

Report

Cabinet



Part 1

Date: 12th September 2016

Item No:

Subject **July Revenue Budget Monitor**

Purpose This report details the current forecast position on the Council's revenue budget and the emerging risks and opportunities that present themselves within the July forecast position.

Author Head of Finance

Ward All

Summary As at July 2016, the Council's revenue budget is projecting an overspend of £1.18m. This primarily relates to overspends within service areas of £2.81m (exc. Schools) including;

- StreetScene at £1.09m, mainly due to unachieved income in waste disposal site and essential highway maintenance;
- Adult & Community services at £902k, mainly due to community care budgets;
- Children's Social care at £365k, mainly due to out of area placements;
- Education at £340k due to pressures on a number of Special Educational Need (SEN) budgets;
- Regeneration, Investment & Housing at £294k, mainly due to adult education income shortfall and pressures on property services budget.

This is partially offset by non-service underspends on Council tax benefit rebates (£889k) and Council tax surplus (£655k).

This position excludes schools, which is currently reporting a deficit position of £2.88m. The overall service position (inc. Schools) is £5.69m overspend, however, Schools have nil effect on the overall Council position as any variance against base budget is matched by a corresponding reserve transfer to or from schools balances.

The net position assumes, as we always do at the early stages of the year, that the contingency budget of £1.473m is 'committed'. If this was not utilised, the position would be a c£300k underspend currently.

In saying this, there is a real possibility for the position to worsen, with further slippage on MTRP savings and cross-cutting savings in particular. If these were to come to fruition, this would result in the majority of the contingency budget being utilised. This is before further potential budget issues are taken into consideration as the year progresses – the report highlights that there are many potential risks to be managed across the Council. At this early stage of the year, the current position is very challenging and requires immediate management action to improve. Managers have been instructed to find mitigating savings, where possible, to reduce the current overspend to a balanced budget position.

Given the above context, officers should not underestimate the need to improve on this as much as possible and manage within budget.

Proposal

Cabinet is asked to

- Note the forecast 2016/17 revenue budget position and the key risks that have been identified at this stage;
- Cabinet Members, Directors and Heads of Service maintain on-going strong financial management, and People and Place directorates to confirm a comprehensive set of actions to reduce their overspending;
- Note the planned reserve movements and revised balances at the end of the year.

Action by

- Cabinet/ HoF/ SLT – confirm plans to reduce over-spending in service areas;
- HoF / SLT – promote and ensure robust forecasting throughout all service areas.

Timetable

On-going

This report was prepared after consultation with:

Strategic Directors

Head of Finance

Heads of Service

Budget Holders

Accountancy Staff

Signed

Background

Overview and Key Assumptions

1. As at July 2016 the Councils revenue budget is projecting an overspend of £1.18m primarily as a result of overspends across the People and Place directorates, (Appendix 1).
2. Service area overspends account for £2.81m and increases to £5.69m when inclusive of schools. Schools are currently reporting a deficit position of £2.88m; however, Schools have nil effect on the overall Council position as any variance against base budget is matched by a corresponding reserve transfer to or from school balances.
3. The mitigating underspends mainly come from 'non-service' budgets in particular Council tax benefit rebates (£889k) and Council tax surplus (£655k). Clearly, the Council tax benefit budget is demand led and could potentially change should the number of claimants increase and the collection of Council tax is at an early stage and small percentage changes in collection can have a significant impact on the forecast. Currently, we are fortunate that this mitigation exists as the current level of service's forecast overspending far outweighs the revenue budget contingency.
4. The current forecast position assumes the following:
 - General contingency budget remains on budget (£1.473m);
 - Other approved costs to deliver planned 16/17 savings are funded from the Invest to Save Reserve.
5. Due to the uncertainty that presents itself in a number of service areas (detailed in para. 9) it is not recommended at this stage of the year to use the general contingency budget to mitigate against forecast overspends. The non-utilisation of the general contingency budget allows for mitigation where forecasts may change adversely due to unforeseen circumstances. The report highlights that there are a number of on-going budget risks and management teams have been tasked to find mitigating savings, where possible, to reduce the current overspend to a balanced budget position.
6. The significant service area overspending should not be underestimated as the current forecast is well in excess of the revenue budget contingency. Directors and Heads of service are currently focussing on action to reduce overspending in all areas.
7. The Council operates a risk based budget monitoring process, identifying key risk areas which are reviewed in detail on a monthly basis. This report is a summary statement of key issues that explain the current position and which subsequently impact upon financial management. There are monthly, service specific dashboards which HoS receive, and which Cabinet Members have access to, providing more detailed explanations of the financial position, financial risks and actions being taken. Service dashboards have been appended to this report (Appendix 2).

