

Report

Cabinet

Part 1

Date: 18 September 2024

Subject **July Revenue Budget Monitor**

Purpose To highlight the current forecast position on the Council's revenue budget and the financial risks and opportunities that present themselves within the July position. This is the first Cabinet update of the 2024/25 financial year.

Author Service Manager – Finance Business Partnering / Head of Finance

Ward All

Summary The July 2024 revenue monitoring position reflects a forecasted underspend of £0.112m, taking into account the contingency budget. Service areas are collectively forecast to overspend by £6.641m, excluding schools. This significant service area overspending is offset by underspends in non-service areas, such as Capital Financing, producing a broadly balanced revenue budget forecast at this point.

The most significant areas of service area overspending are within Housing & Communities, due to the demand for temporary accommodation, and within Education, due to increased costs of ALN / special school transport, and expenditure on local ALN provision.

Schools are separately projected to overspend on their revenue funding by £3.899m. This will be funded from schools own reserves. The overspending comes from both one-off as well as an element of recurring expenditure. Going forward, there is a risk that this level of recurring expenditure in excess of base budget funding will result in certain individual schools entering a deficit budget position i.e. negative reserves. Therefore, close monitoring will be required during the remainder of this year to ensure that schools are managing their finances as required and taking action to ensure that deficit positions are avoided wherever possible.

Whilst a broadly balanced position is currently forecast overall, it is important to note that there are a number of risks that could result in the position deteriorating over the course of the year. For example, the 2024/25 NJC pay award is not yet confirmed and, whilst the current offer is slightly less than budgeted, an increase in the final offer would place an in-year and future year pressure upon the Council's finances. As well as this risk, some of the demand issues that are causing the service area overspending could increase during the year and place further pressure on services such as Children's Services and Housing & Communities. Funding of increased Teacher's pensions costs from the WG is also yet to be confirmed.

The appendices to the report are as follows:

- Appendix 1 Overall Budget Dashboard – July 2024
- Appendix 2 Revenue Summary Monitor - July 2024
- Appendix 3 School Balances Position

Proposal That Cabinet:

- Note the overall budget forecast position outlined within this report
- Note the overall shortfall in the delivery of savings accepted as part of the 2024/25 revenue budget.
- Note the overall position in relation to schools, acknowledging the risk that further individual deficit positions could emerge by the end of the financial year.
- Note the forecast movements in reserves.
- Approve the recommended reserve transfers, as set out in 4.3 and 4.4
- Note the risks identified throughout the report and in the HoF comments, such as in relation to demand issues being faced and unconfirmed pay awards and Teacher's pension funding for 2024/25.

Action by Cabinet Members / Head of Finance / Executive Board:

- HoS implement actions to ensure that agreed 2024/25 and previous year budget savings are achieved as soon as practically possible, but by the end of the financial year at the latest.
- Cabinet Members and HoS promote and ensure robust financial management and forecasting throughout all service areas.

Timetable Immediate

This report was prepared after consultation with:

- Leader of the Council
- Chief Executive
- Strategic Directors
- Head of Finance
- Head of Law and Standards
- Head of People, Policy and Transformation

Signed

Background

- 1.1 The Council approved a net revenue budget of £400 million for 2024/25, on the 29th February 2024. This was again set against a challenging financial backdrop, driven by increasing demand for services, and relatively high inflation. Despite a better-than-expected settlement from Welsh Government, the Council were required to make £5.3 million of budget savings in order to balance the budget for 2024/25.
- 1.2 Both the 2024/25 budget and the 2023/24 revenue budget outturn reports identified a number of financial risks that have the potential to impact the new year. Budget investment was provided for a number of these, but challenges remain across several areas, in particular children's social care, and housing/homelessness.
- 1.3 To mitigate some of these risks, the Council has an unallocated contingency of £1.673m which can be used to offset unforeseen costs. However, in the context of a net budget totalling £400m and the number of service demand areas exhibiting significant challenges; this is relatively small, particularly if multiple issues present themselves in the year. In addition to this, a temporary contingency exists via a significant guaranteed underspend within the capital financing budget, since the capital programme was forward funded in 2021/22 and slippage in delivering the programme has resulted in this budget underspending. However, this is a temporary mitigation and cannot be relied upon in future years, as the full delivery of the capital programme will result in this budget being fully utilised.
- 1.4 The first monitoring position of the year, as of July 2024, provides confirmation that some of those known risks have materialised and are causing significant overspends, especially within Housing Services. The July 2024 revenue monitoring position reflects a forecasted balanced position of a £0.112m underspend, taking into account the contingency budget and underspending on other budgets.

