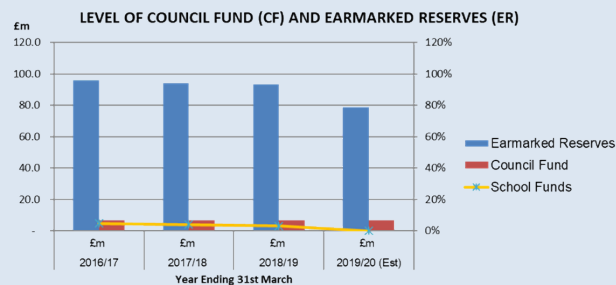


Appendix 5 - Financial Resilience

The following tables, charts and figures give an indication of the financial resilience of the Council as per the Statement of Accounts

Level of Council Fund (CF) and Earmarked Reserves (ER)



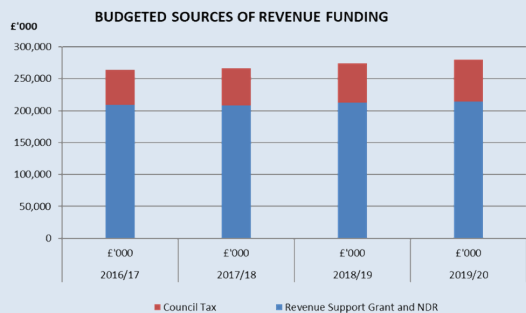
Level of Reserves

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 (Est) £m
Earmarked Reserves	95.8	93.9	93.4	78.5
Council Fund	6.5	6.5	6.5	6.5
School Funds	4.8	3.9	3.1	-

Budgeted Sources of Funding

Total Revenue Funding	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue Support Grant and NDR	209,142	208,250	212,790	214,343
Council Tax	54,796	58,122	61,806	66,268

Budgeted Revenue Funding Split



Financial Performance and Ratios

Ratio	Calculation	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000	2018/2019 £'000
Net Worth (Assets - Liabilities)	(Asset- Liabilities)	61,095	20,785	20,213	- 48,973
Net Worth (exc Pension Liab.)	(Asset- Liabilities)	340,816	345,530	344,230	351,614
Working Capital Ratio	(Curr. Assets /Curr. Liabilities)	1.82	1.17	1.10	1.10
Gearing Ratio	(Borrowing / Total Reserves)	44.0%	49.9%	52.8%	52.8%

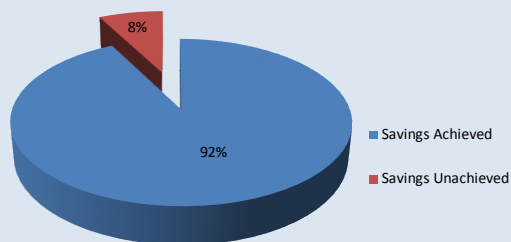
The figures below shows the 19/20 forecast position for both revenue and capital

2019/20 Revenue Forecast Position - December

Service Area	Current Budget £'000	Budget Forecast £'000	Variance £'000	Variance %
Children & Young People	24,467	25,782	1,315	5.4
Adult & Community Services	46,744	48,138	1,394	3.0
Education	14,209	13,904	305	(2.1)
Schools	96,545	100,064	3,519	3.6
Regeneration, Investment & Housing	9,994	10,056	62	0.6
City Services	23,722	23,860	138	0.6
Corporate Services	18,403	18,035	(368)	(2.0)
Total Directorates	234,084	239,839	5,755	2.5
Capital Financing	22,990	22,990	-	-
Contingency/ Provisions	2,152	1,826	(326)	(15.1)
Levies / other	22,458	21,023	(1,434)	(6.4)
Reserves /Transfer	(1,072)	(4,591)	(3,519)	328.3
Total Budget	280,611	281,087	476	0.2
Additional funding - CT surplus	-	(750)	(750)	-
Projected Over/ (Under) spend	280,611	280,337	(274)	(0.1)

