

Report

Cabinet



Part 1

Date: 18 September 2019

Subject **July Revenue Budget Monitor**

Purpose The purpose of this report is to provide Cabinet with an update on the revenue forecast position and the issues affecting financial management during 2019/20.

Author Head of Finance (HoF)

Ward All

Summary As at July 2019, the Council service and non-service revenue budgets are forecasting to be c£1.5m net overspent but after utilising all of the revenue contingency budget, will be 'on budget' overall.

This report builds on the update provided to Cabinet in July and whilst the overall position is balanced, it should be noted that service areas, excluding schools, are forecasting an overspend of £3,696k, though confined to a very small number of budget/ activity areas, with the majority of areas spending close to/ within their approved budgets.

There is continuing pressure on the budget from demand areas specifically within social care and the following three areas alone contribute £2,392k to the overall service area overspend:

| | | |
|-------|-----------------------------------|-----------------|
| (i) | Children's out of area placements | £975k overspend |
| (ii) | Adult community care | £908k overspend |
| (iii) | Independent fostering agencies | £509k overspend |

Service area overspending has been mitigated by underspending in non-service budgets in respect of council tax surplus and council tax reduction scheme (£1,947k) enabling the total service/ non-service overspend to be reduced to c£1.5m, and therefore allowing the revenue budget contingency of £1.5m to balance the overall position. The need to make use of the entire revenue contingency budget at this early stage of the year leaves no mitigation for any unforeseen risks over the remainder of the year.

In addition, budgets set by schools for 2019/20 will see them overspending against their available funding by £2,594k, funded by their reserves. This would mean a small number of schools, mainly secondary's, increase their existing deficit reserves. This projection assumes, in line with previous years, that additional in-year funding/ income of £1,500k will be received from currently unknown in-year grants and other compensation, however, if this does not come to fruition the current school reserves would worsen.

Secondary schools are already working on these budgets to bring forward savings and this work is on-going.

It is still relatively early in the financial year and so there will be greater certainty around the forecasts as the year progresses. Although, historically the forecast position has improved throughout the year, this year to date has not seen the level of one off income received during 2018/19.

As the Council begins work on future year budgets, the current position highlighted in respect of continuing pressure on demand led service budgets will need to be considered and appropriate provision/ action agreed, though the on-going very significant budget investment (and in-year overspending) in these services is not sustainable.

- Appendix 1 Overall budget dashboard – July 2019
- Appendix 2 Revenue summary monitor – July 2019
- Appendix 3 Schools funding and balances
- Appendix 4 Planned movement in reserves

Proposal Cabinet is asked to:

- Note the overall budget forecast position including use of all the general budget contingency in addition to significant underspending in non-service budgets to balance forecast overspends within service areas;
- Agree to instruct all areas of the Council to maintain robust financial management;
- Note and agree the HoF comments that the Cabinet, with Senior Management, considers a Council wide approach to reducing costs after the September position if the position has not improved;
- Note the level of undelivered savings within each directorate and the risks associated with this;
- Note the forecast movements in reserves;
- Note the projected balances of individual schools over the next year and that work is on-going in respect of reducing school overspending in the secondary sector.

Action by Cabinet Members / Head of Finance/ Senior Leadership Team / Corporate Management Team confirm plans to:

- Ensure local management plans are developed and implemented to reduce overspending in service areas and communicated in service area dashboards;
- Promote and ensure robust forecasting throughout all service areas;
- Manage and deliver / mitigate slippage as appropriate; undelivered 2019/20 savings.

Timetable On going

This report was prepared after consultation with:

Chief Executive
Strategic Directors
Heads of Service
Budget Holders
Accountancy Staff

Signed

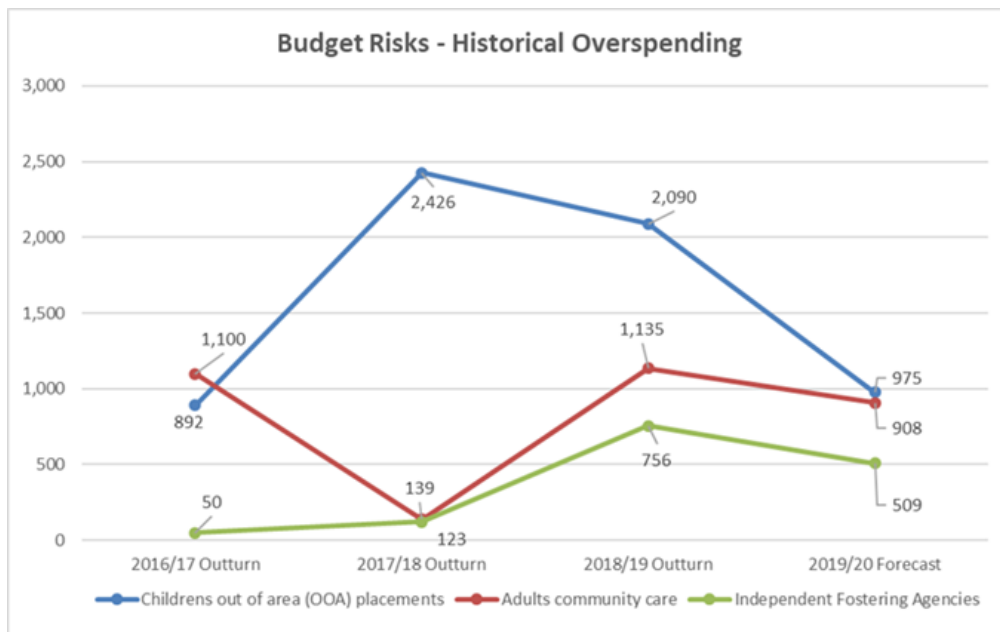
1 Background

- 1.1 Despite the difficult circumstances the Council has faced, the overall revenue budget has been managed well in the past reporting relatively small levels of under-spending. As a growing city, Newport continues to be under significant pressure from increasing demand for essential services and lower funding. The Council has had to deal with the pressures associated with this growth and therefore the additional costs of delivering services.
- 1.2 This monitor builds on the July update to Cabinet where a small overall underspend was reported. Further demand increases have now led to a worsening of the forecasts and whilst continuing pressure from demand areas on the budget are a challenge, the overall position at this point is balanced, with the vast majority of the Council's c160 budgeted 'service/ activities' managing close to/ on budget.
- 1.3 Continuing challenges within service areas (mainly children's and adults services) amount to c£3.7m, partially mitigated by underspending against non-service budgets, resulting in an overall projected overspend, before use of contingency, of £1,450k (0.5% of the net revenue budget). If there is no other specific call on the contingency budget and it is used to balance the current level of forecast service overspending, the overall budget position is balanced.