A summary of the key areas contributing to the overall position, excluding schools, is below:

Overspending across service areas budgets	£6.641m
Underspending across non-service budgets	
General revenue budget contingency	(£1.636m)
Capital Financing underspend	(£2.320m)
Other non-service budgets	(£2.796m)
TOTAL	(£0.112m)

2 Key Areas Contributing to Position

- 2.1 The following section details some of the key areas that feature within the position, with Appendices 1 and 2 providing further detail. As any under or overspend within schools is offset via a transfer to or from school reserves, the collective impact of this is neutralised within the overall position, and does not affect the bottom line:
 - (i) Service Area budgets - Risk-based area variances
 - (ii) Service Area budgets - Other variances
 - (iii) Non-service budgets - Variances
 - (iv) Delivery of budget savings

(i) **Service Area budgets - Risk based area variances**

2.2 The Council takes a risk-based approach to budget monitoring, with additional focus being given to those areas that tend to exhibit volatility or have a history of significantly overspending. Those risk-based areas, which often reside within demand-led services, are collectively forecasting a net overspend of £6.306m. Significant overspends within that net figure are outlined below:

- Housing Services homelessness provision (£3.015m overspend).

This overspend is mainly due to ongoing increasing demand for temporary accommodation, and the fact that income, in the form of housing benefit or recharges to service users, is insufficient to cover the cost. As per the 2024/25 budget report, this pressure was anticipated as the service implements its transformation changes to manage demand and reduce costs. The service area expects its transformation initiatives to have an impact in the current year and therefore forecast overspending could reduce. However, it is also possible that demand could increase further as the year progresses.

- Children Services out of area placements (£1.277m overspend).

The budget available, which is supplemented by external grant funding, allows for an average of 23 placements per month at an average cost of £5,582 per week. Currently there are 23 placements with an average cost of £6,360 per week. The number of placements is forecast to temporarily increase to 26 in August before falling back to 23 by March 2025.

- Children Services emergency placements (£0.520m overspend).

There were 5 children in emergency placements at the end of July. Additional residential homes are planned for 2025/26 as part of the elimination of profit from the care agenda. This should lead to spend on emergency placements reducing to budgeted levels for 2025/26. This pressure is partly mitigated by the use of a specific contingency held in non-service budgets for this specific scenario.

- Adult Services non-residential community care (£1.955m overspend).

The budget can accommodate 893 service users at an average cost of £373 per week. The July forecast includes 1,017 service users and, of that figure, the care packages of 48% of service users exceed the average weekly cost that the budget allows for. This is partly offset by a forecast overachievement of income of £0.855m due to the increase in the number of service users.

- Adult Services Supporting Living service (£1.213m overspend).

The budget can accommodate 167 service users at an average cost of £1,789 per week. In July there were 178 service users and this is forecast to increase to 182 by March 2025. The care packages of 40% of service users exceed the average weekly cost that the budget allows for.

- Education ALN local provision development (£665k overspend).

Additional costs are being incurred to secure capacity within Newport in order to avoid the higher cost of out of area placements. This includes contributions to Ysgol Bryn Derw, Bridge Achievement Centre, and payments to external providers.

- Education ALN / Special Home to School Transport (£1.443m overspend).

Demand has increased resulting in additional transport contracts, and changes to existing contracts at a projected annual cost of £871k at current rates. In addition, this financial year includes an additional 10 academic school days compared to 23/24, at a cost of £310k at current rates. The forecast includes an assumed increase in contract rates from September, following a retendering exercise.

2.3 Partly offsetting the overspends outlined above, and detailed in Appendix 1, are a few risk-based areas that are identifying underspends, which are set out in the following paragraph.

- Children Services Independent Fostering Agency placements (£0.680m underspend).

The budget can afford 51 placements, and at the end of July there were 33.

- Adult Services residential community care (£2.211m underspend).

The budget can accommodate 553 service users at an average cost of £1,268 per week. There are currently 531 service users of which 85% cost less than the average weekly cost that the budget allows for. An increase in the number of full cost payers is also contributing to a £1.442m forecast overachievement of income.

(ii) Service Area budgets - Other variances

2.4 As well as those areas that have been assessed as requiring a risk-based approach to monitoring, there are other variances that emerge and contribute towards the overall position forecasted.

2.5 Material variances across service areas include:

- Estate Management (£324k). Works were required to be undertaken at Brynglas House to allow its continued use for the temporary relocation of Millbrook School. In addition, the forecast includes the unbudgeted cost of a new rolling programme of condition surveys of the Operational Estate, which will be an annual requirement going forward.
- Station Buildings (£270k). Rental income shortfall partly due to under occupancy as the fourth floor is currently unusable.
- Fleet (£197k). Forecast overspends on the hire of vehicles and fleet maintenance costs.
- Tree Surveys and Inspections (£176k). Additional maintenance costs, specifically parks and highways.

