

## ISLE OF ANGLESEY COUNTY COUNCIL

<b>REPORT TO:</b>	<b>CORPORATE SCRUTINY COMMITTEE EXECUTIVE COMMITTEE</b>
<b>DATE:</b>	<b>21 NOVEMBER 2016 28 NOVEMBER 2016</b>
<b>SUBJECT:</b>	<b>REVENUE BUDGET MONITORING, QUARTER 2 2016/17</b>
<b>PORTFOLIO HOLDER(S):</b>	<b>COUNCILLOR H E JONES</b>
<b>HEAD OF SERVICE:</b>	<b>MARC JONES</b>
<b>REPORT AUTHOR:</b>	<b>CLAIRE KLIMASZEWSKI</b>
<b>TEL:</b>	01248 751865
<b>E-MAIL:</b>	ClaireKlimaszewski@ynysmon.gov.uk
<b>LOCAL MEMBERS:</b>	n/a

### A - Recommendation/s and reason/s

1. In March 2016, the Council set a net budget for 2016/17 with net service expenditure of £124.037m to be funded from Council Tax income, NNDR and general grants.
2. The budget for 2016/17 included savings of £3.46m. These have been incorporated into the individual service budgets and achievement or non-achievement of these is reflected in the net under/overspends shown.
3. This report sets out the financial performance of the Council's services for the second quarter of the financial year, which relates to the period 1 April 2016 to 30 September 2016. The projected position for the year as a whole is also summarised.
4. The overall projected financial position for 2016/17, including Corporate Finance and the Council Tax fund, is an overspend of £660k. This is 0.53% of the Council's net budget for 2016/17.
5. It is recommended that:-
  - (i) The position set out in respect of financial performance to date is noted;
  - (ii) Approval be provided for the Section 151 Officer to capitalise equal pay costs if Welsh Government approve a capitalisation directive for equal pay.

### B - What other options did you consider and why did you reject them and/or opt for this option?

n/a

### C - Why is this a decision for the Executive?

This matter is delegated to the Executive.

### CH - Is this decision consistent with policy approved by the full Council?

Yes

### D - Is this decision within the budget approved by the Council?

Yes

<b>DD - Who did you consult?</b>		<b>What did they say?</b>
1	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	31 October 2016
2	<b>Finance / Section 151</b> (mandatory)	n/a– this is the Section 151 Officer’s report
3	<b>Legal / Monitoring Officer</b> (mandatory)	TBC
4	<b>Human Resources (HR)</b>	
5	<b>Property</b>	
6	<b>Information Communication Technology (ICT)</b>	
7	<b>Scrutiny</b>	No recommendation – note the contents of the report
8	<b>Local Members</b>	
9	<b>Any external bodies / other/s</b>	
<b>E - Risks and any mitigation (if relevant)</b>		
1	<b>Economic</b>	
2	<b>Anti-poverty</b>	
3	<b>Crime and Disorder</b>	
4	<b>Environmental</b>	
5	<b>Equalities</b>	
6	<b>Outcome Agreements</b>	
7	<b>Other</b>	
<b>F - Appendices:</b>		
<ul style="list-style-type: none"> <li>• Appendix A - Revenue Budget Monitoring Report – Quarter 2, 2016/17</li> <li>• Appendix B – table of forecast Revenue Outturn 2016/17, Quarter 2</li> <li>• Appendix C – Summary of Contingency Budgets 2016/17</li> <li>• Appendix CH – Summary of Forecast Financial Performance on the Achievement of 2016/17 Budget Savings</li> </ul>		
<b>FF - Background papers (please contact the author of the Report for any further information):</b>		
2016/17 Revenue Budget (as recommended by this Committee on 1 March 2016 and adopted by the County Council on 9 March 2016).		