2 Key areas contributing to position

- 2.1 The following section highlights the key areas that contribute to the overall Council position:
 - (i) Ongoing budget pressures on a small number of Council activities;
 - (ii) Emerging issues that have arisen during 2019/20;
 - (iii) Delivery of 2019/20 savings.

(i) Ongoing budget pressures
- 2.2 Some of the significant service area overspending that were in place throughout 2018/19 and reported to Cabinet in July feature as budget risks in 2019/20. There are three main areas that contribute to the overall service area overspending, as follows:
 - Children's out of area placements
 - Independent fostering agencies
 - Adult community care
- 2.3 These are not new issues and demand in most of these areas have been increasing over the last 2-3 years. These areas received significant investment in 2019/20 but demand continues to accelerate beyond the budget available. The chart below demonstrates that despite investment over the years the increasing demand for essential services continues to put pressure on budgets in these areas.



2.4 **Children's out of area placements** – Following the purchase of a new residential home the budget has now been split to reflect internal and external placements. Despite investment of £2,206k, this budget can now support 19 out of area placements. In July, the number of out of area placements are at 29 and this is expected to reduce to 24 by the end of the year based on the known cohort of children and proposed plans for their care. Whilst work continues to reduce the number, and therefore costs, of out of area placements and bring them back 'in house' the current projected numbers will result in a forecast overspend of £975k. It should be noted that the £2,206k investment was supported by £1,473k one off grant funding which was received in 2019/20. If this funding does not continue this will present a significant budget challenge from 2020/21 onwards.

2.5 **Children's independent fostering** – Investment of £765k in 2019/20 enables the budget to afford 50 placements. Whilst this was reasonable to support the increased demand seen in 2018/19, the number of placements has continued to increase over and above this level. The current forecast is based on 62 placements within the independent fostering sector and this will result in a forecast overspend of £509k.

2.6 **Adults community care** - £654k has been invested into the adult's community care budget for 2019/20. The current position shows that there are currently over 1,700 service users within community care, which is a 7.4% greater than in 2018/19, although 0.8% (13 users) is due to the recommissioned supported living service, previously provided in house.

2.7 Given the inherent nature of this budget risk, numbers in this area could change through the rest of the year as has been the case over the last 2-3 years and these areas require concerted efforts to address how demand is managed, both the current cohort of service users and future numbers.

(ii) Emerging Issues

2.8 **Adults & Community Services** – Delay in the delivery of the Extra care saving agreed as part of the 2019/20 MTFP. The MTFP target shortfall reflects the extra care contract, which is recognised, will take longer to deliver efficiencies than originally anticipated – c£150k.

2.9 **Community Safety** – Forecast budget overspend of £89k. This is due to the loss of contract income within the CCTV service (£150k) which has been mitigated, in part, by a service restructure. There is a risk that loss on contracts may continue to present a challenge in terms of managing the overall budget going forward.

(iii) Delivery of medium term revenue savings:

- 2.3 The position on delivery of savings is shown in appendix 1. The performance on forecast delivery of 2019/20 savings is projected to be good with 95% of the £6.6m savings to be delivered in full. In addition to the £359k shortfall this represents, there remains £91k of undelivered savings from 2018/19, which is to be addressed by the Education service.
- 2.4 Whilst these areas should be considered as part of our financial planning process, service areas projecting a shortfall should seek alternative savings or permanently mitigate using existing budget provision. These areas will continue to be closely monitored throughout the year.

3 Schools

- 3.1 Appendix 3 highlights that nearly all schools will have much reduced reserves as at 31st March 2020 due to current forecasted net overspending in the current year of £2,594k. It should be noted that schools budgeted in year overspending is £4,094k, however, based on historical trends it is assumed that £1,500k of additional funding/ income (grant and other compensation) will be received by year end, therefore reducing the in-year overspend to £2,594k. A summary table is shown below:

| Sector | Reserves balance 31/03/19 | In-year overspending | Reserves balance 31/03/20 |
|-----------------------------------|------------------------------|-------------------------|------------------------------|
| | £ | £ | £ |
| Nursery | 2,871 | (38,720) | (35,849) |
| Primary | 3,667,584 | (1,905,546) | 1,762,038 |
| Secondary | (629,461) | (2,125,522) | (2,754,983) |
| Special | 89,470 | (24,222) | 65,248 |
| Total | 3,130,464 | (4,094,010) | (963,546) |
| Assumed grant/ other compensation | - | 1,500,000 | 1,500,000 |
| Total | 3,130,464 | (2,594,010) | 536,454 |

- 3.2 Given that this additional income is not guaranteed and eight schools are anticipating a negative balance position at the end of the year, officers are working closely with those schools to ensure that deficit recovery plans are put in place and that action is taken to reduce spend. This work is on-going. The level of in year overspending was highlighted as a risk in 2018/19 and continues to be an area of concern.
- 3.3 Whilst the Scheme of Financing for Schools sets out that the Authority will, under exceptional circumstances and with the prior written approval of the Chief Education Officer, make provision for schools to plan for a deficit budget, these licensed deficits are subject to a number of regulations set out within the scheme. The regulations which cause concern are set out below:
- (i) Deficit balances will only be approved to fund specific projects or short term cash flow difficulties at individual schools;
 - (ii) The level of licensed deficit authorised by the LA is set at a maximum of 5% of total budget;
 - (iii) The maximum proportion of collective balances held by the Authority to back the arrangement is 25%
- 3.4 According to the scheme, the maximum proportion of collective balances to back the scheme would be £782k however, the projected cumulative deficit balances for 19/20 are £3,167k of which the deficit balances for five out of the eight schools exceed 5% of their total budget.

3.5 Schools should take appropriate action to match costs to their available funding, as this level of overspending is not sustainable and there is no contingency budget available to mitigate this.

4 Use of reserves

4.1 Appendix 4 illustrates the planned movements in reserves throughout the year. Cabinet should note the opening balance as at 31st March 2019, forecasted planned transfers in/ (out) of reserves in 2019/20 and the forecast balance as at 31st March 2020. Current projections suggest that 15% of the Council reserves will be utilised by the end of the financial year, which is in line with planned and expected use. The general fund reserve is at the minimum level required (£6.5m) representing 2% of the overall net budget.

Timetable

Ongoing

Risks

| Risk | Impact of Risk if it occurs* (H/M/L) | Probability of risk occurring (H/M/L) | What is the Council doing or what has it done to avoid the risk or reduce its effect | Who is responsible for dealing with the risk? |
|----------------------|--------------------------------------|---------------------------------------|--|---|
| Risk of overspending | H | M | Regular forecasting and strong financial management Revenue budget contingency | |
| Poor forecasting | M | M | Better forecasting in non-service areas where large variances occurred in 18/19 Review and refinement in service areas of risk based modelling CX/HoF setting out clear expectations | Asst. HoF SFBP's and budget managers CX / HoF |

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Strong financial management underpins services and medium term financial planning.