(iii) Non-service budgets - variances

2.6 There are a number of budgets within non-service areas that are projecting underspends and, ultimately, enabling a broadly balanced position at this time. The main variances are listed below:

- | | |
|---|-----------|
| • General unallocated contingency | (£1.636m) |
| • Other Income and Expenditure items | (£1.676m) |
| • Capital financing | (£2.320m) |
| • Council Tax Reduction Scheme (CTRS) | (£0.463m) |
| • Council Tax Surplus – tax base increase | (£0.637m) |

2.7 The most significant of these variances is the capital financing underspend, which is the product of underspends against the budgets for Minimum Revenue Provision (MRP) and external interest payable, as well as a projected surplus in relation to interest receivable. The underspends on MRP and interest payable were expected, due to having forward funded the budgets necessary to meet the cost of the total capital programme. Slippage in delivering the programme has

resulted in the full utilisation of this budget being delayed, which has led to a temporary underspend in this financial year, as well as potentially, although to a much lesser extent, in the next year. Regarding the additional interest receivable being generated, this is the result of rising interest rates, meaning the return on investments made is greater than the budget assumes, coupled with higher-than-expected investment balances, resulting from the aforementioned slippage and the consequent deferral in new external borrowing this has led to.

- 2.8 The forecast underspend in relation to CTRS follows a significant budget reduction as part of setting the 2024/25 budget. Despite this reduction, numbers are remaining relatively stable, meaning that the headroom that was retained within the budget for growth in numbers has not been required to date.
- 2.9 The forecast council tax collection surplus is the combination of increases to the Council Tax base more than that budgeted for (£362k), and greater than budgeted income from the introduction of empty home premiums.

(iv) Delivery of budget savings

- 2.10 As outlined in the background section to this report, the 2024/25 budget setting process was set against a particularly challenging financial backdrop, culminating in the need for savings totalling £5.28m being required in order to balance the budget. The table below outlines the progress made to date in delivering those savings and highlights the fact that £0.445m is not expected to be achieved by the end of the year. In addition, there remains £0.530m of unachieved savings from previous years. These shortfalls are part of the overall position being reported and, if not addressed, will be carried forward as a budget overspend into future years or require reversal.

Summary by Portfolio	Social Services	Environment & Sustainability	Transformation & Corporate	Cross Service	Non Service	Total
2024/25 MTRP Target (£) Total	1,674	1,522	865	345	874	5,280
Total Savings Realised by Year End 2024/25	1,674	1,093	849	345	874	4,835
Variation to MTRP Target	0	-429	-16	0	0	-445
Variation % to MTRP Target	0%	-28%	-2%	0%	0%	-8%
Undelivered Savings from Previous Years	-120	-296	-114	0	0	-530
Total Undelivered Savings	-120	-725	-130	0	0	-975

- 2.11 In terms of the specific undelivered savings to date, the majority of the shortfall is within Housing & Communities. This mainly relates to 2 proposals to reduce expenditure on temporary accommodation via a range of methods, including (i) increasing move-on opportunities and the level of support given to those individuals in this type of accommodation, and (ii) introduce a rent guarantor scheme. To date, it has not been possible to evidence achievement of these savings, given the overall overspend in this area. However, the service area does expect these, and other initiatives, to begin to reduce budget pressures from temporary accommodation by the end of the financial year but this cannot be quantified at this time

3 Schools

- 3.1 The table below and Appendix 3 provide an overview of the position regarding individual school balances. As can be seen, the total balances (school reserves) brought forward into 2024/25 reflected a combined surplus position of £12.452m. Within this total, 5 schools had individual deficit balance (1 secondary school, 4 primary schools).
- 3.2 For 2024/25, 44 out of 56 schools are forecasting an in-year overspend on their revenue funding, which in the majority of cases can be funded from the individual school's existing reserves. However, the latest monitoring position shows that several schools are forecasting relatively low reserve balances for March 2025, and 2 schools are forecasting a deficit position. These are being closely monitored by the finance team, and additional support has been put in place to help the schools with deficit avoidance / recovery.

- 3.3 Overall, school balances are forecast to reduce to £8.553m by the end of the financial year, which is a forecast in-year overspend of £3.899m. An analysis of the forecast overspend has identified that approx. 66% is to fund recurring expenditure. For some schools, this is an unsustainable position, as surplus balances are limited, and, therefore, there is a risk of entering a deficit position in future years. Because of this, robust monitoring will be required for the remainder of the year to ensure that schools plan for this risk and take the necessary steps to avoid this or minimum the impact.

	Reserves balance 31/03/24	In year Under/(overspend)	Reserves Balance 31/03/25
	£	£	£
Nursery	150,063	(94,057)	56,006
Primary	7,526,643	(1,780,364)	5,746,279
Secondary	4,499,399	(2,847,588)	1,651,811
Special	275,615	(276,839)	(1,224)
Total	12,451,719	(4,998,848)	7,452,871
Assumed grant and other compensation		1,100,000	1,100,000
Total	12,451,719	(3,898,848)	8,552,871