Detailed Budget Variances

8. A summary of the key issues are outlined below.

SERVICE AREA BUDGETS – NET £2.81m OVERSPEND

- (i) **PEOPLE – Net £1.61m overspend** (excluding schools)
 - **Education – £340k overspend** (excluding schools)

The current forecast represents a budget pressure of £340k due to pressures on a number of SEN budgets. These budgets are demand led and affected through the pupil statementing process - out of county placements represent £479k of the £528k pressure within the SEN

service. There are potentially a further three additional out of county placements that are yet to be formalised. These pressures have been offset by increased SMP credits and reduced charges from the EAS (£149k).

The forecast for schools currently shows a significant movement from school reserves (£2,881k). This position is likely to change throughout the year and, based on previous years, the deficit is likely to reduce. Regular updates will take place following budget visits as they take place during the Autumn and Spring terms.

Social Services – £1.27m overspend (Children’s - £365k overspend, Adults - £902k overspend)

• Children & Young People - £365k overspend

- Out of area residential placements - £606k overspend. This is a demand led budget and the forecast is reflective of all current, known placements. The number of Children brought into out of area residential placements has increased in recent months and this has been the cause of the overspend in this area (an average of 16 placements at varying costs against a budget of 10). There is an anticipated reduction in demand in future months and these have been built into the forecast. The fall in demand anticipated includes an expectation that adaptations to Forest Lodge are undertaken to ensure the facility is fit for purpose. This will enable one child to be brought back into the Authority, thus reducing the cost. Any delay in the scheduled work at Forest Lodge could cause further pressure on this budget;
- Independent fostering agencies - £182k overspend. This is due to underachievement against this year’s MTRP saving. The number of placements in the first half of 2016/17 is significantly over that budgeted (37 placements against a budget of 29). These numbers, however, are expected to reduce for the remainder of the year and this has been factored into the forecast. It should be noted that the overspend is offset by the savings against in house fostering budgets;
- In house fostering – (£212k) saving. Although an upward trend in future months is anticipated, the service has been unable to make more in house placements. This underspend may increase further should the inability to offer more in house placements continue;
- Kinship – (£115k) saving. This budget received budget growth in 16/17 for anticipated pressures, however, current Special Guardianship Orders (SGOs) will not cost as much as anticipated this year resulting in an underspend;
- Staff savings - (£192K) saving. Earlier than anticipated closure of Brynglas Unit has resulted in significant in year savings. This is not a recurring saving, instead an early achievement of a 17/18 savings proposal;
- Leaving care - £131k overspend. Despite a specific budget investment for this being included within previous MTRP for ‘When I’m Ready’ to support placements up to the age of 25, it is still projecting an overspend in this financial year. The main reason being that licence conditions placed on an individual meant that a placement was made to cater for specific accommodation needs – this was a one off monthly cost of c£100k.

• Adult & Community Services - £902k overspend

The current overspend on community care budgets (£1.18m) can be broken down to the following key items:

- £328k reduction in Supporting People Grant (SPG) which has been funding personal care costs for individuals – therefore, no corresponding reduction to package cost now that the grant has reduced as care packages in place need to remain;

- £150k undeliverable double handling saving (full target of £300k). This business case was based on a piece of work using benchmarked data from England and our neighbouring authorities. However, Newport has a much more robust process for assessing and reviewing double handling cases and so the potential for savings is reduced;
- £143k unachievable income inflation added to the 16/17 budget as all fees are means tested and benefits did not increase in 2016/17. Furthermore, as part of the new Social Wellbeing Act a cap has been applied to respite care.
- £400k inherent pressure in respect of demand/ non achieved savings from prior years. The key items contributing to this overspend are ;
 - (i) The number of clients receiving community care funding (inc residential placements and non-residential care packages) has continued to increase since last year (average number of clients 1,600 at varying costs against a budget of 1,300);
 - (ii) Income shortfall – at the end of 15/16, residential income was £544k less than budget. As there has been no increase in benefits this year and a cap placed on the charges for respite there is likely to be greater pressure resulting in 16/17.

