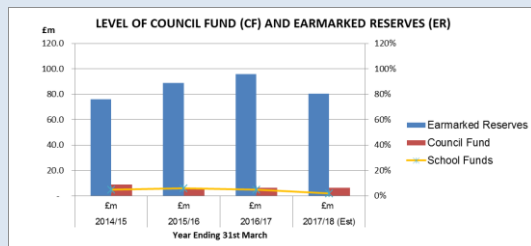


## APPENDIX 7a – FINANCIAL RESILIENCE SNAPSHOT

The following tables, charts and figures give an indication of the financial resilience of the Council as per the Statement of Accounts

### Level of Council Fund (CF) and Earmarked Reserves (ER)



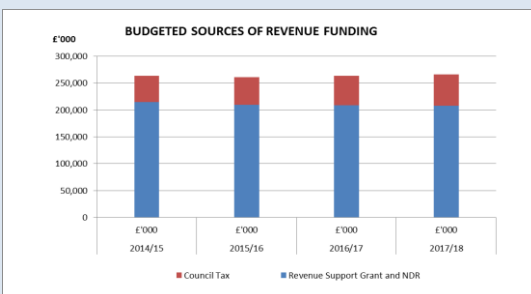
### Level of Reserves

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 (Est)
	£m	£m	£m	£m	£m	£m
Earmarked Reserves	64.5	71.2	76.1	88.3	95.0	88.4
Council Fund	5.0	5.0	8.9	8.5	6.5	5.5
School Funds	4.4	4.2	4.8	5.9	4.8	1.8

### Budgeted Sources of Funding

Total Revenue Funding	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000
Revenue Support Grant and NDR	214,826	209,264	209,142	208,250
Council Tax	49,104	52,117	54,796	68,122

### Budgeted Revenue Funding Split



### Financial Performance and Ratios

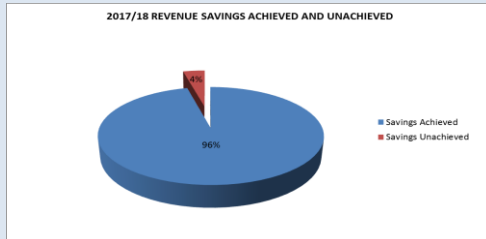
Ratio	Calculation	2012/13	2013/14	2014/2015	2015/2016	2016/2017
		£'000	£'000	£'000	£'000	£'000
Net Worth (Assets - Liabilities)	(A-asset-Liabilities)	53,668	96,061	46,887	61,095	20,785
Net Worth (exc Pension Liab.)	(A-asset-Liabilities)	286,220	280,675	298,027	340,816	346,620
Working Capital Ratio	(Curr. Assets / Curr. Liabilities)	0.68	0.79	0.89	1.82	1.17
Gearing Ratio	(Borrowing / Total Reserves)	44.1%	51.2%	45.6%	44.0%	49.9%

The figures below shows the 17/18 forecast position for both revenue and capital

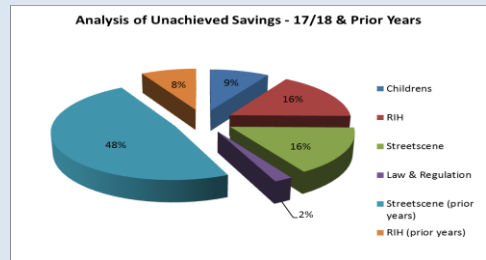
### 2017/18 Revenue Forecast Position (December)

Directorate	Current Budget	December Forecast	Variance	Variance
	£'000	£'000	£'000	%
Children & Young People	21,068	22,971	1,903	9
Adult & Community Services	41,070	41,110	40	0
Education	14,878	15,588	710	5
Schools	90,297	93,297	3,000	3
Regeneration, Investment & Housing	9,194	9,298	104	1
Streetscene & City Services	17,847	17,899	52	0
Corporate Services	16,121	15,840	(281)	(2)
<b>Total Directorates</b>	<b>210,475</b>	<b>216,003</b>	<b>5,528</b>	<b>3</b>
Capital Financing	27,040	27,201	161	1
Contingency/Provisions	6,959	7,434	475	7
Levies / other	21,858	20,400	(1,458)	(7)
Reserves / Transfer	40	(2,960)	(2,999)	(7)
<b>Total Budget</b>	<b>266,372</b>	<b>268,078</b>	<b>1,706</b>	
Additional funding - CT surplus	-	(814)	(814)	
<b>Projected Over/ (Under) spend</b>			<b>892</b>	

