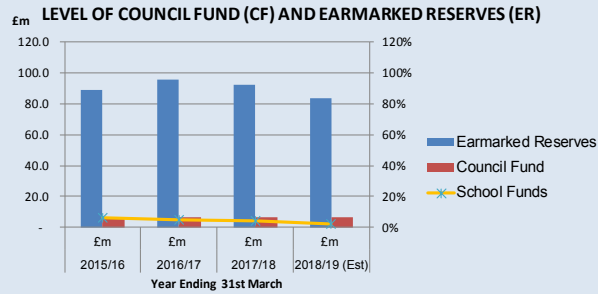


Appendix 11 - Financial Resilience

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)



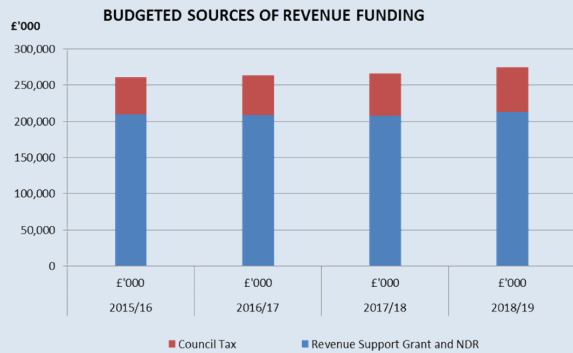
Level of Reserves

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 (Est) £m
Earmarked Reserves	88.9	95.8	92.5	83.7
Council Fund	6.5	6.5	6.5	6.5
School Funds	5.9	4.8	3.9	1.9

Budgeted Sources of Funding

Total Revenue Funding	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Revenue Support Grant and NDR	209,254	209,142	208,250	212,790
Council Tax	52,117	54,796	58,122	61,806

Budgeted Revenue Funding Split



Financial Performance and Ratios

Ratio	Calculation	2014/2015 £'000	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000
Net Worth (Assets - Liabilities)	(Asset - Liabilities)	45,887	61,095	20,785	19,704
Net Worth (exc Pension Liab.)	(Asset - Liabilities)	298,037	340,816	345,530	343,721
Working Capital Ratio	(Curr. Assets / Curr. Liabilities)	0.89	1.82	1.17	1.01
Gearing Ratio	(Borrowing / Total Reserves)	45.5%	44.0%	49.9%	67.0%

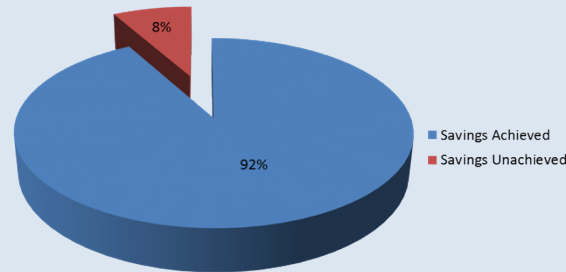
The figures below shows the 18/19 forecast position for both revenue and capital

2018/19 Revenue Forecast Position - December

Directorate	Current Budget £'000	Budget Forecast £'000	Variance £'000	Variance %
Children & Young People	22,405	24,682	2,277	10.2
Adult & Community Services	44,529	45,399	870	2.0
Education	12,771	14,521	1,750	13.7
Schools	92,977	94,897	1,920	2.1
Regeneration, Investment & Housing	9,931	9,932	1	0.0
City Services	22,914	23,064	150	0.7
Corporate Services	17,665	17,362	(303)	(1.7)
Total Directorates	223,192	229,857	6,665	3.0
Capital Financing	25,080	24,967	(113)	(0.5)
Contingency/Provisions	5,192	(499)	(5,691)	(109.6)
Levies / other	22,521	20,829	(1,691)	(7.5)
Reserves /Transfer	(1,388)	(1,308)	80	(5.8)
Total Budget	274,596	273,846	(750)	(0.3)
Additional funding - C.T surplus	-	(1,000)	(1,000)	-
Projected Over/ (Under) spend	274,596	272,846	(1,750)	(0.6)