## REVENUE BUDGET MONITORING – QUARTER 2, 2016/17

## 1. General Balance – Opening Position

1.1 The provisional outturn for 2015/16 resulted in general balances at the start of the current financial year of £8.412m, a healthier position than previously expected. Final accounting adjustments led to an increase of the general fund by £474k. The balance of the general fund at 1 April 2016 was, therefore, £8.886m. £1m of this has been allocated to an improvement project reserve as approved by the Executive on 1 March 2016. This reduces the balance to £7.886m. However, against this balance of £7.886m, there is a need to allow for a potential commitment of at least £2.150m to settle outstanding equal pay claims, which reduces the uncommitted reserve level to £5.736m which is £736k above the rule of thumb figure of £5m. The Council is endeavouring to secure agreement from the Welsh Government which would allow the Council to treat the expenditure as capital expenditure which would charge the cost to the revenue budget over a number of years. If this is successful, then the £2.15m becomes uncommitted and adds back to the general reserve available to the Council.

## 2. Projected Financial Performance by Service

2.1 The details of the financial performance by service for the period and the projected out-turn position for each is set out in Appendix B. An overspend of £801k (0.74%) on services is predicted at 31 March 2017. However, an underspend of £0.339m (2.23%) is forecast on Corporate Finance, which offsets part of the predicted overspend on services. In addition, a shortfall of £198k is predicted on the collection of Council Tax. The total revenue forecast for 2016/17 is an overspend of £660k (0.53%). The table below summarises the significant variances (£100k or higher):-

<b>Summary of projected variances at 31 March 2017 based upon financial information as at 30 September 2016</b>	
	<b>(Under) / Overspend £000</b>
Lifelong Learning	114
Children's Social Care	683
Adults Social Services	143
Planning and Public Protection	(170)
Property Services	(115)
Waste	145
Corporate Management	(100)
Resources	131
Corporate Finance	(339)
Council Tax Collection	198
Other (total of variances less than £100k)	(30)
<b>Net over/(under) spend on services</b>	<b>660</b>

### **3. Explanation of Significant Variances**

#### **3.1 Lifelong Learning**

##### **3.1.1 Central Education**

**3.1.1.1** The service expenditure was £145k (12.6%) ahead of the profiled budget at the end of quarter 2. The service is predicted to overspend by £167k (1.84%) for the financial year 2016/17. This is a worsened position from the underspend of £16k reported at quarter 1. The forecast overspend is mainly due to an increase in estimated school transport costs which is predicted to overspend by £199k. There are also a number of other minor compensating over and underspends. The service has had an invest-to-save bid accepted to invest in the One Management System which will help to reduce school transport costs (taxis) from 2017/18. All 2016/17 efficiency savings are on target to be achieved.

##### **3.1.2 Culture**

**3.1.2.1** This service expenditure was £64k (8.2%) below the profiled budget at the end of period, with the forecast outturn for the year being an underspend of £53k (3.71%). This is a slight improvement on the projected underspend of £46k reported at quarter 1. Museums and Galleries are expected to underspend by £10k and Library Services are expected to underspend by £30k. Surplus income of £13k from South Stack is also forecast. All efficiency savings for 2016/17 are on target to be achieved.

#### **3.2 Adults Social Care**

**3.2.1** This service expenditure was £262k (2.4%) ahead of the profiled budget at the end of the period, with the forecast outturn for the year as a whole being a predicted overspend of £143k (0.64%). This is an increase on the overspend of £16k predicted at quarter 1.

**3.2.2** The elements within the forecast outturn variance are as follows:-

- Services for the Elderly: forecast overspend of £102k;
- Physical Disabilities (PD): forecast overspend of £8k;
- Learning Disabilities (LD): forecast overspend of £422k;
- Mental Health (MH): forecast overspend of £284k;
- Provider Unit: forecast underspend of £624k; and
- Management and Support: forecast underspend of £49k.

**3.2.3** The most significant budgetary pressures are in learning disabilities and mental health services. However, remedial action within the Provider Unit and management and support offset much of these budgetary pressures.

**3.2.4** The budget projection has deteriorated since quarter 1 primarily due to placement pressure in recent months in Learning Disability and Older People Services. As noted above, whilst placement numbers are continuing to reduce over time, some more expensive placements in recent months have adversely affected the predicted year-end position.