Options Available and considered

In terms of the overall forecast position and financial management, there are no options – the Council needs to operate within its overall budget and it is anticipated that this will be achieved with the general budget contingency, though monitoring highlights key challenges in some small number of areas, including schools.

Preferred Option and Why

To continue careful review and management of key budgets and risks.

Comments of Chief Financial Officer

The current position is balanced though this requires the Council's entire revenue contingency budget. Use of all of this so soon in the financial year is a concern, as it provides no further mitigation. The Council has a very challenging MTFP position and alongside a general requirement for one-off resources for implementing projects and saving plans, may require use of reserves in the future. Therefore, the position needs to be very carefully managed so that the Council does not draw on reserves to fund an in-year overspend.

It is recommended that the position is reviewed again with the mid-year forecast position and additional Council wide action is considered then if the position does not improve. In the meantime, forecasts will need to be reviewed carefully so that Senior Management and the Cabinet have the best available information at that time.

Comments of Monitoring Officer

There are no legal issues arising from the report.

Comments of Head of People and Business Change

The report on the revenue monitor does not show any specific staffing issues, although clearly issues could arise if robust monitoring and management of budgets does not take place.

The report notes that any future reductions in funding will need to reflect and be consistent with the sustainable development principle's five ways of working in the Wellbeing of Future Generation (Wales) Act 2015. This budget monitoring report aligns with the well-being goal of a Prosperous Wales.

Comments of Cabinet Member

The level of overspending against service area budgets is concerning and we need all Cabinet Members with Heads of Service to bring forward actions to address.

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

N/A

Children and Families (Wales) Measure

N/A

Wellbeing of Future Generations (Wales) Act 2015

This update is against a backdrop of prolonged pressure on public services as a combination of reduced income, rising demands on services, increased expectations, compliance with new legislation and the increasing costs of running services, which has seen the delivery of significant budget savings over the last five years. Any future reductions in funding will need to reflect and be consistent with the five principles underpinning the Wellbeing of Future Generation (Wales) Act 2015.

Wellbeing of Future Generations (Wales) Act 2015 forms an integral part of the financial management of the Council and the MTFP process of which the outturn of the Council is essential part. Analysis and review of reserves are an important aspect on the future generations and the Head of Finance reviews and assesses the robustness and adequacy of these reserves as part of this report.

Consultation

N/A

Background Papers

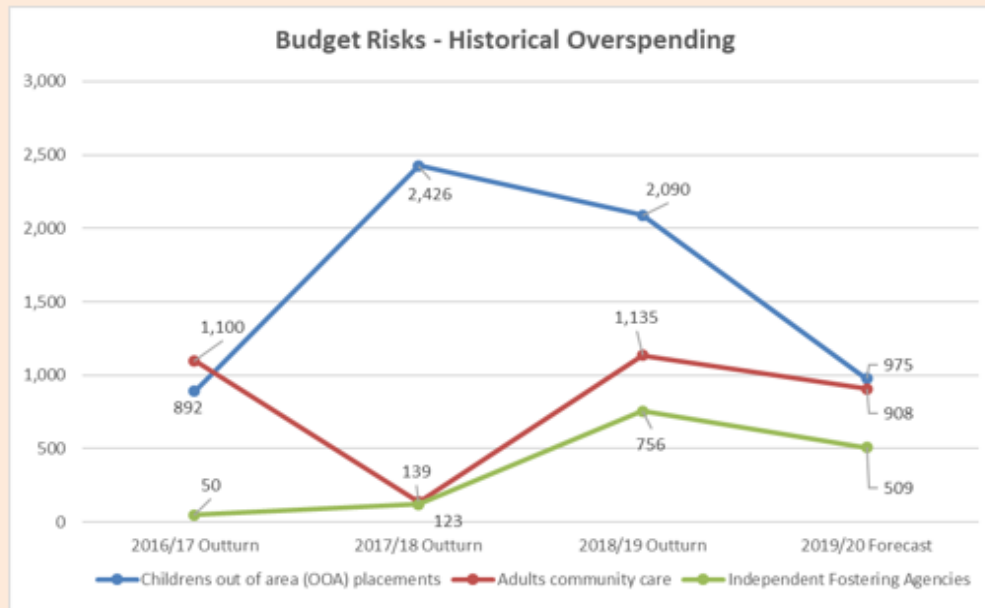
Dated:

Budget Monitoring Position – July 2019

| Position by Directorate | Current Budget £'000 | Forecast £'000 | Variance £'000 |
|---|-------------------------|-------------------|-------------------|
| People (exc Schools) | 85,422 | 88,710 | 3,288 |
| Place | 33,716 | 34,149 | 433 |
| Corporate | 18,401 | 18,376 | (25) |
| Service Area Budget | 137,538 | 141,235 | 3,697 |
| Schools | 96,545 | 99,139 | 2,594 |
| Service Area Budget (inc Schools) | 234,083 | 240,374 | 6,291 |
| Schools - transfer from reserve | 0 | (2,594) | (2,594) |
| Non Service | 45,055 | 42,808 | (2,247) |
| Total Budget (excluding contingency) | 279,139 | 280,588 | 1,450 |
| General Contingency | 1,473 | 1,473 | 0 |
| Total Budget (Including contingency) | 280,611 | 282,061 | 1,450 |

Detailed explanations can be found within service area dashboards

Forecast History – High Risk Areas



Position Summary

- This months forecast shows in order to maintain a balanced budget position the contingency would be fully utilised. This leaves no contingency for any unforeseen overspends over the rest of the year.
- Without the contingency the overspend would be £1.5m

Key areas contributing to position

- Forecast undelivered 19/20 savings of £359k
- Significant overspending in three key areas:

| | |
|-----------------------------------|-------|
| Children's out of area placements | £975k |
| Adults community care | £908k |
| Children's independent fostering | £509k |

- Mitigated by non service area underspends:

| | |
|---|-----------|
| Council tax surplus and Ctax reduction scheme | (£1,947k) |
| Interest payable – refinanced at lower rate | (£250k) |

Risks

- Service areas are overspending at unsustainable levels
- The general contingency budget required to balance the budget at month 4 leaves limited mitigation for unforeseen overspends.
- Whilst it is hoped that demand will reduce within the key areas there is a risk that it may accelerate beyond forecast trends
- Vast majority of schools forecast to spend more than their funding in 19/20
- Gross overspending within schools (£4,094k) far outweighs the level of school balances available (£3,130k). Current forecasts assume that additional income of £1,500k will be received at year end.