### Revenue Savings Achieved and Unachieved (December FIP)



### Analysis of Unachieved Savings



### 2017/18 Capital Forecast Position

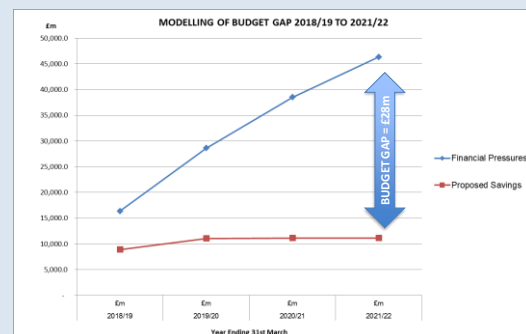
Directorate	Final Budget	Final Outturn	Variance Slippage	Variance (Under) Overspend
	£'000	£'000	£'000	£'000
Education	27,222	22,368	(4,856)	53
Regeneration, Investment & Housing	10,865	7,828	(3,112)	75
People & Business Change	2,777	512	-	(2,265)
Law & Regulation	6	6	-	-
Adult & Community Services	828	818	(10)	7
Children & Young People Services	26	26	-	-
Streetscene & City Services	4,997	4,654	(341)	(2)
<b>Total Budget</b>	<b>46,919</b>	<b>36,812</b>	<b>(7,974)</b>	<b>(2,133)</b>

The tables below show the Medium Term Financial Plan (MTFP) and the risks facing the Council.

### MTFP Scenario (To be approved by February Cabinet)

	2018/19	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000	£'000
Financial Pressures	17,566	11,947	9,301	7,514	46,327
Transfer to/ (from) reserves	(1,200)	300	600	300	0
Funding Reductions	(4,540)	2,062	2,041	2,022	1,584
Budget Requirement Reduction	11,826	14,309	11,942	9,836	47,913
Increase in Clax/ tax base	(2,948)	(1,903)	(1,919)	(1,935)	(8,705)
Savings	(8,876)	(2,182)	(46)	0	(11,106)
<b>Budget Gap</b>	<b>0</b>	<b>10,223</b>	<b>9,976</b>	<b>7,901</b>	<b>28,100</b>

### Modelling of Budget Gap 2018/19 to 2021/22



### Capital Expenditure & Capital Financing Requirement (CFR)

Capital Expenditure	2017/18	2018/19	2019/20	2020/21
	Actual	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Total capital expenditure	49.6	20.2	N/A	N/A
<b>Capital Financing Requirement</b>				
Financing requirement	-	8.8	31.9	80.1
CFR	281.8	292.0	294.2	296.2

### Affordability Indicators -

**Ratio of Financing Costs to Net Revenue Stream** - highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs.

	2018/19	2019/20	2020/21
	Estimate	Estimate	Estimate
	%	%	%
<b>Ratio of Financing Costs to Net Revenue Stream</b>	7.6	7.0	7.1
<b>Incremental impact of Capital Investment Decisions</b>	£	£	£
Increase in Band D Council Tax - Incremental Impact of Capital Investment Decisions	2.33	2.97	3.92

\* Assumes 4% cumulative increase in Council Tax although no decision has been taken to this effect.