4 Use of reserves

- 4.1 Appendix 4 illustrates the planned movements in reserves throughout the year. The opening balance as of 31st March 2024 was £127.7m and the forecasted use during the year, which currently totals £20.8m, reduces balances to £106.9m. This includes the projected use of school balances, which accounts for £3.9m of that movement. The other movements are planned or budgeted and in line with the purpose of the earmarked reserve. Also contained within the total position is the General Fund Balance, which totals £6.5m, as it has for a number of years. This reserve would only be accessed in the event of last resort and where all other options had been considered. The general level of cover provided by this balance is low, standing at 2.5% of the net budget, excluding schools. This reinforces the fact that this should only be accessed where absolutely necessary and should be increased at the earliest opportunity as the HoF recommended to the Council when setting the current year's budget.
- 4.2 In total, the Council currently has good level of reserves, and these are currently diminishing, as shown by the reduction of £9.6m in 2023/24 and projected reduction of £20.8m this year. Whilst the total level of reserves is good; with the exception of the General Fund Balance and balances not yet earmarked from the 2023/24 underspend, all are either earmarked or ringfenced for specific purposes, including for managing the financial impacts of specific risks the Council is facing. Having said that, if necessary, earmarked reserves could be repurposed to meet an overspend or specific unforeseen costs. In doing so, it may result in a certain policy objective no longer being achievable, or the requirement to repay the reserve in future years. The requirement to repay reserves would place an immediate additional pressure upon the Council's Medium Term Financial Plan and, because of this, the unplanned use of reserves should be avoided wherever possible.

Balances available for repurposing

- 4.3 Following a review of each reserve, the following balances have been identified as being available for repurposing, either where the amount is no longer required for its intended purpose, or where the immediate risk for which it provides mitigation has reduced. These were listed in the

2023/24 revenue budget outturn report though Cabinet took the decision to defer any decisions at that point.

Reserve	Rationale	£'000
Pay Reserve	Following NJC pay offer, 2024/25 pay budgets are expected to be sufficient and assumes prudent view of future pay budgets will be maintained	1,418
General Investment Risk Reserve	Amount no longer required	68
MTFP Reserve	Amount no longer required	167
School Reserve Other	Amount no longer required	27
Voluntary Sector Grants	Amount no longer required	27
Prior-year underspend	Amount no longer required	101
Total		1,808

Cabinet is asked to approve the transfer of the £1.808m identified above into the prior-year underspend reserve, pending final decisions on their future use.

Allocation of prior year revenue underspend

4.4 The following reserve transfers are recommended to utilise the prior year residual underspend yet to be allocated:

- | | | |
|-------|--|------|
| (i) | Replacement WCCIS System - to initially fund a project manager/support to implement the new system. Some further resources are likely to be needed and the service area are reviewing this currently | 160k |
| (ii) | Secondary schools funding – one off funding to support examination fees | 600k |
| (iii) | Customer Services – to implement recommendations of the customer services review | 320k |
| (iv) | Road sign replacement | 10k |
| (v) | Funding to provide free parking for city centre car parks from 16/11/2024 to 31/12/2024 | 38k |
| (vi) | Funding to support city centre master-planning | 35k |

The following table sets out the allocation of the prior year underspend to date, including the above transfers proposed.

	£'000
23/24 revenue underspend	(5,433)
Repurposing of existing reserves (as 4.3 above)	(1,808)
Norse JV Review (Cabinet 17th July 2024)	745
<u>New recommendations:</u>	
Replacement WCCIS System - new reserve	160
Secondary schools funding - one-off spend 2024/25	600
Customer Services Review - new reserve	320
Road sign replacement - one-off spend 2024/25	10
Funding to support the city centre over the Christmas period - one off spend 2024/25	38

Funding to support city centre masterplanning - city economic development reserve

35

Balance remaining

(5,333)

5 Outlook for the remainder of the year

5.1 The position outlined in this report represents the first one of the year and is likely to change as the year progresses. In previous years, the general trend has been for the position to improve throughout the year. This can be because of unexpected grant funding allocations from Welsh Government, which can offset core expenditure, or because of changes to forecasts resulting from vacancies, for example. In the case of the 2024/25 year, it is possible that further vacancies could arise, stemming from the recruitment challenges being experienced across all services, which would improve the financial position further.

5.2 There are also risks that could negatively impact the position. These include:

- The cost of pay awards exceeding the level of provision contained within the budget:
 - o For NJC staff, a “full and final” offer has been made but has not been agreed, and Unison is currently balloting its members on taking strike action. Forecasts assume that the offer will be agreed.
 - o For teaching staff, an offer has not been made in Wales, however, it is likely that this will be at least the 5.5% agreed in England. Forecasts are currently based on our original budget of 4%, and our working assumption is that any additional cost will be funded by Welsh Government grant.
- Funding for increased contribution rate for Teachers Pensions not covering the cost to the Council. The budget assumes that this will be fully funded by central government, but final confirmation of funding has not yet been received.
- Demand pressures increasing further and resulting in increasing overspends against demand-led services, such as Housing & Communities and Children’s Services.