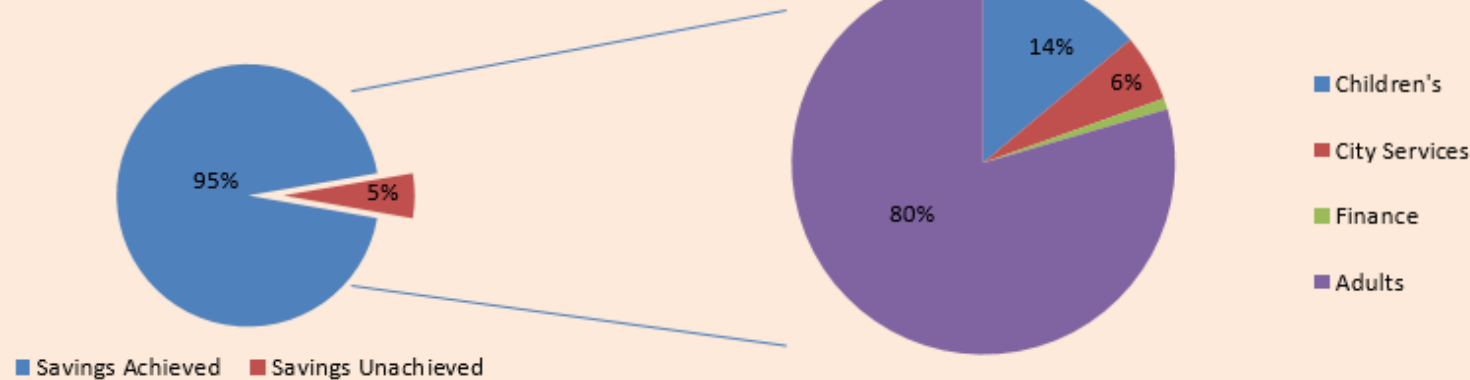
Budget Monitoring Position – July 2019

Staff Forecasts

| Overall Staffing | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Budget (£'000) | 59,615 | 59,615 | 59,491 | 59,418 | 59,418 | 59,418 | 59,418 | 59,418 | 59,418 | 59,418 | 59,418 | 59,418 |
| Forecast (£'000) | 59,615 | 60,767 | 58,734 | 58,454 | 58,454 | 58,454 | 58,454 | 58,454 | 58,454 | 58,454 | 58,454 | 58,454 |
| Variance (£'000) | 0 | (488) | (758) | (963) | (963) | (963) | (963) | (963) | (963) | (963) | (963) | (963) |

- Staff budgets account for a fifth of the Councils net budget

2019/20 Delivery of Savings (Forecast)



- The first chart shows that 95% of the total savings are forecast for full delivery in 2019/20
- The second chart illustrates the areas where savings are forecast not to be delivered (5% of overall target)
- 2019/20 balance of £359k undelivered savings remains significant in financial terms
- This is in addition to £91k undelivered savings dating back to 2018/19

| Overall Summary | People | Place | Corporate | Non Service | Total |
|--|--------|-------|-----------|-------------|-------|
| 2019/20 MTRP Target (£) Total | 1,775 | 1,107 | 352 | 3,319 | 6,553 |
| Total Savings Realised by Year End 2019/20 | 1,439 | 1,087 | 349 | 3,319 | 6,194 |
| Variation to MTRP Target | (336) | (20) | (3) | 0 | (359) |
| Variation % to MTRP Target | -19% | -2% | -1% | 0% | -5% |

Budget Monitoring Position – July 2019

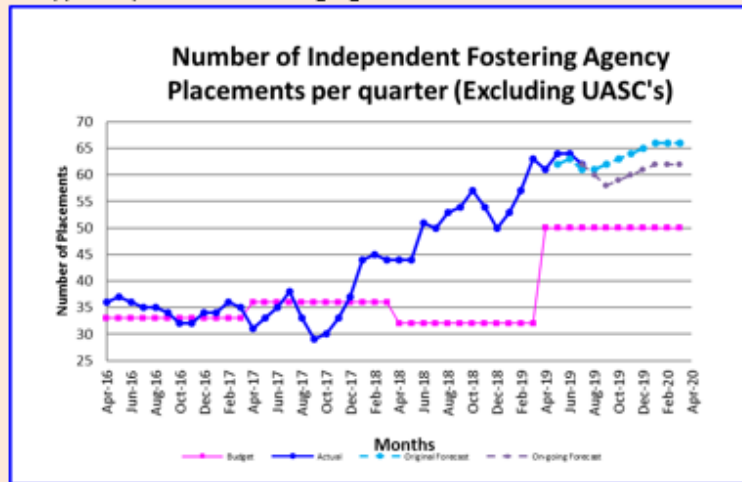
| Risk Based Areas | Budget £'000 | Forecast £'000 | Variance £'000 | Graph Reference |
|---|-----------------|-------------------|-------------------|--------------------|
| Children & Young People | | | | |
| Independent Fostering Agencies | 1,935 | 2,444 | 509 | i |
| Out of Area Residential | 2,668 | 3,643 | 975 | ii |
| In House Fostering | 2,921 | 3,138 | 217 | |
| Looked after Children (LAC) Remand | 0 | 0 | 0 | |
| Legal fees | 505 | 1,000 | 495 | |
| Adult & Community Services | | | | |
| Community Care - Residential | 21,096 | 21,091 | (5) | |
| Community Care - Supported Living | 8,796 | 9,135 | 339 | iii |
| Community Care - Non Residential | 9,824 | 10,909 | 1,085 | iv |
| Community Care Income - Residential & Non Residential | (7,513) | (8,036) | (523) | |
| Education | | | | |
| SEN Out of County - Local Authority | 2,342 | 1,185 | (1,157) | v |
| SEN Out of County - Independents | 2,261 | 3,155 | 894 | v |
| SEN Local Provision Development | 497 | 532 | 35 | |
| SEN Equipment & Resources | 29 | 137 | 108 | |
| SEN Transport | 1,510 | 1,793 | 283 | |
| Special Home to School Transport | 232 | 563 | 331 | |
| Bridge Achievement Centre | 1,258 | 1,258 | 0 | |
| Regeneration, Investment & Housing | | | | |
| Homelessness - B&B Costs | 546 | 570 | 24 | |
| Commercial & Industrial Properties Income | (1,330) | (1,335) | (5) | |
| City Services | | | | |
| Commercial/ Asbestos Income | (1,255) | (1,220) | 35 | |
| Home to School Transport - Primary | 951 | 928 | (23) | |
| Home to School Transport - Secondary | 1,064 | 1,189 | 125 | |
| Home to School Transport - College | 113 | 128 | 15 | |
| Law & Regulation | | | | |
| Licensing - Hackney carriages/ private hire | (288) | (434) | (146) | |
| Total Net Budget | 48,162 | 51,773 | 3,611 | |