Current forecasts assume that vacant beds at Blaen Y Pant will be filled from October. This is dependent on the refurbishment work being completed on time and so any delay will reduce the resultant saving which has been forecast from October.

- The community care overspends are being offset slightly by transport savings as a result of lower car allowances being claimed for homecare staff as this service is now being provided by an external provider (£105k). There is, however, a planned restructure of extra-care and homecare staff that may require budget reconfiguration.

A significant amount of savings are due to be delivered in Social Care, mainly adults and community services (£1.7m) and for this reason is likely to remain as a key risk area for the Council. This area was able to manage close to budget in 2015/16 as significant savings mitigated overspends. The areas of underspending have been reviewed for this year and most cannot be relied upon to deliver again as they were either one-off in nature or subject to MTRP savings this year. Unless management action is taken the budget risks in this area far outweigh any potential for mitigation.

(ii) **PLACE – Net £1.38m overspend**

• **Regeneration, Investment & Housing (RIH) – £294k overspend**

- Adult Education - £108k overspend due to under recovery of income. Options for mitigation are currently being considered by the Cabinet Member and further changes to service delivery may improve this position;
- Development Services – £73k overspend due to under recovery of planning fee income. July forecast based on current known schemes, however, the position will continue to be carefully monitored;
- Homelessness - £58k overspend. The provision of accommodation for the homeless is subject to financial risk given the demand led nature of this budget. This position will continue to be monitored as is likely to remain volatile throughout the year;
- Provision market - £177k overspend. This includes one off investment of £50k to enhance the market conditions and an additional £30k for the promotion of the market, both subject to Cabinet approval. There are a number of unoccupied stalls due to the decreased footfall in the market; therefore, the annual income is predicted to be £97k lower than budgeted.

The above pressures have been offset by the following savings:

- Centralised properties – (£33k) underspend. Pressures relating to recent changes to management structure have been offset by significant savings on rates (£114k);
- Carbon Reduction – current underspend of (£90k) in respect of the number of units that are estimated to be purchased in 16/17. This position may change given the unpredictable weather conditions.

- **Street Scene & City Services – £1.09m overspend**

The majority of the overspend within Streetscene & City Services relates to the non-delivery of MTRP savings as Prosiect Gwyrdd (PG) incinerator has led to income pressures. Reduced NCC waste was due to provide capacity at the site to be filled by commercial and asbestos waste which failed to materialise due to PG and licensing issues respectively. As a result, MTRP income is £627k below target. This assumes that the asbestos cell will become operational from early September (generating c£90k additional income throughout the remainder of the year). If there are any further delays with the commissioning of the cell there will be further income shortfalls. There is also an overspend on the Waste Grant of £318k, due to various reasons. There has been a 6 month delay in transferring the collection of cardboard to Wastesavers which has resulted in additional staff being recruited to provide the service with the resulting additional costs of £171k more than budget. Vehicles originally purchased from the grant have become obsolete and been sold so replacement vehicles are required to be hired until new vehicles can be procured causing an over spend of £69k. In addition to this, the service has used a different method of waste disposal to achieve the Council's recycling target but the costs are higher than using the incinerator resulting in a forecasted overspend of £87k.

Other pressures that have been included within the forecast are:

- Pothole repair scheme - £300k pressure. Additional expenditure required for highway pothole repairs across the City;
- Pride In Newport Team - £50k overspend. Reinstatement of the Pride in Newport campaign;
- Contact Centre - £55k overspend. This predominantly relates to the non-delivery of vacancy provision. The contact centre is a frontline service with a requirement to maintain a full complement of staff at all times hence the budgeted vacancy provision of £60k is unachievable;

Within the figures above you will note a number of the overspends are due to staffing overspends; this is reflected in the monitoring dashboard for Streetscene & City Services. The Head of Service and service managers are working on ways of reducing this overspend over the coming months.

(iii) **CORPORATE – Net (£94k) underspend**

Most areas are close to budget with minor staffing variances accounting for most differences. The exception is CCTV income within Law & Regulation where a £90k income variance is being mitigated. A number of potential budget pressures exist, however, and are included within para. 8 (key budget risks / opportunities).

(iv) **CAPITAL FINANCING – Net (£82K) underspend**

Lower MRP charge for 16/17 as a result of the capital expenditure funded by borrowing for 2015/16 being lower than was anticipated when budget was set.

