

# Report

## Cabinet

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### Part 1

Date: 10 January 2024

### Subject **November 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 November position. This is the third Cabinet update of the 2023/24 financial year.

**Author** Head of Finance

**Ward** All

**Summary** The September 2023 revenue monitoring position reflects a forecasted underspend of £2.523m taking into account the contingency budget. This reflects a reduced underspend compared with the £3.5m underspend reported in respect of September 2023. The change in this position is due to increasing pressures within the Housing & Communities, in relation to homelessness, where the total overspend within this directorate has increased by over £1m between reporting periods. Whilst there have been changes evident within other directorates, such as increased costs within Education and reducing overspends within Children's Services, these changes have largely offset one another. Whilst an overall underspend is projected, it should be noted that service areas are collectively forecast to overspend by £4.678m, excluding schools. This significant service area overspending is offset by underspends in non-service areas, such as Capital Financing.

The most significant element of service area overspending is within Children's Services (£2.548m), where significant demand levels for, and individual cost of, out of area and emergency placements are the underlying factors. Housing & Communities is also reporting a significant overspend (£2.183m), with other services, such as Education and People, Policy & Transformation, reporting reasonably large overspends, the details of which are outlined further in the report. Partly offsetting these service area overspends is a significant underspend within Adult Services (£837k).

Schools are separately projecting expenditure in excess of budget totalling £4.662m, which represents a much-reduced figure from that reported in respect of September. This expenditure comprises both planned, one-off, use of reserves, as well as a large element of recurring expenditure totalling circa £2.3m, which, for this year, will be offset by available surplus balances. Going forward, there is a risk that this level of recurring expenditure in excess of budget will result in certain individual schools entering a deficit budget position unless they make the savings required to balance their individual budgets. Therefore, close monitoring will be required during the final part 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 an overall underspend is currently being projected, it is important to note that there remain a number of risks that could result in the position deteriorating over the last quarter of the year. This risk has been evidenced by the reduced underspend compared with the September position. For example, demand issues that are causing the service area

overspending could increase between now and March and place further pressure on services such as Children's Services and Housing & Communities.

The appendices to the report are as follows:

Appendix 1	Overall budget dashboard
Appendix 2	Revenue summary monitor
Appendix 3	School balance outturn position
Appendix 4	2023/24 reserve movements

**Proposal** That Cabinet:

- Note the overall budget forecast position outlined within this report, which is comprised of service area overspending, offset by underspends against non-service budgets.
- Note the risks identified throughout the report and in the HoF comments, such as in relation to demand issues being faced.
- Note the overall shortfall in the delivery of savings accepted as part of the 2023/24 revenue budget.
- Note the forecast movements in reserves.
- Note the overall position in relation to schools' budgets, acknowledging the risk that some individual deficit positions could emerge by the end of the financial year.

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

- HoS implement actions to ensure that agreed 2023/24 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 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 & Standards
- Head of People, Policy & Transformation

**Signed**

## 1 Background

- 1.1 As set out in previous monitoring reports, the 2023/24 revenue budget was set against an incredibly challenging financial backdrop, driven by the high levels of inflation, resulting in rapidly increasing prices, as well as increasing demand for services such as homelessness and emergency children's placements, in the wake of the COVID-19 pandemic. Because of this, the Council faced a significant budget gap when setting its budget for this financial year, requiring a range of mitigating actions to be taken in order to ensure that a balanced budget was achieved. Part of these mitigating actions included savings totalling circa £20m, representing a stepped change from the level of savings required over the last two years. Therefore, coming into the 2023/24 financial year, there was already a potential risk that it would be difficult to achieve all agreed savings in full by the end of March 2024, as well as having any reasonable certainty on inflationary cost pressures and increased demand for services as the year progressed.
- 1.2 In order to mitigate some of these risks, the Council has an unallocated contingency of £1.373m which can be used to offset unforeseen costs. Whilst a valuable and much needed contingency, in the context of a net budget totalling £373m, this provides a relatively small amount of mitigation, particularly if multiple issues present themselves in the year. Some earmarked reserves are held to provide mitigation for such issues, although, again, these are not significant and may be insufficient in addressing all issues that could emerge. Fortunately, it was known that there would be a large underspend against the capital financing budget in 2023/24, due to the fact that the capital programme was forward funded in 2021/22 and slippage in delivering the programme has resulted in this budget not being fully spent/committed to date. However, this is very much 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.
- 1.3 The first monitoring position of the year, as at July 2023, confirmed that some of those known risks, at the start of the year, had materialised and were set to cause significant overspends, especially within Children's Services. The September forecast that followed, whilst improved, reflected a continuation of the issues first reported in July. The November forecast, which is the subject of this report, reflects a reduced underspend caused by some of those risks increasing and leading to increased overspends in certain areas. However, as outlined in the previous reports, it remains possible to more than offset these service area overspends with the general contingency and underspends within capital financing. This leaves a projected underspend of £2.523m, at this point of the year. It should be noted that this position does not include the recent HSE fine, which the Council has received. This will be accounted for as part of the final outturn, although whether this impacts upon the final position will be dependent upon a decision regarding a funding solution.