- 3.2.5** The service aims to reduce the overspend by bringing forward specific savings in 2017/18 to the current year. There are savings targeted for two individuals placed within specialist placements in other counties. The service will continue to closely manage the placement numbers through a weekly resource panel within both Older People / Disability Services and within Learning Disability Services. The panels play a vital role in managing expenditure and ensuring appropriate and, where possible, cost effective services are commissioned.
- 3.2.6** The efficiency savings 2016/17 will not be fully achieved. Savings planned through the externalisation of in-house supported living services and retendering of external supported living services contribute over £70k of the overspend position. An estimated £135k of budget savings are unlikely to be achieved in 2016/17. Progress with regards to these procurement exercises was delayed to accommodate the completion of a Supporting People Report into the future funding of projects and, also, as the department has reconsidered the approach to achieve savings in both projects. The achievement of savings in both areas are now being progressed with an intention to work in partnership with providers to achieve rationalisation of care within supported living projects.

### **3.3 Children's Services**

- 3.3.1** The service expenditure was £299k (7.9%) ahead of the profiled budget at the end of quarter 2 and is projected to be overspent by £683k (9.18%) for the financial year as a whole. This includes a projected overspend of £675k for Looked-after-Children (LAC). This is a significant increase on the overspend of £297k reported at quarter 1.
- 3.3.2** The projected overspend is caused by an increase in the number of Looked after Children and also an increase in the cost of placements to meet the complex needs of the children in our care. The cost of foster care has similarly increased due to the increased number of children in the Authority's care. The demand for these statutory services is difficult to control and one or two complex cases can significantly increase expenditure in a short period of time. However, the Executive at its meeting of 25 July 2016 approved the release of additional funding to Children's Services to fund an Edge-of-Care team. This team will provide a preventative approach to the delivery of the wellbeing of children and aims to reduce the number of Looked after Children on Anglesey. £100k has been set aside for 2016/17 from contingencies and £241k will be added to the service's budget for 2017/18 and 2018/19. The service expects to start to see the benefits of this project in terms of cost avoidance from 2017/18.

### **3.4 Housing (Council Fund)**

- 3.4.1** This service was £40k (4.6%) behind the profiled budget at the end of the period. The service is expected to have a slight underspend of £12k (1.38%) at the end of the financial year. This is a slight improvement on the balanced budget reported at the end of quarter 1. The JE O'Toole Centre is expected to overspend by £28k, however, this will be funded by the underspend of £40k on Housing administration. Remedial action is being taken to reduce the costs of the J E O'Toole Centre by relocating the Tenancy Support Group. Efficiency savings on welfare advice have not yet been delivered due to delays in completing the external review which will advise on the most efficient model of delivery.

### **3.5 Regulation and Economic Development**

#### **3.5.1 Economic and Community (includes Maritime and Leisure)**

**3.5.1.1** The service overall was £150k below the level of the profiled budget at the end of quarter 2 (11.7%). £76k of the underspend is due to profiling issues on grant budgets but these will be spent by year-end. The service is projected to be overspent by £17k (0.85%) by 31 March 2017. This is an improvement on the overspend of £50k predicted during quarter 1.

**3.5.1.2** The Economic Development element of the Service is forecast to achieve a balanced budget at year-end.

**3.5.1.3** The Maritime Section is expected to be £53k underspent at year-end due to vacancy management.

**3.5.1.4** The forecast for the Leisure service at year-end is an overspend of £70k. This is, in part, due to the closure of Holyhead Leisure Centre during the summer period for essential maintenance work and repairs following storm damage last financial year, which reduced the level of income received.

#### **3.5.2 Regulation (Planning and Public Protection)**

**3.5.2.1** This service was £112k below the profiled budget (6.9%) at the end of the period and is projected to be £170k (6.65%) underspent by the year-end. This is an increase on the underspend of £110k reported during quarter 1. In addition, there is an estimated surplus income of £50k received from major developments which will form an earmarked reserve to support implementation of major developments in the future.

**3.5.2.2** Most of the budgets within Regulation are underspending with the exception of Planning Delivery Wales, Countryside and Coast, Environmental Health and Trading Standards which are estimated to overspend slightly.

### **3.6 Highways, Waste and Property**

#### **3.6.1 Highways**

**3.6.1.1** This service was £64k (1.5%) below the profiled budget at the end of the period but is projected to be £80k (1.21%) overspent by the year-end. This is the same as the forecast reported during quarter 1. This forecast outturn does not include any prediction on the works budgets as these are affected by winter maintenance requirements and any storm damage. There is also uncertainty around public transport and maintenance design costs, therefore, a balanced budget has been assumed for these.