(v) **NON SERVICE – Net (£977k) underspend**

This area has significant budget levels at £29m, of which Council Tax reduction scheme is £11.7m and levies £8.2m. These two items alone make up a large proportion of the overall budget.

Although there is relatively less volatility in this budget area, there are some significant forecast variances for 16/17:

- The Council Tax reduction scheme is demand led, and current forecasts are expecting this scheme to come in at £889k under budget. This area came in under budget in previous 2 years as claimant numbers decreased as the local economy improved. The budget was established at the point at which the burden for this fell on Local Councils; - this was at the height of the last recession and funding was set at a relatively high level;
- Savings of £246k due to pension auto enrolment not being implemented until April 2017;
- Non delivery of cross cutting MTRP savings (inc. NWoW) – the forecast savings have reduced significantly therefore causing a budget pressure of £247k. This amount relates to undelivered savings from previous years. The focus of this project has recently changed and coupled with the fact that savings to meet this come from service areas, as they also consider future years savings, inevitably the risk of slippage increases further;
- Forecast saving of £92k against other income and expenditure. £107k New Burdens funding has been received from Welsh Government for land charges litigation. This amount was not expected nor agreed until after 31st March 2016 and although some further costs are expected a net saving is projected;
- Coroner budget is forecasting a £29k overspend as a result of long inquest payments for which the coroner can claim over and above salaried amount. To date there have been two instances and at least one more due to be held in September.
- Increased Council Tax income above budget by £655k, primarily due to the increase in house building and completions, over and above that predicted when Council Tax was set. This will be reviewed carefully as we progress through the year.

Emerging Risks and Opportunities

9. All areas of the Council continue to manage and mitigate significant budget challenges. Where they are able to be quantified, the risks around these challenges have been incorporated into the forecasts presented within this report. Whilst the section above outlines the broad reasons why service areas are under-spending or overspending, this next section highlights key areas of concern and risks which have the **potential to be recurring**.

- **Education**

- **Out of County (OOC) Placements** – SEN is demand led and projections may change monthly. Proposed INCLUDE group project, at a cost of £378kpa, should avoid specific out of county costs in future and would allow learners to remain in Newport. As placements change throughout the year forecasts will be revised accordingly.

- **Children & Young People**

- **Out of area residential placements** - This is a demand led budget and forecast is based on current, known placements. There is a project across children's services to improve the in house provision aiming to avoid further out of Authority placements and a significant piece of work has already been completed to test the robustness of the current process and decision making;

- Adults & Community Services

- Reduction in **supporting people grant** with no corresponding reduction to package cost. Furthermore, inherent pressures from prior years in respect of demand/ non achievement of MTRP savings are in the process of being reviewed;
- **Community care** - Inherent pressure in respect of demand/ non achieved savings from prior years. The key items include the number of clients receiving community care funding. This has continued to increase since last year (average number of clients 1,600 at varying costs against a budget of 1,300). Furthermore, residential income is significantly less than budget. As there has been no increase in benefits this year and a cap placed on the charges for respite there is likely to be greater pressure resulting in 2016/17.

Although not yet approved, this recurring pressure has been taken into account within the 2017/18 MTRP.

- RIH

- **Adult Education** – under recovery of income. Business improvement review on-going and options for permanent mitigation are currently being considered by the Cabinet Member.

- Streetscene & City Services

- Income pressures for the Council resulting from the **Prosiect Gwyrdd (PG)** incinerator. As the incinerator becomes more efficient more capacity is created and more contracts secured. The commercial and asbestos waste that this capacity at the landfill site was hoping to attract has not materialised due to PG and licensing issues. Management action is essential to ensure that this position does not worsen.

Although not yet approved, this recurring pressure has been taken into account within the 2017/18 MTRP.

- Corporate

- **People & Business Change** - £70k MTRP saving target in 16/17 is based on the IT service being outsourced to the SRS. If this project does not go ahead there will be significant pressure not only in respect of the efficiencies that have been pre-empted but also the significant investment required if the IT service were to remain in house;

- Non Service

- **Cross Cutting Savings (inc. NWoW)** - There remains a balance of £122k which is to be mitigated. Given that the savings proposals which have already been agreed are sourced from service areas there is a further risk that as services start to consider 17/18 proposals the risk of slippage remains;

Financial management 16/17

10. The forecast position requires improvement at this stage of the financial year. However, as noted above, a few key areas are very volatile and significant savings are being delivered this year, in particular in Social Care, Place and cross cutting savings.

