

# Report

## Cabinet

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### Part 1

Date: 16<sup>th</sup> January 2017

Item No: above

Subject **November 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 November forecast position.

**Author** HoF

**Ward** All

**Summary** As at November 2016, the Councils revenue budget is reporting an underspend of £165k (September – 'on budget'). There remain, however, significant overspends within the service areas of £1.65m (exc. schools/capital financing) including;

- Adult & Community services at £580k, mainly due to community care budgets;
- Education at £558k due to pressures on a number of Special Educational Need (SEN) budgets;
- Children's Social care at £431k, mainly due to out of area placements;
- StreetScene at £362k, mainly due to the pothole repair scheme (£300k) and reinstatement of Pride in Newport (PINT) (£50k);
- Regeneration, Investment & Housing at £53k, mainly due to unbudgeted investment in the provision market and income shortfalls across a number of budget areas.

This has been offset by non-service underspends on Council tax benefit rebates (£1.03m); Council tax surplus (£648k) and Teachers pension savings (£293k).

This position excludes schools, which are currently reporting a deficit position of £1.6m. The overall service position (inc. schools) is £3.25m 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 £1.47m is 'committed'. The administration is currently looking at options to utilise this budget in conjunction with existing reserves. If there were no commitments and this remained the case at year end, the position would be £1.6m underspend currently.

Although the position has improved by £142k since that reported in September, officers continue to focus on specific action to address each of the overspending areas and ensure the emphasis remains on improving the position where possible and managing within budget. Non-service budgets will not necessarily be able to mitigate against service area overspending in the future, certainly at current levels, as (i) the Council Tax

base is updated each year and the surplus may not be repeated and most certainly not at the current level (ii) it is likely that the Council Tax reduction scheme budget for the 17/18 budget will be reduced, thus reducing potential for underspending.

This last point is crucial to appreciate and understand whilst ensuring that management action is taken and the 2017/18 budget resolves the underlying service areas budget issues robustly.

**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 November 2016 the Councils revenue budget is projecting an underspend of £165k (September – ‘on budget’). Although there are significant overspends within service areas, it is fortuitous that there are one off non-service area savings to offset a significant proportion of these. All service areas (with the exception of Corporate) are currently forecasting an overspend against budget.
2. This position also includes an estimate for bad debt provision. The charge of £38k has been allocated to non-service expenditure until the final figures are known and at which time the charges will be distributed to the relevant service areas.
3. 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 and Cabinet Members receive, providing more detailed explanations of the financial position, financial risks and actions being taken.
4. The forecast shows the Council £165k under budget. Key assumptions within this are:
  - General contingency budget remains on budget (£1.47m);
  - Other approved costs to deliver planned 16/17 savings are funded from the Invest to Save Reserve;
  - In year charge for bad debt provision will be £38k.
5. Service areas overall are projecting an overspend of £1.65m (exc. schools/ capital financing). The mitigating underspends mainly come from ‘non-service’ budgets, in particular council tax benefit rebates (£1,026k), Council tax surplus (£648k) and Teachers pension savings (£293k). Clearly, the council tax benefit budget is demand led and changes with the number of claimants and the collection of council tax can occur, with small percentage changes in collection having a significant impact on the forecast. In saying this, it is fortuitous that these exist as if this was not the case the current level of service’s forecast overspending far outweighs the revenue budget contingency. It is likely that these levels of potential mitigation will not be available in 2017/18 as the new budget will be adjusted in these areas and re-based substantially, therefore, management action for the 2017/18 budget needs to resolve the underlying service areas budget issues robustly.
6. Although management actions taken since September has seen some service areas forecast position improve, as required by Cabinet; there needs to be consideration given to how the service areas are able to find mitigating savings to reduce this overspend further. The areas which need to be closely monitored and actions put in place to reduce the overspend are (i) Social Services, (ii) Education and (iii) Streetscene & City Services.

### Detailed Budget Variances

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

**SERVICE AREA BUDGETS – NET £1.65m OVERSPEND** (exc. schools/ capital financing) (Sept – Net £1.76m overspend)

- (i) **PEOPLE** – Net £1.57m overspend (Sept - £1.37m overspend)
  - **Education** – £558k overspend (Sept - £560k overspend)

The current forecast is consistent with that reported in September. There remains a pressure of £847k due to demand placed upon a number of SEN budgets. These pressures have been offset in the main by reduced match funding requirements for the Education Improvement Grant (EIG), increased SMP credits, reduced charges from the Education Achievement Service (EAS) and the anticipated take up of placements for early years being less than budgeted (total £244k saving).