Risks

Detailed financial risks are included in the report and appendices where applicable

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Risk of overspending, due to increased demand, cost increases or unforeseen costs.	H	H	Regular forecasting and strong financial management. Services to identify ways to absorb pressures within existing budgets. Existence of contingency budgets to provide mitigation.	CMT / SFBPs and budget holders HoF
Poor forecasting	M	M	A revised approach to forecasting, which is intended to create capacity for Finance Business Partners to adequately review the forecasts submitted by budget holders within service areas. Review and refinement in service areas of risk-based modelling.	HoF SFBPs and budget managers

			Chief Executive and Cabinet setting out clear expectations of budget manager and HoS responsibilities for robust forecasting and financial management.	CX / Leader
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* Taking account of proposed mitigation measures

Balancing the Council's medium-term budget is also recognised as a risk within the Corporate Risk Register. Whilst a small underspend is forecast for 2024/25, the medium-term outlook remains challenging.

Links to Council Policies and Priorities

Managing the in-year financial position within available resources is a key requirement for the Council and a key component of sound financial management. The medium-term challenges being faced by all councils heightens the need for the Council to avoid an overspend within this financial year.

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.

Transfer of reserves available for repurposing:

1. Cabinet can choose to accept officers' recommendation and transfer the identified balances into the prior year underspend reserve in line with paragraph 4.3 above;
2. To not approve the transfer, leaving the identified balances where they are.

Allocation of Prior Year Underspend:

3. Cabinet can choose to accept officers' recommendation and allocate part of the prior year underspend into specific earmarked reserves, in line with paragraph 4.4 above;
4. To not approve the transfer, leaving the amounts in the prior year underspend reserve.

Preferred Option and Why

To note the monitoring position being reported and the risks that could cause this to change during the remainder of the year.

To approve the transfer of balances identified as available for repurposing into the prior-year underspend reserve, for future allocation.

Comments of Chief Financial Officer

The monitoring position outlined in this report reflects a broadly balanced position. This has been made possible due to the availability of contingencies and temporary underspends in non-service areas. The level of service overspending is a significant concern, particularly as the level of non-service mitigation is going to reduce in future years.

The report outlines a number of risks that could result in the position deteriorating as the year progresses. As always, upside opportunities exist but the risks outlined in the report are very real and challenging; some being outside of the Council's control e.g. funding of the Teachers' pension costs from WG. Therefore, caution is still required during the year and all services need to ensure that they manage within their available resources and take mitigating action for any unforeseen costs that may emerge.

The level of unachieved savings outlined in the report requires action. Much of this comes from the Housing transformation programme and this is a key project to reduce and manage the financial risks coming from the demand issues being faced by the Council in this area.

Comments of Monitoring Officer

The approval of the reserve transfers as set out in paragraphs 4.3 and 4.4 above is a matter for the Cabinet to decide upon. In making this decision, the Cabinet must have regard to the advice of the Council's s.151 Officer; such advice is set out in this report.

The remainder of the report is for noting and comment only and there are no legal implications arising from it.

Comments of Head of People, Policy and Transformation

As the first update of the 2024/25 financial year this report describes the current forecast position on the Council's revenue budget and the financial risks and opportunities that present themselves within the July position.

The Well-being of Future Generations Act requires public bodies to apply the five ways of working to any financial planning, which balances short-term priorities with the need to safeguard the ability to meet long-term needs. This is supported through the analysis and review of reserves, which are critical for financial resilience over the long-term and is regularly undertaken by the Head of Finance and detailed in this report.

There are no direct HR implications associated with the report.

Scrutiny Committees

N/A

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

For this report, a full Fairness and Equality Impact Assessment has not been undertaken. This is because this report is not seeking any strategic decisions or policy changes, with its purpose being to update Cabinet on the current year financial performance against the budget agreed for the year. However, fairness and equality are considered as part of service delivery and will feature in annual finance reports, such as the Budget Report and Capital Strategy.

In terms of the Wellbeing of Future Generations (Wales) Act, and the five ways of working contained within it, this report highlights examples of these being supported. For example, whilst this report is focussed on the current year, there are references to the longer-term impact, via medium term financial planning, and on taking preventative action, to ensure that financial problems existing now are addressed as quickly as possible, to ensure they do not have a detrimental impact in future years. Analysis and review of reserves, which are critical for financial resilience over the long term, is regularly undertaken by the Head of Finance and detailed in this report.

In the case of the Welsh Language, the service will continue to ensure that, wherever possible, services or information is available in the medium of Welsh.

Consultation

N/A

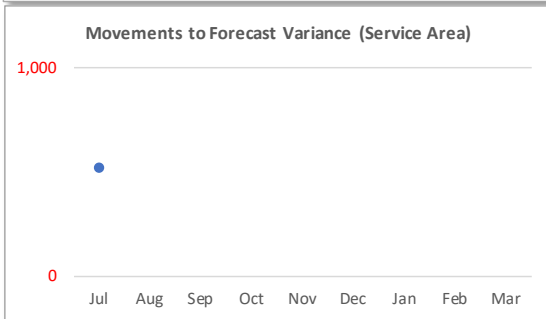
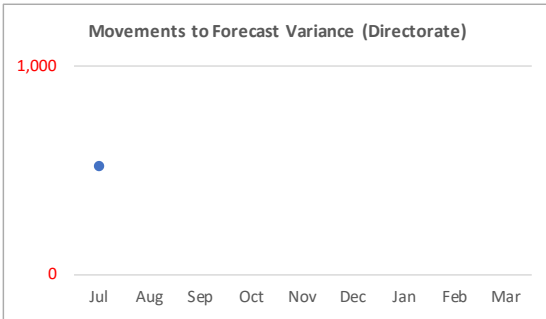
Background Papers

Dated: 19th August 2024

Appendix 1 - Overall budget dashboard – July 2024

Revenue Monitoring Dashboard 2024-25

The following tables, charts and figures give an indication of the financial performance of each Directorate and Service Areas across the Council.