11. Noting the above agreed actions, it is essential that all service areas :

- Manage spending within their existing base budgets;
- Implement MTRP savings for 2016/17 robustly;
- Social care and Streetscene & City Services in particular confirm action agreed/ developed to deal with their overspending, as far as is possible.

Directors, with HoS need to ensure they are satisfied that robust financial management is being strictly adhered to, and further specific initiatives and actions are agreed to reduce spending/ increase income.

Use of reserves

12. Appendix 3 illustrates the planned movements in reserves throughout the year. Cabinet should note the opening balance as at 31st March 2016, planned transfers in/ (out) of serves and the forecast balance as at 31st March 2017. Current projections suggest that 10% of the Councils reserve will be used by the end of the financial year.

13. Financial Summary

The summary monitor in Appendix one and the main report contain the significant financial issues and overall position.

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?
Inaccurate forecasts	M	L	Risk based monitoring Focus on capital/PFI financing budgets	HoF HoS
Budgets not managed	H	L	Reviewed by SLT/CLT Review by Scrutiny and Cabinet	HoF SLT/CLT

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Good financial management underpins the delivery of all Council services and achievement of priorities.

Options Available

Cabinet could decide to use the general contingency budget at this early stage to offset the forecast overspend. Given the early stage in the financial year it is recommended that SLT continue to work with management teams to construct detailed action plans to reduce the forecast overspend within Social Services and Place. As the report highlights, there are a number of issues that could well worsen this position still.

Preferred Option and Why

Given that that there are 8 months of the financial year remaining and there are budget risks which can worsen the current position, Cabinet is asked to note the current position and the risks of this changing and decide what corrective action is to be taken to reduce the forecast overspend to budgeted levels.

Comments of Chief Financial Officer

Contained within main body of the report.

Comments of Monitoring Officer

There are no direct legal issues here

Staffing Implications: Comments of Head of People and Business Change

There are no direct HR issues

Comments of Cabinet Member

N/A

Local issues

N/A

Scrutiny Committees

No consultation with Scrutiny at this stage of the year. As agreed by Cabinet previously, the revenue budget position will be subject to Scrutiny reviews in late autumn of each financial year.

Equalities Impact Assessment

N/A

Children and Families (Wales) Measure

N/A

Consultation

N/A

Background Papers

N/A

Dated:

Appendices

Appendix 1 – Revenue Summary Monitor (July 2016)

Appendix 2 – Budget Monitoring Dashboards

Appendix 3 – Delivery of MTRP Savings

Appendix 4 – Planned reserve movements

APPENDIX 1 – Revenue Summary Monitor (July 2016)