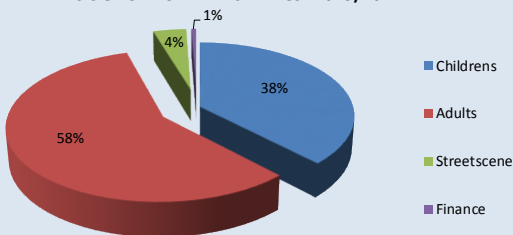
Revenue Savings Achieved and Unachieved (December 2019/20)

2019/20 REVENUE SAVINGS ACHIEVED AND UNACHIEVED



Analysis of Unachieved Savings

ANALYSIS OF UNACHIEVED SAVINGS - 2019/20



2019/20 Capital Forecast Position - December

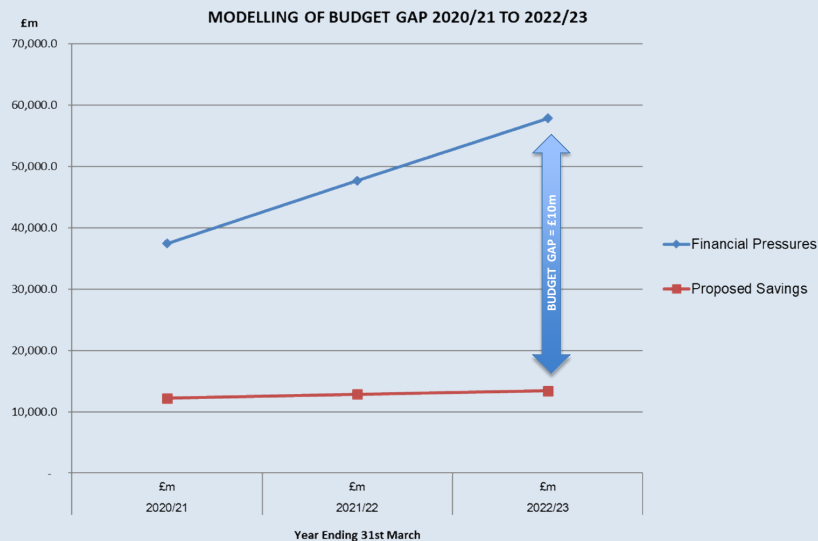
Service Area	Updated Budget £'000	Budget Forecast £'000	Variance Slippage £'000	Variance (Under)/ Overspend £'000
Education	7,310	6,306	(667)	(337)
Regeneration, Investment & Housing	14,937	14,863	(74)	(17)
People & Business Change	736	736	-	-
Adult & Community Services	219	182	(37)	(37)
Children & Young People Services	1,566	892	(674)	-
City Services	14,514	14,356	(158)	83
Total Budget	39,282	37,335	(1,639)	(308)

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

MTFP Scenario

	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Financial Pressures	22,598	10,215	10,195	56,663
Transfer to/ (from) reserves	900	0	0	1,199
Funding changes	(13,734)	(2,302)	(2,282)	(21,902)
Budget Requirement Reduction	9,764	7,913	7,913	35,962
Increase in Ctax/ tax base	(4,347)	(2,289)	(2,425)	(12,630)
Savings	(5,417)	(649)	(563)	(13,432)
Budget Gap	0	4,975	4,925	9,900

Modelling of Budget Gap 2020/21 to 2022/23



Capital Expenditure & Need to borrow

Capital Expenditure	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Total capital expenditure	40.3	49.5	50.2	19.8
Capital Financing Requirement				
Investments or (new borrowing)	-	22.5	40.8	57.6
CFR	287.0	292.7	298.2	290.6