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

Children's Services overspend (primarily emergency & other placements)	£2,548k
Housing & Communities overspend (primarily homelessness provision)	£2,183k
Other Service Area Variances (net)	(£52k)
Non-Service - Council Tax, CTRS and other Non-Service budgets	(£1,622k)
<b>SUB-TOTAL – OVERSPEND BEFORE CONTINGENCIES</b>	<b>£3,057k</b>
General revenue budget contingency	(£1,373k)
Capital Financing underspend	(£4,207k)
<b>TOTAL</b>	<b>(£2,523k)</b>

- 1.4 Given that the underspend is lower than the capital financing temporary underspend, it confirms that service area overspending needs to be lower in the future, otherwise the Council's budget would be overspent.

## 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) Risk-based area variances
- (ii) Other service budget variances
- (iii) Non-service variances
- (iv) Delivery of budget savings

### (i) 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 £2.284m. Significant overspends within that net figure are outlined below:

- Children's Services out of area placements (+£3.321m). The budget available, which is supplemented by external grant funding, allows for an average of 15 placements per month. At the end of November 2023, there were 22 placements, and it is anticipated that this will remain the figure at the end of the financial year. In addition to numbers exceeding the available budget, in some cases the cost of a placement has significantly increased when compared with previous years, which has added to the overspend. In addition to out of area placements, there is also an overspend of £586k in relation to emergency placements being projected.
- Adult Services residential and non-residential service (+£1.482m). The non-residential care budget can accommodate 936 service users at an average cost. Currently, the forecast reflects service users totalling 945 and, of that figure, the care packages of circa 54% of service users exceed the average weekly cost that the budget allows for. In relation to residential care, there are currently 569 residential placements compared to the 566 that the budget can afford. Approximately 12% of care packages exceed the average weekly cost, which has added to the level of overspend.
- Education Additional Learning Needs (ALN) local provision development (+£648k). Additional costs are being incurred following the procurement of capacity within Newport in order to avoid the higher cost of out of area placements. As well as this, several pupils are currently being supported to remain in mainstream settings, which assists with avoiding the more expensive out of area placements but has added cost against this budget.

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

- Adult Services community care – supported living (-£354k). The budget can accommodate 170 service users at an average weekly cost. The current number of service users is 171, however the cost of packages can vary significantly and currently the proportion of packages costing less than the budgeted weekly cost is resulting in an underspend.
- Adult Services community care income (-£2.012m). This underspend relates to service users (both residential and non-residential) contributing towards the cost of their care. As service user numbers are currently higher than anticipated, there is a greater level of income being generated than was budgeted for. In the case of residential care, service users are assessed as to their ability to pay (with no weekly cap in place) meaning that the level of income generated can fluctuate year to year.

- Children's Services independent fostering agencies (-£631k). The budget can accommodate 58 placements per month, however, at the end of November, there were 38 placements. This, coupled with the fact that less than a third of placements are costing more than the average cost the budget allows for, is resulting in a significant underspend.

**(ii) Other service area budget 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 The main variance identified in the November position relates to the current demand for the homelessness service within Housing & Communities. This is an area that has seen a significant increase in costs over the last two years, following the Welsh Government's policy aim to dramatically reduce homelessness. Despite the Council allocating a significant budget increase for 2023/24, to address the ongoing impact of the overspend incurred in 2022/23, costs have increased further and an overspend of £2.400m is being projected. This overspend is mainly due to the costs associated with temporary accommodation, for which sufficient income to offset costs, in the form of housing benefit or recharges to service users, has not been identified. In addition, there are additional staffing costs, driven by the volume of referrals to be processed, and a deficit in housing benefit subsidy, which are contributing to the position. It should be noted that homelessness will likely form part of the risk-based approach from 2024/25 onwards.
- 2.6 Material variances in other service areas include an overspend of £280k within the Environment & Leisure part of the Environment & Public Protection service, which is the result of the need to incur additional costs in relation to tree inspections. An overspend of £341k is being projected within the Fleet service within Infrastructure, because of increased maintenance and hire costs. In addition to this, within the People, Policy & Transformation service, there are net overspends totalling £907k in relation to assets and property. Some of these overspends are the result of additional maintenance costs being incurred and others being the consequence of loss of income or additional contract payments. Across all directorates, there are a number of vacancies being experienced and recruitment challenges are resulting in vacancies being held for longer, which, unless covered by agency staff, are generating underspends.