	Apr-16	Current	Projection	(Under)/ Over	Change
2016/2017	Approved Budget	Budget	(exc I2S)	(exc I2S)	since last
					Statement (exc I2S)
	£'000	£'000			£'000
PEOPLE					
Children & Young People	21,084	21,538	21,903	365	(32)
Adult & Community Services	39,676	39,219	40,121	902	(281)
Education	13,869	13,863	14,203	340	354
Schools	89,835	90,000	92,881	2,881	2,881
	164,464	164,620	169,108	4,488	2,922
PLACE					
Regeneration, Investment & Housing	9,100	9,013	9,308	295	(97)
Streetscene & City Services	17,092	16,883	17,971	1,088	583
	26,192	25,896	27,279	1,383	486
CHIEF EXECUTIVE					
Directorate	552	552	501	(51)	(30)
Finance	2,678	2,664	2,661	(3)	(13)
People & Business Change	6,371	6,371	6,326	(45)	(35)
Law & Regeneration	6,474	6,487	6,492	5	18
	16,075	16,074	15,980	(94)	(60)
CAPITAL FINANCING COSTS & INTEREST					
Capital Financing Costs MRP	10,813	10,813	10,731	(82)	-
Interest Payable	9,145	9,145	9,145	-	-
Interest Receivable	(37)	(37)	(37)	-	-
Investment Props	-	-	-	-	-
PFI Grants	8,261	8,261	8,261	-	-
	28,182	28,182	28,100	(82)	-
SUB TOTAL - SERVICE/CAPITAL FINANCING	234,913	234,772	240,467	5,695	3,348
CONTINGENCY PROVISIONS					
General Contingency	1,473	1,473	1,473	-	-
Restructuring / Other Savings	-	-	-	-	-
Centralised Insurance Fund	570	570	570	-	-
Non Departmental Costs	5	5	5	-	-
Other Income & Expenditure	3,761	4,040	4,169	129	221
	5,809	6,088	6,217	129	221
LEVIES / OTHER					
Discontinued Operations - pensions	1,790	1,790	1,544	(246)	(246)
Discontinued Operations - Ex Gratia Payments	2	2	2	-	-
Levies - Drainage Board, Fire service etc	8,210	8,208	8,237	29	-
Non distributed grants	-	-	-	-	-
CTAX Benefit Rebates	11,735	11,735	10,846	(889)	(19)
Extraordinary Items	-	-	-	-	-
Charity Rate Relief	37	37	37	-	-
	21,774	21,772	20,666	(1,106)	(265)
TRANSFERS TO/FROM RESERVES					
Base budget - Planned Transfers to/(from) Rese	1,442	1,306	1,306	-	-
Earmarked reserves: Queensbury Loan	-	-	-	-	-
Earmarked reserves: Transfer to/(from) Capital	-	-	-	-	-
Earmarked reserves: Transfer to/(from) Schools	-	-	(2,881)	(2,881)	(2,881)
Earmarked reserves: Transfer to/(from) Schools Redundancy	-	-	-	-	-
Invest to Save Reserve	-	-	-	7,162	(2,438)
Invest to Save Reserve (from)	-	-	-	(7,162)	2,438
	1,442	1,306	(1,575)	(2,881)	(2,881)
TOTAL	263,938	263,938	265,775	1,837	423
Funded by					
WAG funding (RSG & NNDR)	(209,142)	(209,142)	(209,142)	-	-
Council Tax	(54,720)	(54,720)	(54,720)	-	-
Council Tax Surplus	(76)	(76)	(731)	(655)	-
TOTAL	-	-	1,182	1,182	423

APPENDIX 2 – Budget Monitoring Dashboards

Attached:

- Overall Council dashboard
- Individual service area dashboards within People, Place and Chief Executive portfolios

APPENDIX 3 – Delivery of MTRP Savings

Financial Improvement Plan – July 2016

Overall Summary	Education	Childrens	Adults	RIH	Streetscene	PBC	Finance	L&R	Non Service	Total 16/17
2016/17 MTRP Target (£) Total	£60,000	£417,000	£1,712,000	£948,000	£2,215,000	£411,000	£222,000	£330,000	£2,283,000	£8,598,000
Total Savings Realised by Year End 2016/17	£60,000	£243,000	£1,771,000	£928,000	£1,587,578	£411,000	£222,000	£330,000	£2,283,000	£7,835,578
Variation to MTRP Target	£0	-£174,000	£59,000	-£20,000	-£627,422	£0	£0	£0	£0	-£762,422
Variation % to MTRP Target	0%	-42%	3%	-2%	-28%	0%	0%	0%	0%	-9%
Undelivered Savings from Previous Years (C&CC)								-£52,500	-£329,317	-£381,817
By Portfolio	People	Place	Corporate	Non Service	Total 16/17	Undelivered savings Previous Years				
2016/17 MTRP Target (£) Total	£2,189,000	£3,163,000	£963,000	£2,283,000	£8,598,000	£687,118				
Total Savings Realised by Year End 2016/17	£2,074,000	£2,515,578	£963,000	£2,283,000	£7,835,578	£305,301				
Variation to MTRP Target	-£115,000	-£647,422	£0	£0	-£762,422	-£381,817				
Variation % to MTRP Target	-5%	-20%	0%	0%	-9%	-56%				