The forecast for schools currently shows a significant movement from school reserves (£1,600k). This position has reduced by £900k since September but still projects a significant reduction. This, in part, relates to planned expenditure in specific schools to bring projected balances below guideline thresholds in this financial year. The second half term visits have continued to pick up outstanding school development plans with consequent adjustments to grant or funding allocations. At present, there are no schools reporting a projected deficit at 31<sup>st</sup> March 2017.

**Social Services – £1,011k overspend (Children’s - £431k overspend, Adults - £580k overspend) (Sept – £813k overspend)**

- **Children & Young People - £431k overspend (Sept - £144k overspend)**

The forecast overspend has increased by £287k since that reported in September. This comes as a result of three new unexpected placements that have had to be made due to exceptional circumstances. Other key budget variances include:

- Out of area residential placements - £934k overspend. This is a demand led budget and current forecast is based on 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 (currently 16 placements at varying costs against a budget of 12);
- Staff saving - (£291K). 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;
- In house fostering – (£212k) saving. If the service are able to make more in house placements this underspend could increase further;
- Kinship – (£124k) 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;
- Leaving care - £117k overspend. Despite a specific budget investment for this being included within previous years 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;
- Independent fostering agencies - £46k overspend. Although this is due to underachievement against this year’s MTRP saving, this has reduced following a budget virement of £90k from the in house fostering account due to lower than budgeted numbers of children being fostered through our in house provision. This is sustainable mitigation based on spend over the last three years;
- Other savings have arisen as a result of management action to reduce the projected overspends and early achievement of MTRP savings. The early achievement of 17/18 MTRP savings is £199k (Brynglas closure and voluntary redundancy).

- **Adult & Community Services - £580k overspend (Sept - £669k overspend)**

The position has improved by £89k since that reported in September due to core staff time identified and funded via external grant funding. There also continues to be strict oversight

of placements by service managers and challenge of continuing health care (CHC) decisions where appropriate. Residential beds have been reopened at Blaen Y Pant and admissions are progressing.

There are some key areas of overspending within the service, specifically within community care. The £980k overspend on community care budgets can be broken down to the following key items:

- Income shortfall – at the end of 15/16, residential income was £544k less than budget. There has been no increase in benefits this year and coupled with the loss of respite income due to fairer charging policy, there is a pressure of £243k anticipated. This also includes £190k reduction in Supporting People Grant (SPG) which has been funding personal care costs for individuals – therefore, no corresponding reduction to package costs expected;
- £150k undeliverable double handling saving (full target of £300k). This business case was based on a piece of work using benchmark data from England and our neighbouring authorities. However, Newport has a much more robust process for assessing and reviewing double handling cases and therefore the potential for savings is reduced;
- Other key items contributing to this overspend are ;
  - (i) CSSIW inspection created 12-14 bed vacancies at Blaen Y Pant earlier in the year. This resulted in service users being redirected to more expensive private accommodation for the first half of this financial year;
  - (ii) The number of clients receiving community care funding (inc residential placements and non-residential care packages) increased towards the end of last year and has continued at that rate (current number of clients 1,611 at varying costs against a budget of 1,604). Average cost of packages and demand are the factors impacting on the financial stability of this budget;
  - (iii) Increase in demand and loss of respite income due to fairer charging policy (£120k).

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. The service area are currently over delivering against this £1.7m target by £254k which is improving the overspend position significantly. These savings cannot be relied upon for next year as they are subject to future MTRP savings.