**3.6.1.2** The estimated overspend is largely due to estimated shortfalls on income budgets in Maintenance Management (£50k); car parking income (£25k) and an overspend of £5k in Lighting Management.

### **3.6.2 Waste**

**3.6.2.1** The waste service was £68k (1.6%) below the profiled budget at the end of September 2016. The service continues to predict an overspend by £145k (2.30%) at the end of the financial year. This forecast excludes the impact of moving to three weekly collection from 1 October 2016 due to uncertainty around tonnages collected. The budgetary impact of this will be assessed and reported during quarter 3 budget monitoring.

**3.6.2.2** Costs are exceeding budget on the Penhesgyn Transfer Station due to agency costs, repairs and maintenance costs. This site is projected to overspend by £60k by year-end. There is a shortfall of income collected from Penhesgyn Electricity Generation Site which is estimated to under-achieve the target by £85k for the financial year.

### **3.6.3 Property**

**3.6.3.1** Property Services was £143k (25%) below the profiled budget at the end of the period and is predicted to underspend by £115k (9.35%) at 31 March 2017. Overspends of £94k on repairs and maintenance are estimated to be offset by underspends on employees (£54k), underspends in Non Domestic Rates (£89k) and saving on employer pension contributions as a result of staff choosing not to join the Local Government Pension Scheme following the implementation of single status (£84k).

### **3.7 Transformation**

**3.7.1** The Transformation Service shows that expenditure exceeded the profiled budget by £168k (9.4%) at the end of the period, however, much of these costs will be funded from earmarked reserves and grants which will be credited to the Service budget at the end of the year. The function is predicted to underspend by £50k (1.42%) at year-end which is an improved position from the balanced budget reported at quarter 1. An overspend of £50k in ICT will be offset by predicted underspends in the Corporate Transformation team (£50k) and the Anglesey and Gwynedd Partnership (£50k).

**3.7.1.1** The ICT function is predicting an overspend of £50k as mentioned above due to Public Sector Broadband Aggregation (PSBA) costs.

**3.7.1.2** The HR function is predicting a balanced budget for the financial year.

### **3.8 Resources**

**3.8.1** The remainder of the Resources Function budget showed an underspend of £6k (0.25%) by the end of the period. The function is forecast to overspend by £131k (3.41%) by the end of the financial year. The key budgetary pressures relate to staffing costs, software support costs and Service contract costs amounting to £181k in total. Windfall grants (£35k) and audit staffing savings (£20k) help reduce the net overspend. Work is ongoing to reduce expenditure during the second part of the year.

### **3.9 Council Business**

**3.9.1** The function is £17k (2.3%) ahead of the profiled budget as at 30 September 2016. However, an underspend of £62k (4.10% of gross budget) is predicted for the financial year. The more significant reasons for this is due to an expected underspend in Committee Services (£30k) and land charges over-achievement of income (£25k).

### **3.10 Corporate and Democratic Costs**

**3.10.1** The budget was £8k below the profiled budget at the end of the period. An underspend of £3k is projected at year-end from savings on WLGA subscriptions.

### **3.11 Corporate Management**

**3.11.1** The function was £50k (13%) underspent at 30 September 2016 and an underspend of £100k (13.85%) is projected for the financial year due to savings arising from the restructuring of Strategic Management.

## **4. Corporate Finance**

**4.1** Corporate Finance is expected to underspend by £339k (2.23%) at year-end.

**4.2** The benefits granted budget covers housing benefits, discretionary housing payments and the council tax reduction scheme. This budget is estimated to underspend by £311k. The significant element of this is an underspend of £540k due to caseloads which are less than originally budgeted for. However, this is reduced by an estimated £150k increase in the bad debt provision and £79k of costs which are not eligible for subsidy.

**4.3** There is an estimated shortfall on the Corporate savings target of £102k relating to smarter working and voluntary redundancies. There are savings that can be clearly linked to the project for example closure of offices can be credited against this budget. However, other savings in staff administration and general administration costs are being realised within service budgets and not accounted for against this target. That is not to say that the Smarter Working project will not deliver the savings envisaged at the outset.