- Currently, in 2019/20, there are over 20 budget areas identified at the start of the year by HoS as those areas that have the potential to be high risk or highly volatile. This list is reviewed on an on-going basis
- Although some of these areas are currently forecasting an underspend against budget, they continue to be monitored
- There are six budget 'hotspot' areas within the risk based monitoring which demonstrate the significant financial impact and risk that only a small number of areas pose to the financial position of the Authority (graph ref i – v)
- These areas alone contribute £2.6m to the service area overspends
- These overspending areas are consistent with last years position despite significant investment in 2019/20 therefore it is critical that managers make a concerted effort to manage demand and to reduce spend wherever possible

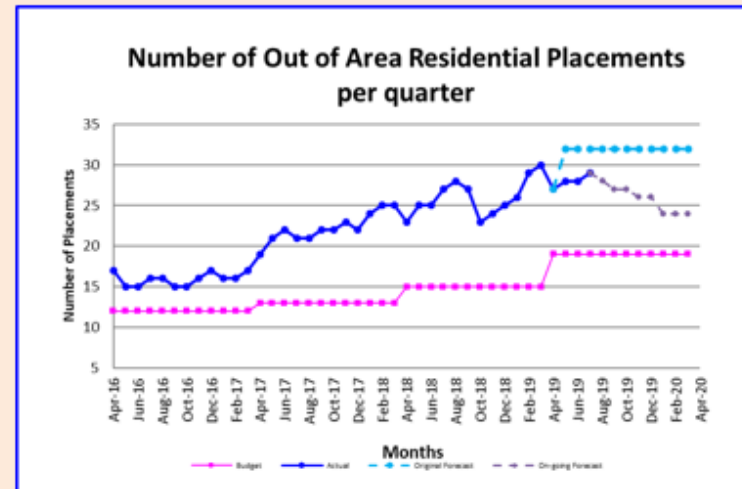
Budget Monitoring Position – July 2019

Risk Based Monitoring graphs

(i) Independent Fostering Agencies



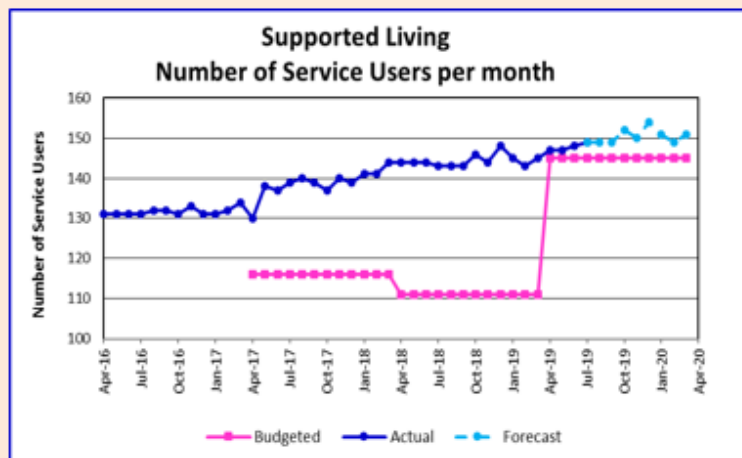
(ii) Out of Area (OOA) Residential Placements



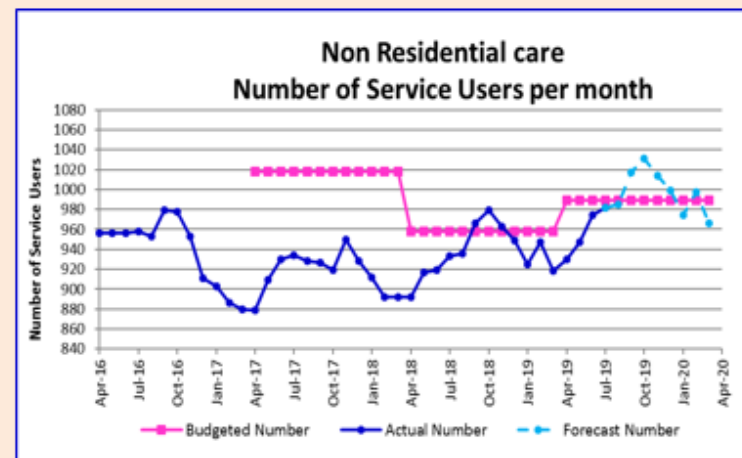
- The 2019/20 budget can afford 50 placements per month at an average cost. The current forecast assumes 62 placements at year end resulting in an overspend of £509k.

- Budget can afford 19 placements per month at an average cost. Current forecast assumes 24 placements at year end resulting in an overspend of £975k.

(iii) Community Care – Supported Living



(iv) Community Care – Non Residential

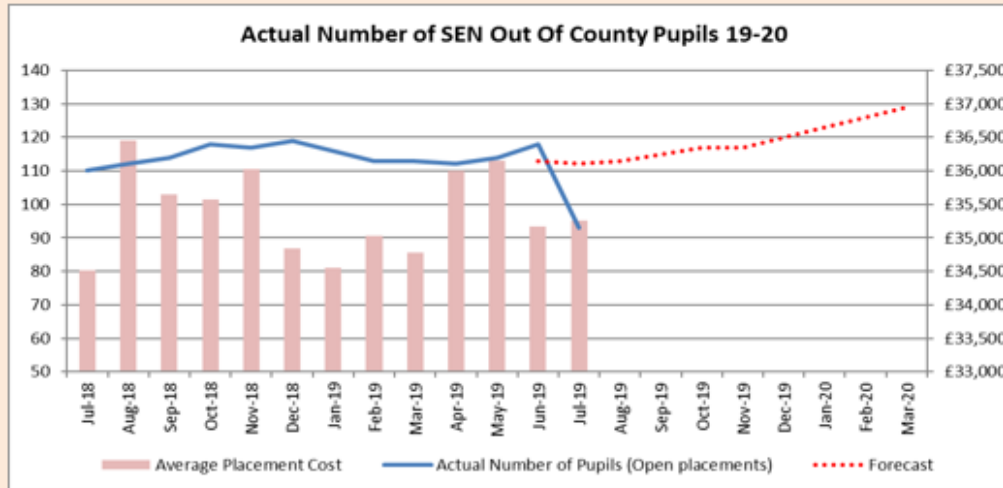


** Due to changes in reporting average budget data is unavailable prior to April 2017.

Budget Monitoring Position – July 2019

Risk Based Monitoring graphs

(v) SEN Out of County Placements – Local Authority and Independent



- SEN OOC budget can accommodate 132 placements at an average cost of £35k
- Placements ranging between £20k and £30k account for 22% of the total number of placements and one placement in particular costs the Authority £114k due to the complex needs of the individual