Subjective	Budget £'000	Forecast £'000	Variance £'000
Employees	260,378	264,428	4,050
Premises	28,898	32,675	3,776
Transport	11,756	14,786	3,031
Supplies & Services	85,955	93,099	7,144
Agency & Contracted Services	167,820	175,293	7,473
Transfer Payments	37,273	37,273	0
Capital Financing	11,432	10,366	-1,066
Income	-196,239	-219,603	-23,364
Miscellaneous	-7,248	-7,767	-519
Grand Total	400,025	400,550	525

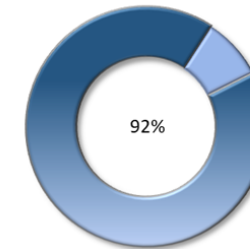
The following tables and charts provide an update on the financial performance for identified risk areas across the Council.

Risk Based Areas	Budget £'000	Forecast £'000	Variance £'000
Adult Services			
Community Care - Non Residential Service	17,362	20,172	2,810
Community Care - Residential Service	36,534	35,764	-770
Community Care - Supported Living	15,563	16,776	1,213
Community Care Income - Residential & Non Residential	-11,829	-14,126	-2,297
Children Services			
Brynglas Bungalow	4	0	-4
In House Residential	2,376	2,107	-269
Independent Fostering Agency Placements (IFA's)	2,280	1,600	-680
In-House Foster Carer Fees	3,965	3,886	-79
Out of Area Residential Placements	5,398	6,674	1,276
Remand	0	37	37
Special Guardianship Orders	1,451	1,450	-1
Education			
ALN Local Provision Development	1,096	1,761	665
ALN Out of County	4,658	4,604	-54
ALN Transport	2,718	3,374	656
Special Home to School Transport	1,338	2,126	787
Housing & Communities			
Homelessness	5,512	8,528	3,016
Grand Total	88,426	94,733	6,306

The figures and charts below report the performance against the 2024/25 savings target.

Service Area	MTRP Target	Savings Realised	Variation to MTRP Target	Variation % to MTRP Target
Adult Services	1,046	1,046	0	0%
Capital Financing Costs & Interest	50	50	0	0%
Children Services	476	476	0	0%
Contingency Provisions	524	524	0	0%
Cross Service	345	345	0	0%
Education	266	266	0	0%
Environment & Public Protection	498	498	0	0%
Finance	178	178	0	0%
Housing & Communities	559	130	-429	-77%
Infrastructure	206	206	0	0%
Law & Standards	20	4	-16	-80%
Levies / Other	300	300	0	0%
People, Policy & Transformation	401	401	0	0%
Prevention & Inclusion	152	152	0	0%
Regeneration & Economic Development	259	259	0	0%
Grand Total	5,280	4,835	-445	

2023/24 Delivery of Savings (forecast)



% of MTRP Target Achieved

Appendix 2 - Revenue summary monitor - July 2024

	Full Year Budget	Projection	(Under) / Over
	£'000	£'000	£'000
Summary Revenue Budget 2024/25			
Social Services			
Adult Services	74,051	74,978	927
Children Services	33,030	33,452	422
Prevention & Inclusion	789	731	(58)
	107,870	109,161	1,291
Transformation & Corporate			
Education	17,837	20,158	2,320
Schools	139,391	143,290	3,899
Finance	5,879	5,775	(104)
Law & Standards	5,322	5,336	14
People, Policy & Transformation	15,570	15,815	245
	184,000	190,374	6,374
Environment & Sustainability			
Housing & Communities	9,244	11,646	2,402
Infrastructure	15,541	15,723	182
Environment & Public Protection	17,131	17,374	243
Regeneration & Economic Development	6,008	6,054	46
	47,924	50,798	2,874
Sub Total - Service Areas (inc schools)			
	339,794	350,333	10,539
Earmarked Reserves: Transfer to/(from) Schools	-	(3,899)	(3,899)
Sub Total - Service Areas (net of schools reserves)			
	339,794	346,434	6,641
Capital Financing Costs and Interest			
Capital Financing & Public Finance Initiative	28,138	25,817	(2,320)
	28,138	25,817	(2,320)
Sub Total - Service/Capital Financing			
	367,931	372,252	4,321
Contingency Provision			
General Contingency	1,636	0	(1,636)
Other Income and Expenditure	3,686	2,010	(1,676)
Centralised Insurance Fund	647	647	-
Non Departmental Costs	40	40	-
	6,009	2,697	(3,312)
Levies			
CTAX Benefit Rebates	14,718	14,255	(463)
Discontinued Operations - Ex Gratia Payments	3	3	-
Discontinued Operations - pensions	1,405	1,385	(21)
All Levies	11,796	11,796	-
	27,922	27,439	(483)
Transfers To/From Reserves			
Base budget - Planned Transfers to/(from) Reserves	(1,838)	(1,838)	-
	(1,838)	(1,838)	-
Total			
	400,025	400,550	525
Funded By:			
WG funding (RSG and NNDR)	(307,464)	(307,464)	(0)
Council Tax	(92,561)	(93,198)	(637)
Total	0	(112)	(112)