**4.4** There is also a significant shortfall on interest receivable on the Authority's bank deposits (£110k), which has worsened by the cut to the official bank rate from 0.50% to 0.25%. These overspends are offset and an underspend of £88k is forecast on capital financing due to reduced borrowing costs due to the Authority's use of balances rather than external borrowing on the capital programme. This internal borrowing, however, may not be possible into the future due to the significant capital projects particularly in relation to the 21 Century Schools programme.



**4.5** Appendix C summarises the financial position on contingency budgets as at 30 September 2016. A total contingencies budget of £2.039m was approved as part of the 2016/17 budget. A net £208k has been vired to services to fund specific projects or budgetary issues approved by the Section 151 Officer. In addition, £1,135k has been committed from contingencies to fund approved costs. It is expected that, with the exception of the £40k contingency for the Workforce Development Officer Post, the remaining £656k will be fully spent by year-end in accordance with the necessary approvals for use of contingency budgets. It should be noted that the general contingency of £236k is in place to meet unforeseen costs during the year and is not yet allocated. It is difficult to predict the demands on this budget, therefore for the purposes of this report we have predicted that the general contingency will be fully utilised although this will be reviewed during the remainder of the financial year.

## **5. Collection of Council Tax**

**5.1** The Council Tax Fund budget is determined using the estimated collectable debt for the current year only based on the tax base figure set in November 2015. It does not provide for arrears collected from previous years, adjustments to liabilities arising from previous years (exemptions, single person discounts etc), changes to the current year's taxbase or the provision for bad and doubtful debts. These changes cannot be estimated and, invariably, lead to a difference between the final balance on the Council Tax Collection Fund and the original budget. It is estimated that the actual Council Tax collected will exceed the budget by £186k, though £66k of this is due to prior year adjustments as discussed above. This surplus will not be sufficient to cover the increase in the provision for bad and doubtful debts which is currently projected to be £384k. Therefore, the current projection is that the Council Tax Fund will underachieve the target figure by £198k (0.62%) due to the requirement to make a prudent provision for bad debts. This is a slightly worsened position on the shortfall of £131k predicted during quarter 1.

## **6. Budget Savings 2016/17**

**6.1** Budget savings of £3.06m were removed from service budgets for 2016/17 with an additional £400k of savings from voluntary redundancies held as a contingency. Appendix Ch provides a summary of expected performance against these budget savings for the year. £2.507m (81.92%) of the savings have already been achieved or are deemed achievable during the year.

**6.2** £511k (16.70%) of the savings targets are not achievable in 2016/17. £220k of these have already been included in the forecast outturn for the year. However, £291k has not been included in the forecast due to a lack of information to assess the achievability of these savings. If these savings are not achievable, then the overspend for the year will increase by a further £291k. Despite the fact that £511k of the savings which are not achievable in 2016/17, the work to implement the proposals is ongoing and, as a result, the savings are likely to be achieved in 2017/18. However, £42k will not be achieved in the future. The £10k income target for advertising on bins will not be achieved as there is no market for this. In addition, £32k will not be achieved within Children's Services due to increased legal requirements which make the savings unviable.

**6.3** The majority of the £400k (75%) savings from voluntary redundancies will be achieved. However, the year end projection estimates that £102k of the proposed £400k will not be achieved in 2016/17. As staff are released, staffing structures are reorganised and there is a need to appoint staff to the revised structures. In some cases, this process has taken more time to implement and staff, which the Council have agreed to release, are still employed by the Council.

## **7. Conclusion**

**7.1** A total overspend of £660k (0.53%) is projected for the year-ending 31 March 2017. An overspend of £801k is predicted on service budgets, though it must be highlighted that this is made up of a number of over and underspends. The services that are still experiencing budgetary pressures are similar to 2015/16 (Adults' Services, Children's Services, Waste and Resources). In addition, Lifelong Learning is forecast to overspend by £114k. The Heads of Service are aware of the issues and are working to reduce the level of overspending at the year-end. The overspend on services is offset in part by an underspend in Corporate Finance of £339k which is mainly due to an underspend on the Council Tax Reduction Scheme. In addition, there is an estimated shortfall on the collection on Council Tax of £198k due to the requirement to provide for bad debts. Although the current level of reserves are sufficient to meet this level of overspending, should the Council also have to fund the costs of equal pay claims from its general reserves, then the level would then fall close to the minimum level set of £5m.