(ii) **PLACE – Net £415k overspend** (Sept - £570k overspend)

• **Regeneration, Investment & Housing (RIH) – £53k overspend** (Sept - £111k overspend)

The position has improved by £58k since September in the main due to staff savings across a number of areas (total saving of £176k). Significant budget variances have also been reported in the following areas:

- Provision market - £139k overspend. A one off overspend of £65k to enhance the market conditions and promote the market is forecast as the income for the year is predicted to be £74k lower than budget;
- Private sector housing - £77k overspend. A review of the private sector housing budget is currently underway following end of year audit. The statutory service costs have been determined for the Disabled Facilities Grant (DFG) and the income has been reduced accordingly. There is potential for the income forecast to reduce further;
- Homelessness - £50k 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 carefully monitored as is likely to remain volatile throughout the year;

- Adult Education - £42k overspend due to under recovery of income. This overspend was reduced earlier in the year by c£70k following mitigating action agreed by the Cabinet Member to close Charles Street.

The overspending areas outlined above have been offset by the following:

- £176k staff related savings;
- £108k saving within centralised properties resulting from the reduced number of carbon units purchased (£90k) coupled with targeted management action to reduce the projected overspend.

- **Street Scene & City Services – £362k overspend** (Sept - £459k overspend)

The projected overspend has reduced by £97k since September. This overspend includes approved additional expenditure in respect of the pothole repair scheme (£300k) and reinstatement of Pride in Newport (PINT) (£50k). Excluding these one off items the position is £12k overspend. As these costs are included within the November forecast and it is anticipated that this work will be completed by the 31<sup>st</sup> March 2017.

A large proportion 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 £689k below target. The asbestos cell became fully operational early September and the projected income now assumes that there will be no additional income generated throughout the remainder of the year due to the initial negative response received. There is also an overspend on the Waste grant of £333k as a result of the following (it should be noted that this has been identified as a recurring issue and so has been identified as a budget pressure for MTFP consideration):

- A 6 month delay in transferring the collection of cardboard to Wastesavers resulted in additional costs being incurred and an overspend of £153k being forecast. This one off expenditure relates to additional staff resource and the purchase of equipment;
- 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 £79k. This should be a one off pressure, however this is dependent upon securing capital funding and vehicle lead times;
- The service has also used a different method of waste disposal to achieve the Council's recycling target, however, the costs are higher than using the incinerator resulting in a forecast overspend of £101k. Work is on-going to determine whether this is likely to be a recurring pressure and if this is the case whether there are mitigating savings elsewhere to permanently manage the issue.

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;
- Contact Centre/ Benefits - £181k overspend. £60k 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 is unachievable. Furthermore, benefits are forecasting £121k under delivery of income due to a decrease in funding from the Department for Works and Pension (DWP) ;
- Pride In Newport Team - £50k overspend. Reinstatement of the Pride in Newport campaign.

In response to the projected overspend there have been some one off mitigating savings identified;

- Asset & water management and drainage operations – Spending has been deferred as part of the operations review in attempt to reduce the level of overspending within Streetscene (£663k);
- External trade waste income forecast to be £124k better than budget;
- Street lighting – Actual usage data received from the supplier has identified an underspend against budget of £108k. This is deemed as one off in nature, however, will continue to be closely monitored throughout the remainder of the year.

**(iii) CORPORATE – Net (£337k) underspend (Sept – £188k underspend)**

This position has improved by £149k since September. In the main this is due to changes to staffing forecasts and savings in respect of Welsh language translation (£80k) within People & Business Change. Initial estimates for Welsh Language translation were based on an understanding of the standards and the risk of non-compliance for the Authority. The underspend has been forecast as additional resources to support the project were not recruited until September.

Although most forecasts are within 3% of budget allocation, staff vacancies account for the current underspends. Risk in the form of CCTV income within Law & Regulation should be noted where a £90k income variance is being mitigated. Across the service area a number of potential budget pressures exist and are included within paragraph 8 (key budget risks / opportunities).

**(iv) CAPITAL FINANCING – Net (£82K) underspend (Sept – no change)**

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 (£1.06m) underspend (Sept – £1.04m)**

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 £1.03m 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 and will need to be reviewed as part of the 2017/18 budget work;
- Increased Council Tax income above budget by £648k, 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; and will be re-based for the 2017/18 budget as we update the 'Council Tax Base';
- Savings of £293k in respect of Teachers pension costs;

## Emerging Risks and Opportunities

8. 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. The INCLUDE group project is currently in operation, at a cost of £87k for 16/17. This 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.
- Actions have been outlined by the HoS and are to be agreed with the Cabinet Member in attempt to mitigate the current level of overspending. If, however, these actions do not alleviate the pressure it should be considered within the MTFP.