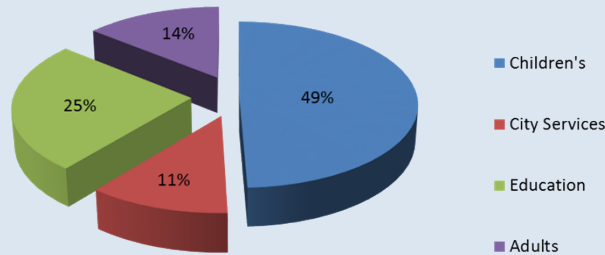
Revenue Savings Achieved and Unachieved (December 2018/19)

2018/19 Revenue Savings Achieved



Analysis of Unachieved Savings

Analysis of Unachieved Savings - 2018/19



2018/19 Capital Forecast Position - December

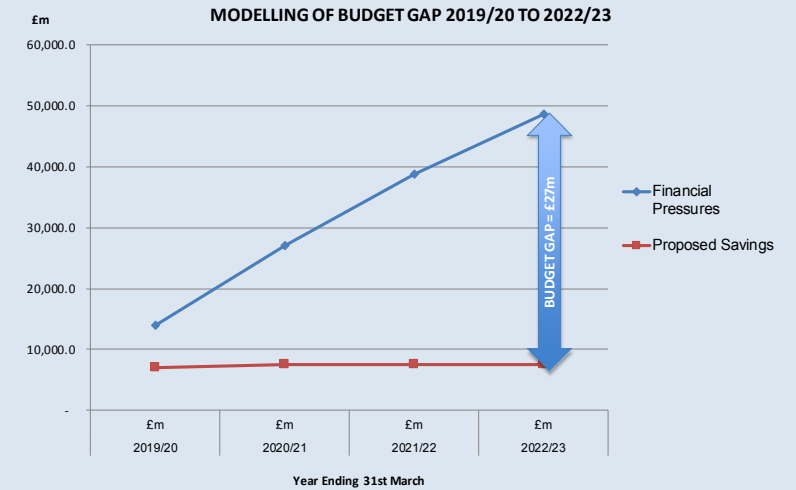
Directorate	Final Budget £'000	Budget Forecast £'000	Variance Slippage £'000	Variance (Under)/ Overspend £'000
Education	12,133	10,495	(1,546)	(92)
Regeneration, Investment & Housing	12,029	10,761	(1,268)	-
People & Business Change	884	794	(90)	-
Adult & Community Services	195	195	-	-
Children & Young People Services	1,831	1,831	-	-
City Services	11,780	10,116	(1,565)	(100)
Total Budget	38,852	34,192	(4,469)	(192)

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

MTFP Scenario

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Financial Pressures	13,656	12,499	11,484	9,721	47,359
Transfer to/ (from) reserves	300	600	300	0	1,199
Funding (Increase)/ Reduction	(2,030)	0	0	0	(2,031)
Budget Requirement Reduction	11,926	13,099	11,784	9,721	46,529
Increase in Ctax/ tax base	(5,823)	(1,994)	(2,010)	(2,026)	(11,652)
Savings	(6,958)	(564)	(35)	0	(7,558)
Budget Gap	(655)	10,541	9,739	7,695	27,320

Modelling of Budget Gap 2019/20 to 2022/23



Capital Expenditure & Need to borrow

Capital Expenditure	2018/19 Actual £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m
Total capital expenditure	34.2	56.8	28.9	20.1
Capital Financing Requirement				
Investments or (new borrowing)	23.5	1.1	59.7	65.7
CFR	282.3	292.3	291.4	288.2