**(iii) Non-service variances**

- 2.7 There are a number of budgets within non-service areas that are projecting underspends and, ultimately, more than offsetting the net service area overspends, resulting in an overall underspend for the whole council. The main variances are listed below:
- |                                       |           |
|---------------------------------------|-----------|
| • General unallocated contingency     | (£1,373k) |
| • Capital financing                   | (£4,207k) |
| • Council Tax Reduction Scheme (CTRS) | (£425k)   |
- 2.8 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 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.
- 2.9 The projected underspend in relation to CTRS follows a significant budget reduction as part of setting the 2023/24 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.

#### (iv) Delivery of budget savings

- 2.10 As outlined in the background section to this report, the 2023/24 budget setting process was set against a particularly challenging financial backdrop, culminating in the need for savings totalling £19.385m 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 £1.031m is not expected to have been achieved by the end of the year. In addition, there remains £105k 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 pressure into future years. It is important to note that the level of unachieved savings has reduced significantly since the September report, following Cabinet's decision to approve a budget virement within Adult Services, which has enabled previously unachieved savings to be reported as achieved.

Summary by Portfolio	Social Services	Environment & Sustainability	Transformation & Corporate	Regeneration & Economic Development	Education	Non Service	Total
2023/24 MTRP Target (£) Total	2,686	1,619	1,910	953	9,642	2,575	19,385
Total Savings Realised by Year End 2023/24	2,099	1,323	1,830	953	9,574	2,575	18,354
Variation to MTRP Target	-587	-296	-80	0	-68	0	-1,031
Variation % to MTRP Target	-22%	-18%	-4%	0%	-1%	0%	-5%
Undelivered Savings from Previous Years	0	-41	-64	0	0	0	-105
Total Undelivered Savings	-587	-337	-144	0	-68	0	-1,136

- 2.11 In terms of the specific undelivered savings to date, the two services responsible for the majority of the shortfall are Adult Services and Housing & Communities. Within Housing & Communities, the main shortfall relates to a £296k proposal to reduce the expenditure on temporary accommodation via a range of methods, including increasing move-on opportunities and the level of support given to those individuals in this type of accommodation. To date, it has not been possible to evidence achievement of this saving, especially given the overall overspend in this area. Within Adult Services, savings shortfalls total £587k, relating to two proposals which aim to reduce the cost of commissioned services and deliver savings in relation to eligible care and support needs.

### 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 brought forward into 2023/24 reflected a combined surplus position of £14.4m. Within this total, one school had a deficit balance. This overall closing position was better than had been anticipated during the 2022/23 financial year, partly as a result of schools putting on hold areas of one-off expenditure in anticipation of a challenging 2023/24 budget setting process.
- 3.2 For 2023/24, all schools have been able to set a balanced budget, although, in the majority of cases, this has only been achieved via the planned use of existing surplus balances in order to fund either recurring or one-off expenditure, some of which has been deferred from the previous year. The latest monitoring position suggests that all schools, with the exception of two, are forecasting being able to avoid a deficit position by the end of the year. In the case of those two schools, the level of projected deficit is small, and it is hoped that it will prove possible to return these positions to balanced ones by March 2024.
- 3.3 Overall, school balances are forecast to reduce to £9.8m by the end of the financial year, which is a significant reduction on the balances carried forward. Of this £4.6m reduction, a proportion is due to one-off use of balances that were, in effect, temporarily inflated due to the late receipt of Welsh Government grant funding in previous years. However, of more concern is the fact that half of this use of balances is to fund recurring expenditure at circa £2.3m. 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 minimise the impact.

	Reserves balance 31/03/23	In year Under/(overspend)	Reserves Balance 31/03/24
	£	£	£
Nursery	123,199	(27,978)	95,221
Primary	8,082,726	(2,404,528)	5,678,198
Secondary	5,692,010	(2,389,988)	3,302,022
Special	528,441	(339,748)	188,693
<b>Total</b>	<b>14,426,375</b>	<b>(5,162,242)</b>	<b>9,264,133</b>
Assumed grant and other compensation		500,000	500,000
		-	-
<b>Total</b>	<b>14,426,375</b>	<b>(4,662,242)</b>	<b>9,764,133</b>

## 4 Use of reserves

4.1 Appendix 4 illustrates the planned movements in reserves throughout the year. At this point, the appendix shows the opening balance as at 31<sup>st</sup> March 2023 of £138.9m and the forecasted use during the year, which currently totals £26.5m, reducing balances to £112.4m. It should be noted that this includes the projected movement of school balances, which accounts for £4.7m 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 2.7% of the net budget, excluding schools. This reinforces the fact that this should only be accessed where absolutely necessary.