- 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 too test the robustness of the current process and decision making.

- Adults & Community Services

- Community care – This is a demand led budget and forecast based on current known placements. Although there is currently a budget pressure identified within the MTRP for 17/18 this is an area which will require close monitoring throughout the year as a small change in demand has the potential to have significant financial impact.

- RIH

- **Private Sector Housing** – A review of this budget is currently underway. The income under recovery on management fees for disabled facilities grants is £78k, however, there is potential for this to increase further. Once the review has been concluded the full extent of the pressure will be known and reported;
- **Communities First** – Welsh Government have notified all Local Authorities that sizeable cuts to the grant should be expected in 2017/18. The quantum has not yet been announced, however, it is essential that the service area model various scenarios in order to assess the financial impact.

- Streetscene & City Services

- Income pressures for the Council resulting from the **Prosiect Gwyrdd (PG)** and other waste streams are becoming increasingly concerning. 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. Management action is essential to ensure that this position does not continue into 17/18. The current projected shortfall against the service areas MTRP target is £689k;



- **Contact centre** vacancy provision – net overspend of £55k pressure. The contact centre is a frontline service with a requirement to maintain a full complement of staff at all times, therefore, the budgeted vacancy provision of £60k is unachievable.
- 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.

### **Financial management 16/17**

9. Service area overspending requires improvement at this stage of the financial year. The position excludes the base budget 'contingency', however, as noted above, a few key areas are very volatile and significant savings are being delivered this year, in particular in Streetscene & City Services, Social Care and Education.
10. 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, Education and Streetscene 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**

11. Appendix 3 illustrates the planned movements in reserves throughout the year. Cabinet should note the opening balance as at 31<sup>st</sup> March 2016, planned transfers in/ (out) of reserves and the forecast balance as at 31<sup>st</sup> March 2017. Current projections suggest that 8% of the Councils reserve will be used by the end of the financial year.
12. This also highlights the number of smaller miscellaneous reserves that have been created in previous years. Officers will be asked to confirm the timing of their use and if this is unlikely to be during this financial there is a chance that they will be taken as underspends to offset the projected overspend or removed to an alternative reserve at year end. It is important that this appendix 3 is kept up to date and regularly reviewed as part of the budget monitoring process.
13. As in previous years, there is likely to be transfers in/ out of reserves and creation of new reserves. Any decisions on whether these are authorised or not will, in the majority of cases, be made at year end when the overall Council position is known.

### **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?
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 and considered

In terms of the financial position and financial management, there are no options – service areas do need to bring about improvements in their financial management and work with finance support teams to deal with base budget issues via a mixture of management action to manage issues and/or re-allocate budgets as appropriate. This will also need to include a review of budget issues to resolve in the 2017/18 budget, where required and necessary.

Although Cabinet are considering what unfunded one-off spending priorities they wish to consider to allocate this against to utilise the general contingency budget there remains an underspend against budget of £165k.

## Preferred Option and Why

Cabinet should note the potential underspend and whilst considering what one-off unfunded spending priorities they might wish to allocate this against how they plan to utilise the projected underspend robustly. The implementation of these can then be considered against the benefits of reserving any underspend for future years .

## Comments of Chief Financial Officer

Main comments are contained within main body of the report.

It is incumbent on officers, with Cabinet Members, to apply strong financial management to monthly forecasts and to then deliver on budget. There has been a pattern over many years of forecasting a challenging position in early months and which then improves as the year progresses following senior management and Cabinet intervention and comment.

The service area position is challenging and budget proposals for 2017/18 will need to address some underlying budget problems which are not resolvable through management action alone.

## **Comments of Monitoring Officer**

There are no direct legal issues here.