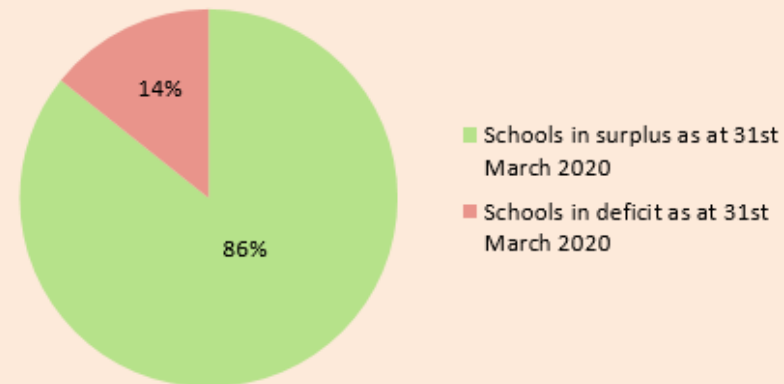
Budget Monitoring Position – July 2019

Schools

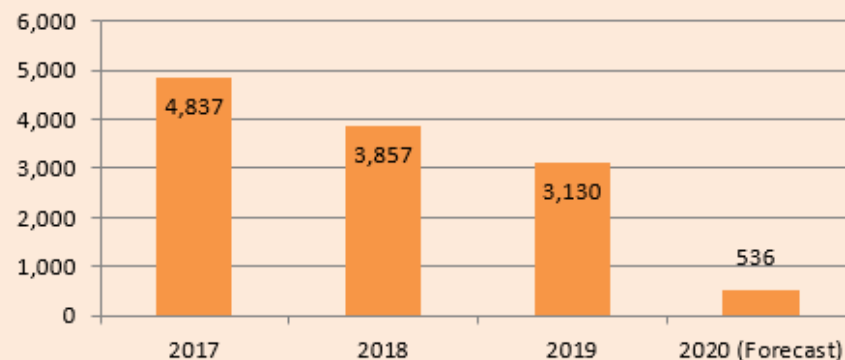
- Budgets set by schools for 2019/20 will see them overspending against their available funding by £2,594k. This projection assumes that additional income of £1,500k will be received later in the year in the form of grants and other compensation, however, if this does not come to fruition the current school balances would be depleted in their entirety.
- Currently 8 schools are anticipating a negative balance position at the end of the current financial year, one from the nursery sector, two from the primary sector and five from the secondary sector. The cumulative forecast deficit for these schools is £3.16m.
- Officers are working closely with these schools to ensure that deficit recovery plans are in place and that action is taken to reduce spend. Schools must take appropriate action to match costs to their available funding, as this level of overspending is not sustainable and there is no contingency budget available to mitigate this.

| Schools Forecasting Budget Overspends | July |
|---------------------------------------|----------------|
| Kimberley Nursery | (48) |
| High Cross Primary | (54) |
| St Woolos Primary | (30) |
| Newport High | (248) |
| Caerleon Comprehensive | (1,300) |
| Llisbury High | (770) |
| Llanwern High | (443) |
| St Julians | (275) |
| Total Net Budget | (3,168) |

Proportion of Schools Forecasting Deficit as at 31st March 2020



Balances held by Schools as at 31st March



Schools are forecasting an in year overspend of £2,594k therefore reducing the school balances from £3,130k to £536k as at the end of March 2020.

APPENDIX 2 Revenue Summary Monitor – July 2019

| | April 19 Approved Budget | Current Budget | Projection | (Under) / Over | Change Since Last Statement |
|---|--------------------------------|-------------------|----------------|-------------------|-----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Summary Revenue Budget 2019/20 | | | | | |
| People | | | | | |
| Children and Young People | 24,523 | 24,467 | 26,548 | 2,081 | (195) |
| Adult and Community Services | 46,417 | 46,746 | 47,644 | 898 | 329 |
| Education | 14,243 | 14,209 | 14,518 | 309 | 73 |
| Schools | 96,545 | 96,545 | 99,139 | 2,594 | - |
| | 181,728 | 181,967 | 187,849 | 5,882 | 207 |
| Place | | | | | |
| Regeneration, Investment and Housing | 9,994 | 10,012 | 10,258 | 246 | 68 |
| City Services | 23,722 | 23,704 | 23,891 | 187 | (25) |
| | 33,716 | 33,716 | 34,149 | 433 | 43 |
| Chief Executive | | | | | |
| Directorate | 592 | 501 | 510 | 9 | 13 |
| Finance | 3,265 | 3,267 | 3,226 | (41) | 13 |
| People and Business Change | 7,271 | 7,393 | 7,436 | 43 | 61 |
| Law and Regulation | 7,511 | 7,239 | 7,204 | (35) | (27) |
| | 18,639 | 18,401 | 18,376 | (25) | 60 |
| Capital Financing Costs and Interest | | | | | |
| Capital Financing Costs MRP | 7,489 | 7,489 | 7,489 | (0) | - |
| Interest Payable | 7,085 | 7,085 | 6,835 | (250) | - |
| Interest Receivable | (127) | (127) | (127) | - | - |
| PFI | 8,543 | 8,543 | 8,543 | (0) | - |
| | 22,990 | 22,990 | 22,740 | (250) | - |
| Sub Total - Service/Capital Financing | 257,073 | 257,074 | 263,114 | 6,040 | 310 |
| Contingency Provisions | | | | | |
| General Contingency | 1,473 | 1,473 | 1,473 | 0 | - |
| Centralised Insurance Fund | 570 | 570 | 570 | 0 | - |
| Non Departmental Costs | - | - | - | - | - |
| Other Income and Expenditure | 109 | 110 | 110 | 0 | - |
| | 2,152 | 2,152 | 2,153 | 1 | - |
| Levies / Other | | | | | |
| Discontinued Operations - pensions | 1,563 | 1,563 | 1,503 | (60) | 1 |
| Discontinued Operations - Ex Gratia Payments | 2 | 2 | 2 | 0 | - |
| Levies - Drainage Board, Fire service etc | 8,282 | 8,282 | 8,291 | 9 | - |
| Non distributed grants | - | - | - | - | - |
| CTAX Benefit Rebates | 12,611 | 12,611 | 11,414 | (1,197) | (48) |
| Extraordinary Items | - | - | - | - | - |
| Charity Rate Relief | - | - | - | - | - |
| | 22,458 | 22,458 | 21,210 | (1,248) | (47) |
| Transfers To/From Reserves | | | | | |
| Base budget - Planned Transfers to/(from) Reserves | (1,072) | (1,072) | (1,072) | 0 | - |
| Earmarked reserves: Queensbury Loan | - | - | - | - | - |
| Earmarked reserves: Transfer to/(from) Capital | - | - | - | - | - |
| Earmarked reserves: Transfer to/(from) Schools | - | - | (2,594) | (2,594) | - |
| Earmarked reserves: Transfer to/(from) Schools Redundancy | - | - | - | - | - |
| Invest to Save Reserve | - | - | 1,331 | 1,331 | (14) |
| Invest to Save Reserve (from) | - | - | (1,331) | (1,331) | 14 |
| | (1,072) | (1,072) | (3,666) | (2,594) | - |
| Total | 280,611 | 280,611 | 282,811 | 2,200 | 263 |
| Funded By | | | | | |
| WG funding (RSG and NNDR) | (214,343) | (214,343) | (214,343) | - | - |
| Council Tax | (66,268) | (66,268) | (66,268) | - | - |
| Council Tax Surplus | - | - | (750) | (750) | - |
| Total | (0) | (0) | 1,450 | 1,450 | 263 |