Appendix 3 – School Balances Position

School Name	Opening Reserve 24/	Final ISB Allocation (inc Post 1£	In Year U/(O) Spend March 25	Closing Reserve 31/03/25
	£	£	£	£
Bassaleg School	617,163	10,072,587	(565,776)	51,387
Newport High	275,294	6,618,894	(177,947)	97,347
Caerleon Comprehensive	569,788	7,948,284	(480,380)	89,408
The John Frost School	578,544	8,586,206	(444,270)	134,274
Llanwern High	819,055	6,854,000	(270,580)	548,475
Lliswerry High	696,981	6,386,524	(159,003)	537,978
St Josephs R.C. High	580,015	7,768,801	(197,924)	382,091
St Julians School	846,493	8,562,012	(337,599)	508,893
Ysgol Gyfun Gwent Is Coed	(483,934)	3,246,551	(214,108)	(698,042)
Sub Total	4,499,399	66,043,860	(2,847,588)	1,651,811
Alway Primary	60,724	2,010,399	(8,289)	52,435
Caerleon Lodge Hill	130,951	1,542,763	(43,118)	87,833
Charles Williams CIW	590,284	2,066,308	(287,259)	303,024
Clytha Primary	(25,457)	1,007,787	30,767	5,310
Crindau Primary	336,389	1,836,678	(122,803)	213,586
Eveswell Primary	597,589	1,967,578	(119,084)	478,504
Gaer Primary	71,289	2,205,744	(16,230)	55,059
Glan Usk Primary	221,608	2,627,986	(80,611)	140,997
Glan Llyn Primary	373,476	1,922,935	(316,384)	57,092
Glasllwch Primary	20,479	1,008,124	(6,167)	14,312
High Cross Primary	33,668	1,180,565	4,255	37,923
Jubilee Park	204,365	1,653,847	(155,489)	48,876
Langstone Primary	141,386	1,433,654	(129,348)	12,038
Llanmartin Primary	103,109	840,719	(37,987)	65,122
Lliswerry Primary	122,067	2,683,563	(11,038)	111,030
Maesglas Primary	23,558	1,416,827	(6,221)	17,336
Maindee Primary	70,023	2,339,929	(24,710)	45,312
Malpas CIW Primary	80,242	1,350,526	21,426	101,668
Malpas Court Primary	294	1,378,545	4,998	5,292
Malpas Park Primary	186,785	1,048,024	(91,604)	95,181
Marshfield Primary	108,632	1,884,820	25,248	133,880
Millbrook Primary	239,197	1,403,247	(102,530)	136,667
Milton Primary	38,943	2,185,129	21,314	60,257
Monnow Primary	138,819	1,945,916	(89,005)	49,814
Mount Pleasant	79,703	1,132,157	(30,021)	49,682
Pentrepoeth Primary	123,997	1,898,564	(44,671)	79,325
Pillgwenlly Primary	(64,969)	2,892,701	323,315	258,346
Ringland Primary	(6,472)	1,247,818	12,604	6,132
Rogerstone Primary	110,509	2,539,577	(102,210)	8,299
Somerton Primary	169,107	871,159	37,175	206,282
St Andrews Primary	207,480	3,595,895	(69,498)	137,982
St Davids RC Primary	203,968	992,510	(84,945)	119,023
St Gabriels RC Primary	103,011	860,204	(47,959)	55,052
St Josephs RC Primary	89,462	916,154	(11,427)	78,034
St Julians Primary	440,698	2,773,671	(140,043)	300,654
St Marys Rc Primary	222,425	1,739,103	(143,767)	78,659
St Michaels RC Primary	68,387	1,046,364	(22,218)	46,170
St Patricks RC Primary	171,867	1,001,325	(12,808)	159,060
St Woolos Primary	(48,670)	1,516,372	51,474	2,804
Tredegar Park Primary	588,979	2,005,083	(147,019)	441,960
Ysgol Gym Bro Teyrnnon	298,759	958,684	10,206	308,965
Ysgol Gym Casnewydd	232,908	1,706,970	(112,857)	120,052
Ysgol Gym Ifor Hael	68,744	947,746	(17,109)	51,635
Ysgol Gym Nant Gwenlli	598,333	778,138	311,280	909,613
Sub Total	7,526,643	72,361,812	(1,780,364)	5,746,279
Newport Nursery	150,063	325,790	(94,057)	56,006
Sub Total	150,063	325,790	(94,057)	56,006
Maes Ebbw	103,080	4,760,292	(175,086)	(72,006)
Bryn Derw	172,534	3,357,390	(101,753)	70,781
Sub Total	275,615	8,117,682	(276,839)	(1,224)
Assumed late grants and other compensation			1,100,000	1,100,000
Grand Total	12,451,719	146,849,143	(3,898,848)	8,552,871