## **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**

## **Background Papers**

N/A

Dated:

**APPENDIX 1 – Revenue Summary Monitor (November 2016)**

Summary Revenue Budget				
	Apr-16	Current	Projection	(Under)/Over
2016/2017	Approved Budget	Budget	(exc I2S)	(exc I2S)
	£'000	£'000		
<b>PEOPLE</b>				
Children & Young People	21,084	21,436	21,867	431
Adult & Community Services	39,676	39,346	39,926	580
Education	13,869	13,807	14,365	558
Schools	89,835	90,000	91,600	1,600
	<b>164,464</b>	<b>164,589</b>	<b>167,758</b>	<b>3,169</b>
<b>PLACE</b>				
Regeneration, Investment & Housing	9,100	9,041	9,094	53
Streetscene & City Services	17,092	16,911	17,273	362
	<b>26,192</b>	<b>25,952</b>	<b>26,367</b>	<b>415</b>
<b>CHIEF EXECUTIVE</b>				
Directorate	552	552	487	(65)
Finance	2,678	2,742	2,679	(63)
People & Business Change	6,371	6,420	6,237	(183)
Law & Regeneration	6,474	6,521	6,495	(26)
	<b>16,075</b>	<b>16,235</b>	<b>15,898</b>	<b>(337)</b>
<b>CAPITAL FINANCING COSTS &amp; INTEREST</b>				
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	8,262	8,262	-
	<b>28,182</b>	<b>28,183</b>	<b>28,101</b>	<b>(82)</b>
<b>SUB TOTAL - SERVICE/CAPITAL FINANCING</b>				
	<b>234,913</b>	<b>234,959</b>	<b>238,124</b>	<b>3,165</b>
<b>CONTINGENCY PROVISIONS</b>				
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	4,111	4,342	231
	<b>5,809</b>	<b>6,159</b>	<b>6,390</b>	<b>231</b>
<b>LEVIES / OTHER</b>				
Discontinued Operations - pensions	1,790	1,790	1,497	(293)
Discontinued Operations - Ex Gratia Payments	2	2	3	1
Levies - Drainage Board, Fire service etc	8,210	8,208	8,237	29
Non distributed grants	-	-	-	-
CTAX Benefit Rebates	11,735	11,735	10,709	(1,026)
Extraordinary Items	-	-	-	-
Charity Rate Relief	37	-	-	-
	<b>21,774</b>	<b>21,735</b>	<b>20,446</b>	<b>(1,289)</b>
<b>TRANSFERS TO/FROM RESERVES</b>				
Base budget - Planned Transfers to/(from) Reser	1,442	1,086	1,061	(25)
Earmarked reserves: Queensbury Loan			-	-
Earmarked reserves: Transfer to/(from) Capital			-	-
Earmarked reserves: Transfer to/(from) Schools			(1,600)	(1,600)
Earmarked reserves: Transfer to/(from) Schools Redundancy			-	-
Invest to Save Reserve			-	2,427
Invest to Save Reserve (from)			-	(2,427)
	<b>1,442</b>	<b>1,086</b>	<b>(539)</b>	<b>(1,625)</b>
<b>TOTAL</b>	<b>263,938</b>	<b>263,938</b>	<b>264,421</b>	<b>483</b>
<b>Funded by</b>				
WAG funding (RSG & NNDR)	(209,142)	(209,142)	(209,142)	-
Council Tax	(54,720)	(54,720)	(54,720)	-
Council Tax Surplus	(76)	(76)	(724)	(648)
<b>TOTAL</b>	<b>-</b>	<b>0</b>	<b>(165)</b>	<b>(165)</b>

## 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 – November

Overall Summary	Education	Childrens	Adults	RIH	Streetscene	PBC	Finance	L&R	Non Service	Total 16/17
<b>2016/17 MTRP Target (£) Total</b>	£60,000	£417,000	£1,712,000	£948,000	£2,215,000	£411,000	£222,000	£330,000	£2,283,000	<b>£8,598,000</b>
<b>Total Savings Realised by Year End 2016/17</b>	£60,000	£424,133	£1,966,000	£948,000	£1,526,475	£401,000	£222,000	£315,000	£2,283,000	<b>£8,145,608</b>
<b>Variation to MTRP Target</b>	£0	£7,133	£254,000	£0	£-688,525	£-10,000	£0	£-15,000	£0	£-452,392
<b>Variation % to MTRP Target</b>	0%	2%	15%	0%	-31%	-2%	0%	-5%	0%	-5%
<b>Undelivered Savings from Previous Years (C&amp;CC)</b>								£-52,500	£-547,813	£-600,313
<b>Impact of Savings Realised Early for project greater than one year duration</b>										
<b>Variation to MTRP Target</b>	£0	£-50,600	£-150,000	£0	£-688,525	£-10,000	£0	£-15,000	£0	£-914,125
<b>Variation % to MTRP Target</b>	0%	-12%	-9%	0%	-31%	-2%	0%	-5%	0%	-11%
<b>By Portfolio</b>	People	Place	Corporate	Non Service	<b>Total 16/17</b>	<b>Undelivered savings Previous Years</b>				
<b>2016/17 MTRP Target (£) Total</b>	£2,189,000	£3,163,000	£963,000	£2,283,000	£8,598,000	£687,118				
<b>Total Savings Realised by Year End 2016/17</b>	£2,450,133	£2,474,475	£938,000	£2,283,000	£8,145,608	£86,805				
<b>Variation to MTRP Target</b>	£261,133	£-688,525	£-25,000	£0	£-452,392	£-600,313				
<b>Variation % to MTRP Target</b>	12%	-22%	-3%	0%	-5%	-87%				