APPENDIX 11a - Projected earmarked reserves

Reserve	Balance at 31-Mar-18	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21	Balance at 31-Mar-22
	£'000	£'000	£'000	£'000	£'000
Council Fund:	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)
Balances held by schools for future use	(3,857)	(1,937)	(1,937)	(1,937)	(1,937)
		-			
Earmarked Reserves:		-			
Insurance Reserve	(1,594)	(1,294)	(1,294)	(1,294)	(1,294)
MMI Insurance Reserve	(602)	(602)	(602)	(602)	(602)
Health & Safety	(16)	-	-	-	-
Music Service	(124)	(35)	(35)	(35)	(35)
Education Achievement Service	(92)	(92)	(92)	(92)	(92)
Schools Redundancies	(708)	(708)	-	-	-
Friars Walk	(8,405)	(7,905)	(7,500)	(7,500)	(7,000)
European Funding I2A & CFW	(173)	(190)	(190)	(190)	(190)
Metro Bus	(9)	(9)	(9)	-	-
Pay Reserve	(1,418)	(1,418)	(1,418)	(1,418)	(1,418)
GEMS Redundancies	(78)	(76)	(76)	(76)	(76)
SUB TOTAL - RISK RESERVES	(13,219)	(12,328)	(11,215)	(11,206)	(10,706)
Capital Expenditure	(5,761)	(5,145)	(3,645)	(2,145)	(884)
School Works	(347)	(247)	(247)	(247)	(247)
School Reserve Other	(924)	-	-	-	-
Investment Reserve	(966)	(491)	-	-	-
Invest to Save	(9,557)	(10,369)	(9,889)	(9,529)	(9,319)
Super Connected Cities	(554)	(426)	(306)	(186)	(66)
Landfill (fines reserve)	(345)	(345)	(175)	(175)	(175)
Usable Capital Receipts	(8,901)	(5,412)	(4,912)	(4,412)	(3,912)
City Services Manager Support	(200)	(148)	-	-	-
SUB TOTAL - ENABLING RESERVES	(27,555)	(22,583)	(19,174)	(16,694)	(14,603)
		-			
STEP School Computers	(357)	(0)	(0)	(0)	(0)
Municipal Elections	(54)	(91)	(128)	(165)	(202)
Local Development Plan	(599)	(629)	(456)	(356)	(256)
Glan Usk PFI	(1,605)	(1,595)	(1,575)	(1,545)	(1,505)
Southern Distributor Road PFI	(44,515)	(44,175)	(43,697)	(43,147)	(42,597)
Building Control	(48)	(122)	(122)	(122)	(122)
SUB TOTAL - SMOOTHING RESERVES	(47,179)	(46,613)	(45,979)	(45,336)	(44,683)

Reserve	Balance at 31-Mar-18	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21	Balance at 31-Mar-22
	£'000	£'000	£'000	£'000	£'000
		-			
Works of art	(21)	(21)	(21)	(21)	(21)
Theatre & Arts Centre	(232)	(232)	(232)	(232)	(232)
Cymorth Income	(33)	-	-	-	-
Blaen Y Pant Remodelling (Formerly Pupil Referral Unit)	(60)	-	-	-	-
Gypsy and Traveller Site	(7)	-	7	7	7
Homelessness Prevention	(38)	(38)	-	-	-
Environmental Health - Improve Air Quality	(49)	(49)	-	-	-
Refurbishment of a Children / Older People Homes	(62)	(0)	(0)	(0)	(0)
Apprenticeship Scheme	(84)	(49)	-	-	-
City Economic Development Reserve	(90)	(45)	-	-	-
Welsh Language Standards	(174)	(114)	(54)	-	-
YS Dilapidation Costs Information Shop	(41)	-	-	-	-
Port Health	(8)	(13)	(13)	(13)	(13)
Customer Relationship Management (CRM) Project	(681)	-	-	-	-
Welsh Community Care Information System (WCCIS)	(38)	-	-	-	-
Events	(190)	(60)	(30)	-	-
MTFP Reserve	(2,715)	(1,515)	(615)	(315)	(315)
Development of Leisure Masterplan	(15)	-	-	-	-
Voluntary Sector Grants	(66)	(22)	(22)	(22)	(22)
Bus Wifi	(35)	(17)	-	-	-
SUB TOTAL - OTHER RESERVES	(4,639)	(2,175)	(980)	(596)	(596)
		-			
RESERVES TOTAL	(102,948)	(92,135)	(85,784)	(82,268)	(79,024)

APPENDIX 11b - Summary of invest to save spend and forecast

Invest To Save - Summary Forecast	
	£'000
Balance B/F 31.03.2018	(9,557)
Total Forecast Spend 2018/19	1,188
2018/19 Forecast transfer	- 2,000
Invest to Save Forecast balance 31.03.2019	(10,369)
Further Funding Required:-	
Bids & Change/Efficiency proposals	
2019/20	1,037
2020/21	518
2021/22	210
Remaining Invest to Save reserve available for future Change/Efficiency Programme	(8,604)