**7.2** It should be noted that quarter 2 is still early in the financial year and items such as the impact of winter maintenance have not been included in the forecast as there is no information available. Forecasts are subject to change as new information becomes available. However, with regular scrutiny from SLT and if remedial action is taken by Heads of Services these will help the services manage within the budgets they can control.

**Isle of Anglesey County Council Forecast Outturn 2016/17 – Quarter 2**

**APPENDIX B**

Service/Function	2016/17 Original Annual Budget	Q2 2016/17 Budget to Date	Q2 Actual & Committed spend	Q2 2016/17 Variance	Q2 Estimated Expenditure to 31 March 2017	Q2 Estimated Outturn 31 March 2017 over/(under)	Q1 Estimated Outturn 31 March 2017 over/(under)	over/(underspend) as a % of Original Budget 2016/17
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b><u>Lifelong Learning</u></b>								
Delegated Schools Budget	38,422	23,289	23,289	(0)	38,422	0	0	0.00%
Central Education	9,065	1,147	1,292	145	9,232	167	(16)	1.84%
Culture	1,429	783	719	(64)	1,376	(53)	(46)	3.71%
Adult Services	22,343	10,976	11,238	262	22,486	143	16	0.64%
Children's Services	7,443	3,763	4,062	299	8,126	683	270	9.18%
Housing	869	875	835	(40)	857	(12)	0	1.38%
<b><u>Highways, Waste &amp; Property</u></b>								
Highways	6,618	4,117	4,053	(64)	6,698	80	80	1.21%
Property	1,230	580	437	(143)	1,115	(115)	0	9.35%
Waste	6,296	4,106	4,038	(68)	6,441	145	145	2.30%
<b><u>Regulation &amp; Economic Development</u></b>								
Economic	2,001	1,282	1,132	(150)	2,018	17	50	0.85%
Planning and Public Protection	2,555	1,617	1,505	(112)	2,385	(170)	(110)	6.65%
<b><u>Transformation</u></b>								
Human Resources	1,093	662	817	155	1,093	0	0	0.00%
ICT	1,618	836	962	126	1,668	50	100	3.09%
Corporate Transformation	821	285	172	(113)	721	(100)	(100)	12.18%

Service/Function	2016/17 Original Annual Budget	Q2 2016/17 Budget to Date	Q2 Actual & Committed spend	Q2 2016/17 Variance	Q2 Estimated Expenditure to 31 March 2017	Q2 Estimated Outturn 31 March 2017 over/(under)	Q1 Estimated Outturn 31 March 2017 over/(under)	over/(underspend) as a % of Original Budget 2016/17
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Resources</b>								
Resources	3,843	2,383	2,377	(6)	3,974	131	131	3.41%
Council Business	1,512	725	743	17	1,450	(62)	(62)	4.10%
Corporate & Democratic costs	948	414	406	(8)	945	(3)	(5)	0.32%
Corporate Management	722	373	324	(50)	622	(100)	(100)	13.85%
<b>Total Service Budgets</b>	<b>108,828</b>	<b>58,214</b>	<b>58,399</b>	<b>186</b>	<b>109,629</b>	<b>801</b>	<b>353</b>	<b>0.74%</b>
<b>Corporate Finance</b>								
Levies	3,194	1,597	1,598	1	3,194	0	0	0.00%
Capital Financing	8,302	859	859	0	8,214	(88)	(88)	1.06%
Discretionary Rate Relief	60	0	0	0	58	(2)	(2)	3.33%
General & Other Contingencies	1,978	0	0	0	1,938	(40)	0	2.02%
Funding and use of Reserves	(4,238)	0	0	0	(4,136)	102	200	2.41%
Benefits Granted	5,913	3,849	3,885	36	5,603	(311)	(228)	5.26%
<b>Total Corporate Finance</b>	<b>15,209</b>	<b>6,305</b>	<b>6,342</b>	<b>36</b>	<b>14,870</b>	<b>(339)</b>	<b>(118)</b>	<b>2.23%</b>
<b>Total Budget 2016/17</b>	<b>124,037</b>	<b>64,519</b>	<b>64,742</b>	<b>223</b>	<b>124,500</b>	<b>462</b>	<b>235</b>	<b>0.37%</b>
<b>Funding 2016/17</b>								
NNDR	(21,309)				(21,309)	0	0	0.00%
Council Tax	(32,109)				(31,912)	198	131	0.62%
Revenue Support Grant	(70,619)				(70,619)	0	0	0.00%
<b>Total Funding 2016/17</b>	<b>(124,037)</b>				<b>(123,840)</b>	<b>198</b>	<b>131</b>	<b>0.16%</b>
<b>Total outturn including impact of funding</b>	<b>(0)</b>				<b>660</b>	<b>660</b>	<b>366</b>	<b>0.53%</b>