## 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	(380)	-	(500)	(400)	-	-	-	-	(4,280)
														-
<b>Earmarked Reserves:</b>														-
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)	-	-	-	-	-	-	-	-	-	-	-	329	(124)
Friars Walk	(6,176)	-	-	-	-	-	-	-	-	-	-	-	(2,811)	(8,987)
Gem Services Reserves	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
<b>SUB TOTAL - RISK RESERVES</b>	<b>(9,919)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,482)</b>	<b>(12,401)</b>
Pay Reserve	(1,948)	-	-	-	-	-	-	-	-	-	-	-	730	(1,218)
Capital Expenditure	(7,084)	-	-	-	-	-	-	-	-	-	-	-	1,000	(6,084)
Invest to Save	(12,838)	-	-	-	-	-	-	-	-	-	-	-	2,499	(10,339)
Super Connected Cities	(749)	-	-	-	-	-	-	-	-	-	-	-	125	(624)
Landfill (Door Stepping Campaign)	(131)	-	-	-	-	-	-	-	-	-	-	-	100	(31)
Christmas Lights	(47)	-	-	-	-	-	-	-	-	23	-	-	-	(24)
Usable Capital Receipts	(8,059)	-	-	-	-	-	-	-	-	-	-	-	4,233	(3,826)
<b>SUB TOTAL - ENABLING RESERVES</b>	<b>(30,856)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>8,687</b>	<b>(22,146)</b>
STEP School Computers	(638)	-	-	-	-	-	-	-	-	-	-	-	443	(195)



Municipal Elections	(120)	-	-	-	-	-	-	-	-	-	-	-	120	(0)
Local Development Plan	(528)	-	-	-	-	-	-	-	-	-	-	-	(54)	(582)
Glan Usk PFI	(971)	-	-	-	-	-	-	-	-	-	-	-	-	(971)
Southern Distributor Road PFI	(44,498)	-	-	-	-	-	-	-	-	-	-	-	17	(44,481)
<b>SUB TOTAL - SMOOTHING RESERVES</b>	<b>(46,756)</b>	-	-	-	-	-	-	-	-	-	-	-	<b>526</b>	<b>(46,230)</b>
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 - <b>Change to Apprenticeship Scheme</b>	(80)	-	-	-	-	-	-	14	5	5	5	5	5	(41)
City Deal Reserve - Rename - <b>City Economic Development</b>	(195)	-	-	-	-	-	-	-	-	-	-	-	64	(131)
NEW - Welsh Language Standards	(240)	-	-	-	-	-	-	-	-	-	-	-	-	(240)
NEW - YS Dilapidation Costs Information Shop	(51)	-	-	-	-	-	-	-	-	-	-	-	51	-
NEW - IPU Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	(70)	(70)
NEW - European funding	-	-	-	-	-	-	-	-	-	-	-	-	(75)	(75)
<b>SUB TOTAL - OTHER RESERVES</b>	<b>(1,400)</b>	-	-	-	-	-	-	<b>14</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>120</b>	<b>43</b>	<b>(1,208)</b>
<b>RESERVES TOTAL</b>	<b>(101,311)</b>	-	-	-	<b>2,881</b>	<b>(380)</b>	-	<b>(486)</b>	<b>(395)</b>	<b>28</b>	<b>5</b>	<b>120</b>	<b>6,774</b>	<b>(92,764)</b>
													% reduction in year	8%