APPENDIX 3 – Schools Funding and Balances

| | Reserves balance 31/03/19 | Final Funding 2019/20 | In year overspending | Reserves balance 31/03/20 |
|--|------------------------------|--------------------------|-------------------------|------------------------------|
| School | £ | £ | £ | £ |
| Bassaleg school | 287,615 | 7,081,240 | (210,911) | 76,705 |
| Newport High | (45,927) | 4,898,979 | (202,073) | (248,000) |
| Caerleon Comprehensive | (736,609) | 6,282,874 | (563,391) | (1,300,000) |
| The John Frost School | 132,839 | 5,915,461 | 4,886 | 137,725 |
| Llanwern High | 28,467 | 4,495,473 | (471,820) | (443,354) |
| Llisbury High | (547,907) | 4,204,688 | (222,093) | (770,000) |
| St Josephs R.C. High | 180,341 | 5,721,732 | (149,564) | 30,777 |
| St Julians School | (5,495) | 7,012,888 | (269,505) | (275,000) |
| Ysgol Gyfun Gwent Is Coed | 77,216 | 1,407,000 | (41,051) | 36,164 |
| Total Secondary Schools | (629,461) | 47,020,335 | (2,125,522) | (2,754,982) |
| Alway Primary | 75,420 | 1,459,819 | (28,350) | 47,070 |
| Caerleon Lodge Hill | 77,708 | 1,028,678 | (51,105) | 26,603 |
| Charles Williams CIW | 213,471 | 1,664,682 | (110,959) | 102,512 |
| Clytha Primary | 13,564 | 740,218 | 8,957 | 22,520 |
| Crindau Primary | 169,709 | 1,275,677 | (78,725) | 90,984 |
| Eveswell Primary | 239,228 | 1,487,398 | (72,053) | 167,174 |
| Gaer Primary | 135,308 | 1,500,854 | (33,402) | 101,906 |
| Glan Llyn (sept 19) | 0 | 496,305 | 22,645 | 22,645 |
| Glan Usk Primary | 12,432 | 1,964,345 | 9,044 | 21,475 |
| Glasllwch Primary | 62,351 | 723,092 | (61,639) | 711 |
| High Cross Primary | (19,886) | 857,692 | (34,238) | (54,124) |
| Jubilee Park | 58,759 | 857,396 | (53,414) | 5,346 |
| Langstone Primary | 107,041 | 1,026,905 | (97,104) | 9,937 |
| Llanmartin Primary | 39,477 | 714,035 | (22,564) | 16,913 |
| Llisbury Primary | 106,366 | 1,978,760 | 51,662 | 158,028 |
| Maesglas Primary | 3,662 | 916,967 | 12,293 | 15,955 |
| Maindee Primary | 66,444 | 1,595,622 | (54,308) | 12,136 |
| Malpas CIW Primary | 109,276 | 1,058,087 | (94,072) | 15,204 |
| Malpas Court Primary | 110,510 | 1,124,636 | (101,905) | 8,604 |
| Malpas Park Primary | 19,332 | 775,247 | (19,051) | 281 |
| Marshfield Primary | 89,475 | 1,256,944 | (76,227) | 13,247 |
| Millbrook Primary | 121,722 | 950,676 | (120,215) | 1,507 |
| Milton Primary | 63,550 | 1,445,712 | (12,328) | 51,223 |
| Monnow Primary | 233,067 | 1,395,880 | (92,567) | 140,500 |
| Mount Pleasant | 2,263 | 793,272 | 2,661 | 4,923 |
| Pentrepoeth Primary | 52,693 | 1,339,257 | 25,489 | 78,181 |
| Pillgwenlly Primary | 143,263 | 2,021,646 | (98,168) | 45,095 |
| Ringland Primary | 73,200 | 998,030 | (69,689) | 3,511 |
| Rogerstone Primary | 91,153 | 1,907,246 | (90,153) | 1,000 |
| Somerton Primary | 83,358 | 665,975 | (36,051) | 47,308 |
| St Andrews Primary | 67,471 | 2,128,619 | (54,096) | 13,376 |
| St Davids RC Primary | 58,427 | 689,321 | (48,431) | 9,996 |
| St Gabriels RC Primary | 48,690 | 595,542 | (36,379) | 12,311 |
| St Josephs RC Primary | 47,488 | 644,601 | (3,628) | 43,860 |
| St Julians Primary | 206,343 | 2,036,348 | (14,807) | 191,537 |
| St Marys RC Primary | 57,891 | 1,182,995 | (38,636) | 19,255 |
| St Michaels RC Primary | 8,340 | 750,209 | (5,532) | 2,809 |
| St Patricks RC Primary | 51,372 | 661,453 | (31,599) | 19,772 |
| St Woolos Primary | 16,051 | 997,688 | (45,674) | (29,624) |
| Tredegar Park primary | 150,215 | 1,378,193 | (102,969) | 47,246 |
| Ysgol Gym Bro Teyrn | 135,193 | 694,780 | (4,595) | 130,597 |
| Ysgol Gym Casnewydd | 128,331 | 1,095,631 | (61,980) | 66,351 |
| Ysgol Gym Ifor Hael | 137,855 | 627,898 | (81,681) | 56,174 |
| Total Primary Schools | 3,667,584 | 49,504,327 | (1,905,546) | 1,762,038 |
| Fairoak Nursery | 9,393 | 158,962 | 2,435 | 11,828 |
| Kimberley Nursery | (6,522) | 256,568 | (41,155) | (47,676) |
| Total Nursery Schools | 2,871 | 415,530 | (38,720) | (35,849) |
| Maes Ebbw | 25,565 | 3,144,779 | (24,951) | 614 |
| Ysgol Bryn Derw | 63,904 | 1,280,518 | 729 | 64,634 |
| Total Special Schools | 89,470 | 4,425,297 | (24,222) | 65,248 |
| Assumed additional grant and other compensation | | | 1,500,000 | 1,500,000 |
| Total All Schools | 3,130,464 | 101,365,490 | (2,594,009) | 536,455 |