## APPENDIX C

**Summary of the Financial Position on Contingency Budgets 2016/17 as at Quarter 2**

	<b>Original Budget</b>	<b>Virements</b>	<b>Amended Budget</b>	<b>Committed to date (26/10/16)</b>	<b>Current Remaining Un-Committed</b>
	£	£	£	£	£
Improvement	400,000.00	-104,730.00	295,270.00	295,270.00	0.00
General Contingency	317,927.00	73,680.00	391,607.00	155,000.00	236,607.00
Salary and Grading	500,000.00	-81,235.00	418,765.00	0.00	418,765.00
Cost of Change	136,000.00	-95,570.00	40,430.00	0.00	40,430.00
NNDR Allow disc rate	60,000.00	0.00	60,000.00	60,000.00	0.00
Earmarked Contingency	625,000.00	0.00	625,000.00	625,000.00	0.00
<b>Total Contingency Budgets</b>	<b>2,038,927.00</b>	<b>-207,855.00</b>	<b>1,831,072.00</b>	<b>1,135,270.00</b>	<b>695,802.00</b>

**Summary of Forecast Performance on Achievement of 2016/17 Budget Savings – Quarter 2**

<b>Service/Function</b>	<b>Budget Savings 2016/17</b>	<b>Achievable 2016/17</b>	<b>Potentially not-achievable 2016/17</b>	<b>Will not be achieved at all</b>	<b>Comments</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Lifelong Learning	1,308	1,308	-	-	
Regulation and Economic Development	258	245	13	-	£13k not achievable in 2016/17 but will be funded during the year from underspends elsewhere within the service.
Highways, Waste and Property	730	409	311	10	£30k not achievable, of which £16k can be funded by underspends elsewhere. £291k achievability difficult to assess until the winter period. The £10k for advertising on bins will not be achieved as there is no market for this.
Adults' Services	335	200	135	-	£135k difficult to achieve during 2016/17 due to review, consultation and legal processes.
Children's Services	143	96	15	32	£32k unachievable due to change in the law, £15k possibly achievable from 2017/18
Housing	74	37	37	-	£37k dependent on consultancy advice though funded in 2016/17 from underspends elsewhere in the service.
Transformation	4	4	-	-	
Council Business	56	56	-	-	
Resources	72	72	-	-	
Anglesey and Gwynedd Partnership	80	80	-	-	
<b>Total</b>	<b>3,060</b>	<b>2,507</b>	<b>511</b>	<b>42</b>	











**Isle of Anglesey County Council Forecast Outturn 2016/17 – Quarter 2**  
**Appendix B**

Service/Function	2016/17 Original Annual Budget	Q2 2016/17 Budget to Date	Q2 Actual & Committed spend	Q2 2016/17 Variance	Q2 Estimated Expenditure to 31 March 2017	Q2 Estimated Outturn 31 March 2017 over/(under)	Q1 Es Outtu March over/(
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b><u>Lifelong Learning</u></b>							
Delegated Schools Budget	38,422	23,289	23,289	(0)	38,422	0	
Central Education	9,065	1,147	1,292	145	9,232	167	
Culture	1,429	783	719	(64)	1,376	(53)	
Adult Services	22,343	10,976	11,238	262	22,486	143	
Children's Services	7,443	3,763	4,062	299	8,126	683	
Housing	869	875	835	(40)	857	(12)	
<b><u>Highways, Waste &amp; Property</u></b>							
Highways	6,618	4,117	4,053	(64)	6,698	80	
Property	1,230	580	437	(143)	1,115	(115)	
Waste	6,296	4,106	4,038	(68)	6,441	145	
<b><u>Regulation &amp; Economic Development</u></b>							
Economic	2,001	1,282	1,132	(150)	2,018	17	
Planning and Public Protection	2,555	1,617	1,505	(112)	2,385	(170)	
<b><u>Transformation</u></b>							
Human Resources	1,093	662	817	155	1,093	0	
ICT	1,618	836	962	126	1,668	50	
Corporate Transformation	821	285	172	(113)	721	(100)	