## APPENDIX 7b - PROJECTED EARMARKED RESERVES

Reserve	Balance at 31-Mar-17	Balance at 31-Mar-18	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21
	£'000	£'000	£'000	£'000	£'000
Council Fund:	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)
Balances held by schools for future use	(4,831)	(1,831)	(1,831)	(1,831)	(1,831)
<b>Earmarked Reserves:</b>					
Music Service	(167)	(127)	(127)	(127)	(127)
Capital Expenditure	(5,817)	(3,513)	(2,013)	(513)	-
Insurance Reserve	(1,706)	(1,706)	(1,706)	(1,706)	(1,706)
MMI Insurance Reserve	(602)	(302)	-	-	-
Health & Safety	(16)	(16)	(16)	(16)	(16)
Education Achievement Service	(92)	(92)	-	-	-
Schools Redundancies	(708)	-	-	-	-
Friars Walk	(9,985)	(6,235)	(5,735)	(5,235)	(4,735)
European Funding I2A & CFW	(79)	(199)	(199)	(199)	(199)
Metro Bus	(9)	-	-	-	-
<b>SUB TOTAL - RISK RESERVES</b>	<b>(19,181)</b>	<b>(12,190)</b>	<b>(9,796)</b>	<b>(7,796)</b>	<b>(6,783)</b>
Pay Reserve	(1,418)	(1,651)	(1,651)	(1,651)	(1,651)
Invest to Save (excludes any school based redundancies)	(11,050)	(9,908)	(7,980)	(7,744)	(7,594)
Super Connected Cities	(670)	(543)	(423)	(303)	(183)
Landfill (fines reserve)	(345)	(345)	(150)	-	-
Christmas Lights	(15)	-	-	-	-
Usable Capital Receipts	(11,742)	(4,086)	(1,420)	(920)	(420)
NEW - MTFP reserve	-	(2,400)	1,200	900	300
<b>SUB TOTAL - ENABLING RESERVES</b>	<b>(25,240)</b>	<b>(18,933)</b>	<b>(10,424)</b>	<b>(9,718)</b>	<b>(9,548)</b>
STEP School Computers	(473)	(373)	(273)	(173)	(73)
Municipal Elections	(154)	(27)	(57)	(87)	(117)
Local Development Plan	(572)	(581)	(480)	(307)	(207)
Glan Usk PFI	(1,499)	(1,499)	(1,489)	(1,469)	(1,439)
Southern Distributor Road PFI	(44,515)	(44,303)	(43,963)	(43,485)	(42,935)
<b>SUB TOTAL - SMOOTHING RESERVES</b>	<b>(47,213)</b>	<b>(46,784)</b>	<b>(46,263)</b>	<b>(45,522)</b>	<b>(44,772)</b>

<b>Reserve</b>	<b>Balance at 31-Mar-17</b>	<b>Balance at 31-Mar-18</b>	<b>Balance at 31-Mar-19</b>	<b>Balance at 31-Mar-20</b>	<b>Balance at 31-Mar-21</b>
	£'000	£'000	£'000	£'000	£'000
Works of art	(21)	(21)	(21)	(21)	(21)
School Works	(545)	(357)	(357)	(357)	(357)
Theatre & Arts Centre	(232)	(232)	(232)	(232)	(232)
Cymorth Income	(33)	-	-	-	-
Pupil Referral Unit	(60)	(60)	-	-	-
Gypsy and Traveller Site	(7)	(7)	(7)	(7)	(7)
Homelessness Prevention	(38)	(38)	-	-	-
Environmental Health - Improve Air Quality	(49)	-	-	-	-
Refurbishment of a Children / Older People Homes	(102)	(18)	-	-	-
Apprenticeship Scheme	(80)	(74)	(31)	(31)	(31)
City Economic Development	(90)	(45)	-	-	-
Welsh Language Standards	(240)	(180)	(120)	(60)	-
YS Dilapidation Costs Information Shop	(51)	(41)	-	-	-
School Reserve Other	(1,100)	(457)	-	-	-
Port Health	(3)	(6)	(6)	(6)	(6)
CRM	(21)	-	-	-	-
WCCIS	(54)	-	-	-	-
Investment Reserve	(1,500)	(996)	-	-	-
2018 Events	-	(100)	-	-	-
<b>SUB TOTAL - OTHER RESERVES</b>	<b>(4,226)</b>	<b>(2,631)</b>	<b>(774)</b>	<b>(714)</b>	<b>(654)</b>
<b>RESERVES TOTAL</b>	<b>(107,190)</b>	<b>(88,868)</b>	<b>(75,586)</b>	<b>(72,079)</b>	<b>(70,086)</b>