APPENDIX 4 – Planned Movement in Reserves

| Reserve | Balance at 31-Mar-19 | Planned Movements in Year | | | | | | | | | | | | Balance at 31-Mar-20 |
|--|----------------------|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------|----------------------|
| | | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Council Fund: | (6,500) | | | | | | | | | | | | | (6,500) |
| Balances held by schools for future use | (3,130) | | | | | | | | | | | | 2,594 | (536) |
| Earmarked Reserves: | | | | | | | | | | | | | | |
| Music Service | (127) | | | | | | | | | | | | | (127) |
| Pay Reserve | (1,418) | | | | | | | | | | | | | (1,418) |
| Insurance Reserve | (2,831) | | | | | | | | | | | | | (2,831) |
| MVI Insurance Reserve | (602) | | | | | | | | | | | | | (602) |
| Health & Safety | (16) | | | | | | | | | | | | | (16) |
| Education Achievement Service | (92) | | | | | | | | | | | | | (92) |
| Schools Redundancies | (845) | | | | | | | | | | | | | (845) |
| Friars Walk | (5,201) | | | | | | | | | | | | | (5,201) |
| European Funding I2A & CFW | (278) | | | | | | | | | | | | | (278) |
| Metro Bus | (9) | | | | | | | | | | | | | (9) |
| GEMS Redundancies | (78) | | | | | | | | | | | | | (78) |
| SUB TOTAL - RISK RESERVES | (11,497) | - | - | - | - | - | - | - | - | - | - | - | - | (11,497) |
| Capital Expenditure | (6,709) | | | | | | | | | | | | 1,749 | (4,960) |
| Invest to Save | (11,099) | | | | | | | | | | | | 1,331 | (9,768) |
| Super Connected Cities | (554) | | | | | | | | | | | | 128 | (426) |
| Landfill (fines reserve) | (345) | | | | | | | | | | | | | (345) |
| Christmas Lights | (30) | | | | | | | | | | | | 30 | - |
| School Reserve Other | (182) | | | | | | | | | | | | 182 | - |
| School Works | (384) | | | | | | | | | | | | 15 | (369) |
| Investment Reserve | (747) | | | | | | | | | | | | 724 | (23) |
| Usable Capital Receipts | (8,295) | | | | | | | | | | | | 4,004 | (4,291) |
| Streetscene Manager Support | (154) | | | | | | | | | | | | 144 | (10) |
| SUB TOTAL - ENABLING RESERVES | (28,498) | - | - | - | - | - | - | - | - | - | - | - | 8,307 | (20,191) |
| STEP School Computers | (312) | | | | | | | | | | | | 312 | 0 |
| Municipal Elections | (92) | | | | | | | | | | | | (38) | (130) |
| Local Development Plan | (611) | | | | | | | | | | | | (57) | (668) |
| Glan Usk PFI | (1,605) | | | | | | | | | | | | (86) | (1,691) |
| Southern Distributor Road PFI | (43,881) | | | | | | | | | | | | 340 | (43,541) |
| Loan modification technical reserve (IFRS 9) | (1,242) | | | | | | | | | | | | 72 | (1,170) |
| Building Control | (132) | | | | | | | | | | | | 27 | (105) |
| SUB TOTAL - SMOOTHING RESERVES | (47,875) | - | - | - | - | - | - | - | - | - | - | - | 570 | (47,305) |

| Reserve | Balance at 31-Mar-19 | Planned Movements in Year | | | | | | | | | | | | Balance at 31-Mar-20 |
|--|----------------------|---------------------------|----------|-----------|----------|----------|-----------|----------|----------|----------|----------|----------|---------------|----------------------|
| | | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Works of art | (21) | | | | | | | | | | | | | (21) |
| Theatre & Arts Centre | (232) | | | | | | | | | | | | | (232) |
| Cymorth Income | (33) | | | | | | | | | | | | | (33) |
| Blaen Y Pant | (8) | | | | | | | | | | | | 8 | - |
| Homelessness Prevention | (38) | | | | | | | | | | | | | (38) |
| Environmental Health - Improve Air Quality | (49) | | | | | | | | | | | | | (49) |
| Refurbishment of a Children / Older People Homes | (113) | | | | | | | 57 | | | | | 56 | - |
| Apprenticeship Scheme | (51) | | | | | | | | | | | | 43 | (8) |
| City Economic Development Reserve | (90) | | | | | | | | | | | | 90 | - |
| Welsh Language Standards | (174) | | | | | | | | | | | | 50 | (124) |
| Port Health | (13) | | | | | | | | | | | | (5) | (18) |
| CRM | (431) | | | | | | | | | | | | 431 | - |
| Events | (266) | | | | | | | | | | | | 80 | (186) |
| MTFP Reserve | (1,762) | | | | | | | | | | | | 1,147 | (615) |
| Development of Leisure Masterplan | (15) | | | | | | | | | | | | 15 | - |
| Voluntary Sector Grants | (66) | | | 17 | | | | | | | | | | (49) |
| Bus Wifi | (35) | | | | | | | | | | | | 18 | (17) |
| NEW - SENCOM | (250) | 250 | | | | | | | | | | | | - |
| NEW - Bus Subsidy | (40) | | | | | | | | | | | | 20 | (20) |
| NEW - IT Development | (351) | | | | | | | | | | | | 351 | - |
| NEW - Leisure Delivery Plan | (150) | | | | | | | | | | | | 150 | - |
| NEW - Chartist Tower | (950) | | | | | | | | | | | | 950 | - |
| NEW - CPE | - | | | | | | | | | | | | (80) | (80) |
| Joint Committee City Deal Reserve | (399) | | | | | | | | | | | | | (399) |
| SUB TOTAL - OTHER RESERVES | (5,537) | 250 | - | 17 | - | - | 57 | - | - | - | - | - | 3,324 | (1,889) |
| RESERVES TOTAL | (103,037) | 250 | - | 17 | - | - | 57 | - | - | - | - | - | 14,795 | (87,918) |