<b><u>Resources</u></b>							
Resources	3,843	2,383	2,377	(6)	3,974	131	
Council Business	1,512	725	743	17	1,450	(62)	
Corporate & Democratic costs	948	414	406	(8)	945	(3)	
Corporate Management	722	373	324	(50)	622	(100)	
<b>Total Service Budgets</b>	<b>108,828</b>	<b>58,214</b>	<b>58,399</b>	<b>186</b>	<b>109,629</b>	<b>801</b>	

Service/Function	2016/17 Original Annual Budget	Q2 2016/17 Budget to Date	Q2 Actual & Committed spend	Q2 2016/17 Variance	Q2 Estimated Expenditure to 31 March 2017	Q2 Estimated Outturn 31 March 2017 over/(under)	Q1 Es Outturn March over/(
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Corporate Finance</b>							
Levies	3,194	1,597	1,598	1	3,194	0	
Capital Financing	8,302	859	859	0	8,214	(88)	
Discretionary Rate Relief	60	0	0	0	58	(2)	
General & Other Contingencies	1,978	0	0	0	1,938	(40)	
Funding and use of Reserves	(4,238)	0	0	0	(4,136)	102	
Benefits Granted	5,913	3,849	3,885	36	5,603	(311)	
<b>Total Corporate Finance</b>	<b>15,209</b>	<b>6,305</b>	<b>6,342</b>	<b>36</b>	<b>14,870</b>	<b>(339)</b>	
Total Budget 2016/17	124,037	64,519	64,742	223	124,500	462	
<b>Funding 2016/17</b>							
NNDR	(21,309)				(21,309)	0	
Council Tax	(32,109)				(31,912)	198	
Revenue Support Grant	(70,619)				(70,619)	0	
<b>Total Funding 2016/17</b>	<b>(124,037)</b>				<b>(123,840)</b>	<b>198</b>	
<b>Total outturn including impact of funding</b>	<b>(0)</b>				<b>660</b>	<b>660</b>	

## Appendix C

### Summary of the Financial Position on Contingency Budgets 2016/17 as at Quarter 2

	Original Budget £	Virements £	Amended Budget £	Co (2)
Improvement	400,000.00	-104,730.00	295,270.00	29
General Contingency	317,927.00	73,680.00	391,607.00	15
Salary and Grading	500,000.00	-81,235.00	418,765.00	
Cost of Change	136,000.00	-95,570.00	40,430.00	
NNDR Allow disc rate	60,000.00	0.00	60,000.00	6
Earmarked Contingency	625,000.00	0.00	625,000.00	62

-				
<b>Total Contingency Budgets</b>	<b>2,038,927.00</b>	<b>-207,855.00</b>	<b>1,831,072.00</b>	<b>1,13</b>

### Appendix Ch

#### Summary of Forecast Performance on Achievement of 2016/17 Budget Savings – Quarter 2

<b>Service/Function</b>	<b>Budget Savings 2016/17 £000</b>	<b>Achievable 2016/17 £000</b>	<b>Potentially not-achievable 2016/17 £000</b>	<b>Will not be achieved at all £000</b>	<b>Comments</b>
Lifelong Learning	1,308	1,308	-	-	
Regulation and Economic Development	258	245	13	-	£13k not a funded du elsewhere
Highways, Waste and Property	730	409	311	10	£30k not a funded by achievabili period. The not be achi
Adults' Services	335	200	135	-	£135k diffi to review, c
Children's Services	143	96	15	32	£32k unac £15k possi
Housing	74	37	37	-	£37k dep though fun elsewhere
Transformation	4	4	-	-	
Council Business	56	56	-	-	

Resources	72	72	-	-
Anglesey and Gwynedd Partnership	80	80	-	-
<b>Total</b>	<b>3,060</b>	<b>2,507</b>	<b>511</b>	<b>42</b>