Appendix 4 – Planned Movement in Reserves

Reserve	Balance at 31-Mar-16	Planned movements in year											Balance at 31-Mar-17	
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb		Mar
	£'000													
Council Fund:	(6,500)	-	-	-	-	-	-	-	-	-	-	-	-	(6,500)
Balances held by schools for future use	(5,881)	-	-	-	2,881	-	-	-	-	-	-	-	-	(3,000)
														-
Earmarked Reserves:														-
Music Service	(205)	-	-	-	-	-	-	-	-	-	-	-	-	(205)
Insurance Reserve	(1,925)	-	-	-	-	-	-	-	-	-	-	-	-	(1,925)
MMI Insurance Reserve	(352)	-	-	-	-	-	-	-	-	-	-	-	-	(352)
Legal Claims	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
Health & Safety	(16)	-	-	-	-	-	-	-	-	-	-	-	-	(16)
Council Tax Reduction	(500)	-	-	-	-	-	-	-	-	-	-	-	-	(500)
Education Achievement Service	(92)	-	-	-	-	-	-	-	-	-	-	-	-	(92)
Schools Redundancies	(453)	-	-	-	-	-	-	-	-	-	-	-	-	(453)
Friars Walk	(6,176)	-	-	-	-	-	-	-	-	-	-	-	(2,811)	(8,987)
Gem Services Reserves	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
SUB TOTAL - RISK RESERVES	(9,919)	-	-	-	-	-	-	-	-	-	-	-	(2,811)	(12,730)
Pay Reserve	(1,948)	-	-	-	-	-	-	-	-	-	-	-	730	(1,218)
Capital Expenditure	(7,084)	-	-	-	-	-	-	-	-	-	-	-	1,000	(6,084)
Invest to Save	(12,838)	-	-	-	-	-	-	-	-	-	-	-	3,207	(9,631)
Super Connected Cities	(749)	-	-	-	-	-	-	-	-	-	-	-	125	(624)
Landfill (Door Stepping Campaign)	(131)	-	-	-	-	-	-	-	-	-	-	-	131	-
Christmas Lights	(47)	-	-	-	-	-	-	-	-	23	-	-	-	(24)
Usable Capital Receipts	(8,059)	-	-	-	-	-	-	-	-	-	-	-	4,233	(3,826)
SUB TOTAL - ENABLING RESERVES	(30,856)	-	-	-	-	-	-	-	-	23	-	-	9,426	(21,407)

STEP School Computers	(638)	-	-	-	-	-	-	-	-	-	-	-	-	(638)
Municipal Elections	(120)	-	-	-	-	-	-	-	-	-	-	-	120	(0)
Local Development Plan	(528)	-	-	-	-	-	-	-	-	-	-	-	(78)	(606)
Glan Usk PFI	(971)	-	-	-	-	-	-	-	-	-	-	-	-	(971)
Southern Distributor Road PFI	(44,498)	-	-	-	-	-	-	-	-	-	-	-	17	(44,481)
SUB TOTAL - SMOOTHING RESERVES	(46,756)	-	-	-	-	-	-	-	-	-	-	-	59	(46,697)
Works of art	(21)	-	-	-	-	-	-	-	-	-	-	-	-	(21)
School Works	(272)	-	-	-	-	-	-	-	-	-	-	-	(20)	(292)
Theatre & Arts Centre	(233)	-	-	-	-	-	-	-	-	-	-	-	-	(233)
Cymorth Income	(38)	-	-	-	-	-	-	-	-	-	-	-	38	-
Pupil Referral Unit	(60)	-	-	-	-	-	-	-	-	-	-	-	-	(60)
Gypsy and Traveller Site	(7)	-	-	-	-	-	-	-	-	-	-	-	-	(7)
Homelessness Prevention	(38)	-	-	-	-	-	-	-	-	-	-	-	-	(38)
Environmental Health - Improve Air Quality	(50)	-	-	-	-	-	-	-	-	-	-	-	50	-
Refurbishment of a Children / Older People Homes	(115)	-	-	-	115	-	-	-	-	-	-	-	-	-
ECDL Training Package - Change to Apprenticeship Scheme	(80)	-	-	-	-	-	11	11	11	11	11	11	14	-
City Deal Reserve - Rename - City Economic Development	(195)	-	-	-	-	-	-	-	-	-	-	-	100	(95)
NEW - Welsh Language Standards	(240)	-	-	-	-	-	-	-	-	-	-	-	-	(240)
NEW - YS Dilapidation Costs Information Shop	(51)	-	-	-	-	-	-	-	-	-	-	-	51	-
SUB TOTAL - OTHER RESERVES	(1,400)	-	-	-	115	-	11	11	11	11	11	11	233	(986)
RESERVES TOTAL	(101,311)	-	-	-	2,996	-	11	11	11	34	11	11	6,907	(91,319)
													% reduction in year	10%