APPENDIX 5a - Projected Earmarked Reserves

Reserve	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21	Balance at 31-Mar-22	Balance at 31-Mar-23
	£'000	£'000	£'000	£'000	£'000
Council Fund:	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)
Balances held by schools for future use	(3,130)	388	388	388	388
		-	-	-	-
Earmarked Reserves:		-	-	-	-
Music Service	(127)	(127)	(127)	(127)	(127)
Pay Reserve	(1,418)	(1,418)	(1,418)	(1,418)	(1,418)
Insurance Reserve	(2,831)	(3,668)	(3,238)	(2,808)	(2,378)
MHI Insurance Reserve	(602)	(602)	(602)	(602)	(602)
Health & Safety	(16)	(16)	(16)	(16)	(16)
Education Achievement Service	(92)	(92)	(92)	(92)	(92)
Schools Redundancies	(845)	(1,217)	(811)	(405)	-
Friars Walk	(5,201)	(5,201)	(5,201)	(5,201)	(5,201)
European Funding I2A & CFW	(278)	(278)	(278)	(278)	(278)
Metro Bus	(9)	(9)	(9)	(9)	(9)
GEMS Redundancies	(78)	(78)	(78)	(78)	(78)
SUB TOTAL - RISK RESERVES	(11,497)	(12,706)	(11,870)	(11,034)	(10,199)
Capital Expenditure	(6,709)	(4,960)	(4,960)	(4,960)	(4,960)
Invest to Save	(11,099)	(10,158)	(9,007)	(8,679)	(8,679)
Super Connected Cities	(554)	(426)	(298)	(170)	(42)
Landfill (fines reserve)	(345)	(332)	(307)	(307)	(307)
Christmas Lights	(30)	-	-	-	-
School Reserve Other	(182)	-	-	-	-
School Works	(384)	(369)	(369)	(369)	(369)
Investment Reserve	(747)	(23)	-	-	-
Usable Capital Receipts	(8,295)	(7,200)	(4,402)	(4,402)	(3,814)
Streetscene Manager Support	(154)	(10)	-	-	-
SUB TOTAL - ENABLING RESERVES	(28,498)	(23,477)	(19,342)	(18,886)	(18,170)
STEP School Computers	(312)	0	0	0	0
Municipal Elections	(92)	(130)	(168)	(206)	-
Local Development Plan	(611)	(658)	(516)	(374)	(160)
Glan Usk PFI	(1,605)	(1,605)	(1,605)	(1,605)	(1,605)
Southern Distributor Road PFI	(43,881)	(41,679)	(39,605)	(37,354)	(35,024)
Loan modification technical reserve (IFRS 9)	(1,242)	(1,170)	(1,095)	(1,015)	(925)
Building Control	(132)	(136)	(136)	(136)	(136)
SUB TOTAL - SMOOTHING RESERVES	(47,875)	(45,378)	(43,125)	(40,690)	(37,850)
Works of art	(21)	(21)	(21)	(21)	(21)
Theatre & Arts Centre	(232)	(232)	(232)	(232)	(232)
Cymorth Income	(33)	(25)	(16)	(8)	0
Blaen Y Pant	(8)	-	-	-	-
Homelessness Prevention	(38)	(26)	-	-	-
Environmental Health - Improve Air Quality	(49)	(49)	-	-	-
Refurbishment of a Children / Older People Homes	(113)	-	-	-	-
Apprenticeship Scheme	(51)	(8)	-	-	-
City Economic Development Reserve	(90)	-	-	-	-
Welsh Language Standards	(174)	(118)	(38)	(38)	(38)
Port Health	(13)	(15)	(15)	(15)	(15)
CRM	(431)	(186)	-	-	-
Events	(266)	(186)	(156)	(156)	(156)
MTFP Reserve	(1,762)	(615)	(615)	(615)	(615)
Development of Leisure Masterplan	(15)	-	-	-	-
Voluntary Sector Grants	(66)	(49)	-	-	-
Bus Wifi	(35)	(17)	-	-	-
NEW - SENCOM	(250)	-	-	-	-
NEW - Bus Subsidy	(40)	(20)	-	-	-
NEW - IT Development	(351)	-	-	-	-
NEW - Leisure Delivery Plan	(150)	-	-	-	-
NEW - Chartist Tower	(950)	-	-	-	-
NEW - CPE	-	(80)	(80)	(80)	(80)
Joint Committee City Deal Reserve	(399)	(399)	(399)	(399)	(399)
SUB TOTAL - OTHER RESERVES	(5,537)	(2,046)	(1,572)	(1,564)	(1,556)
RESERVES TOTAL	(103,037)	(89,718)	(82,021)	(78,285)	(73,886)