Appendix 4 - 2024/25 Forecast Reserve Movements

Reserve	Balance at 31-Mar-24 (£'000)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Balance at 31-Mar-25 (£'000) (Forecast)
	£'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	(12,452)												3,899	(8,553)
Earmarked Reserves:														
Music Service	(133)													(133)
Pay Reserve	(1,418)													(1,418)
Insurance Reserve	(1,518)													(1,518)
MMI Insurance Reserve	(602)													(602)
Schools Redundancies	(1,368)													(1,368)
General Investment Risk Reserve	(2,665)												748	(1,917)
European Funding I2A & CFW	(1,676)												97	(1,579)
MTEFP Reserve	(7,505)												1,200	(6,305)
GEMS Redundancies	(78)													(78)
SUB TOTAL - RISK RESERVES	(16,963)	-	-	-	-	-	-	-	-	-	-	-	2,045	(14,918)
Capital Expenditure	(14,924)												5,317	(9,607)
Capital Grants Unapplied	(2,889)												1,592	(1,297)
Feasibility Reserve	(154)													(154)
Transformation Fund	(6,056)												2,148	(3,907)
School Works	(267)													(267)
School Reserve Other	(27)													(27)
Schools ICT Sustainability	(150)												(50)	(200)
Norse JV Review	-				(745)								255	(490)
Usable Capital Receipts	(6,853)												2,349	(4,504)
SUB TOTAL - ENABLING RESERVES	(31,320)	-	-	-	(745)	-	-	-	-	-	-	-	11,611	(20,454)
Municipal Elections	(33)													(33)
Local Development Plan	(516)												198	(318)
Strategic Development Plan	(220)												(45)	(265)
Glan Usk PFI	(1,514)												157	(1,357)
Southern Distributor Road PFI	(38,294)												1,317	(36,977)
Building Control	(124)													(124)
Loan modification technical reserve (IFRS 9)	(14)													(14)
Soft Loan interest equalisation reserve	(1,808)													(1,808)
SUB TOTAL - SMOOTHING RESERVES	(42,524)	-	-	-	-	-	-	-	-	-	-	-	1,627	(40,897)

Appendix 4 - 2024/25 Forecast Reserve Movements

Reserve	Balance at 31-Mar-24 (£'000)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Balance at 31-Mar-25 (£'000) (Forecast)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Works of art	(21)												-	(21)
Theatre & Arts Centre	(232)												-	(232)
Environmental Health - Improve Air Quality	(49)												-	(49)
City Economic Development Reserve	(165)													(165)
Welsh Language Standards	(45)												45	(0)
Port Health	(20)													(20)
Financial System Upgrade	(106)												106	0
Events	(372)												-	(372)
Voluntary Sector Grants	(27)													(27)
Joint Committee City Deal Reserve	(2,246)													(2,246)
Civil Parking Enforcement	-													-
Business Support	(231)												-	(231)
Business Development Grants	(80)												-	(80)
IT Infrastructure	(107)												107	(0)
PSB Contribution	(5)													(5)
COVID Reserve	(171)													(171)
Chief Education Grant	(2,049)												100	(1,949)
Home to School Transport - St Andrews / Millbrook	(366)													(366)
Housing Supply review	(17)													(17)
Cariad Casnewydd	(166)												50	(116)
Community Gardening Schemes	(152)												152	(0)
Market Arcade owner contributions	-													-
Parks & Open Spaces	(1,094)												1,060	(34)
Discretionary Rate Relief	(741)													(741)
Communications Corporate Requirement	(163)												105	(58)
Growing space - 2 years	(50)													(50)
Residential Care Home Equalisation Reserve	(1,684)													(1,684)
Partnership funding - ABUHB - Windmill Farm	(57)													(57)
Cost of living Support Scheme Reserve	(380)													(380)
Empty Homes	(218)													(218)
Transporter Bridge	(127)												(57)	(184)
Emergency Placements	(800)													(800)
Low Carbon Heat Reserve	(471)													(471)
Prior year underspend	(5,534)				745									(4,789)
SUB TOTAL - OTHER RESERVES	(17,947)	-	-	-	745	-	-	-	-	-	-	-	1,668	(15,534)
RESERVES TOTAL	(127,706)	-	-	-	-	-	-	-	-	-	-	-	20,850	(106,856)