the Gwynedd element of the Coroner's budget, recent appointments in Legal have led to reduced use of agency solicitors and therefore, an underspend of (£6k) is anticipated.

Finance (and Information Technology) - banking costs are overspending £115k as more payments by customers are made by card and therefore the associated banking fees are payable by the Council. Further one-off costs of £25k to buy equipment to comply with data security standard requirements of the payment card industry for Council services. The overspend is reduced by staff turnover and higher income.

Corporate Support – a combination of reasons are responsible for the position, including increasing pressure on the counselling budget with an overspend of £37k being anticipated. Income deficit are issues in some areas including £33k Customer Care and £20k in the Printroom. Underspend on staff costs and on various budgets reduces the overspend reported.

REVENUE BUDGET 2023/24 - END OF NOVEMBER REVIEW						
Corporate (Reflects variances only)	2023/24 Proposed Budget	2023/24 Estimated Position	Gross Under / (Over) Spend 2023/24	Use of Other Sources or Other Adjustments Recommended	Estimated Adjusted Over / (Under) Spend 2023/24	Estimated August Review Over / (Under) Spend 2023/24
Field:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	*	*	(36)	36	0	0
Council Tax Reductions	*	*	(574)	574	0	0
Capital Costs	*	*	(700)	700	0	0
Interest Received	*	*	0	0	0	0
Pay Inflation Pressure Above Budget	*	*	1,600	(1,600)	0	0
Returned Budgets / Bids	*	*	(2,476)	2,476	0	0
Others	*	*	(2,055)	2,055	0	0
Corporate Total	*	*	(4,241)	4,241	0	0

Corporate

Council Tax - a reduction in the projections following a number of second homes subject to the premium falling, with 181 lower by November compared to the end of March 2023. In addition to this, although there was a reduction compared to previous years, the Valuer's Office allowed 115 properties to transfer from council tax to non-domestic taxes (452 in 2022/23, 469 in 2021/22, 506 in 2020/21). In 2023/24 £6m of council tax premium has been set aside for the Housing Strategy and a further £3m for the Homelessness.

Council Tax Reductions - prudent projections set and a further reduction in the numbers claiming a reduction in Gwynedd compared to previous years.

Capital Costs - a combination of factors creating the underspend including the receipt of a one-off grant income to support maintaining the funding of a major capital scheme. Also, impact of the current treasury management policy which has meant that it was possible to avoid external borrowing, thus avoiding the associated costs.

Pay Inflation Pressure Above Budget - following the confirmation of the national increase to the salaries of Local Government employees in November, the cost to the Council was £1.6 million above the budget which was considered to be prudent at the time.

Returned Budgets / Bids - the pressure on some budgets including the covid provision and electricity was not as much as what was provided.

Others - the demand on the provision has not been as high as what was predicted when the budget was set.

It is recommended that the net underspend on corporate budgets of (£4,241k) is transferred to the Council's Financial Strategy Reserve to assist in funding the financial gap facing the Council.

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 £3,800k of the post-Covid recovery fund established to fund the associated financial challenges.
- with the rest funded from the Council's Financial Strategy Reserve.