4.2 On the face of it, the Council currently has a good level of reserves, although these are diminishing, as shown by the reduction of £13m in 2022/23 and projected reduction of £26.5m this year. However, whilst the total level of reserves is good, with the exception of the General Fund Balance, they are all either earmarked or ringfenced for specific purposes, including the financial impacts of risks the Council is facing. Having said that, if absolutely 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.

## 5 Outlook for the remainder of the year

5.1 The position outlined in this report represents the third one of the year and reflects a worsened position compared to the positions previously reported. 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. However, this position somewhat goes against this trend and highlights the issues that existing risks can create if they materialise. Therefore, caution is required and it shouldn't be assumed that the final position will be better than that currently being reported. This is more relevant this year, in light of Welsh Government's financial challenges which may reduce the likelihood of unexpected grant funding being allocated between now and the year-end.

5.2 In addition to the risk of grant funding not materialising, there are other risks that could negatively impact the position. These include:

- Specific inflationary pressures emerging, despite the reducing level of overall inflation nationwide.
- Demand pressures increasing further and resulting in increasing overspends against demand-led services, such as Housing & Communities and Children's Services.

- 5.3 Therefore, whilst there is currently an overall underspend being projected, there remains a risk that this position could worsen further in the final quarter of the year. An overspend position is something that needs to be avoided, so that earmarked reserves can be retained for their intended purpose. Services should, therefore, maintain a focus on financial management and ensure that emerging issues are addressed and managed within existing resources. Where overspends are already being projected, services should be taking steps to reduce these overspends and, ideally, return to a balanced position.
- 5.4 It is recognised that, despite the worsened position, there is a significant underspend forecast and, whilst it is still relatively early to have certainty on this position, especially given the potential risks outlined within the report, it is important that as much of an underspend as possible is generated in order to boost capital resources. The Head of Finance recommends early consideration of the potential use of this underspend at year end for this purpose. Any transfer to capital resources would add much needed resources to the Council's capital funding headroom and provide scope to respond to unforeseen capital pressures/priorities as and when they arise.

## Timetable

Ongoing

## Risks

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

<b>Risk</b>	<b>Impact of Risk if it occurs* (H/M/L)</b>	<b>Probability of risk occurring (H/M/L)</b>	<b>What is the Council doing or what has it done to avoid the risk or reduce its effect</b>	<b>Who is responsible for dealing with the risk?</b>
Risk of overspending, due to increased demand, cost increases or unforeseen costs.	H	M	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.  Chief Executive and Cabinet setting out clear expectations of budget manager and HoS responsibilities for robust forecasting and financial management.	Asst. HoF  SFBPs and budget managers  CX / Leader

\* Taking account of proposed mitigation measures

## 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. Cabinet is, therefore, asked to note the position.

### **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.

### **Comments of Chief Financial Officer**

The monitoring position outlined in this report reflects an overall underspend of £2.523m, which is a deterioration on the position reported in September, albeit still a significant underspend. Whilst this reflects an overall positive position, with only a quarter of the year remaining, this underspend is only achievable due to the availability of contingencies and temporary significant underspends in non-service areas. The level of service overspending is a significant concern when considering the additional budget that was allocated to alleviate some of these pressures as part of the 2023/24 revenue budget setting process. As these temporary contingencies reduce over the next two years, services will need to manage at or closer to their budgets to ensure the Council's outturn is balanced.

The report outlines a number of risks that could result in the position deteriorating as the year comes to its conclusion. These risks are very real, as evidenced by the level of overspend within Children's Services, and the recent increase in the level of overspending within Housing & Communities. Therefore, caution is still required during the final part of 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. In addition, services need to pay close attention to any grant allocations that are yet to be confirmed, as there is a risk that these may not be forthcoming, in light of the recent announcements by Welsh Government.

As well as managing any emerging issues within their existing budgets, service areas also need to ensure that the savings agreed as part of the 2023/24 budget setting process are delivered in full, as far as possible. Currently, a significant shortfall of £1.136m is predicted against savings targets, including unachieved savings carried forward from previous years. These shortfalls form part of the overall position and, whilst they are being mitigated in 2023/24, this may not be possible in future years. Therefore, it is essential that steps are taken to ensure full delivery of savings by the end of this financial year, so they do not continue to represent a pressure from 2024/25 onwards.

### **Comments of Monitoring Officer**

This update report is for noting only and there are therefore no legal implications arising directly from it. The Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and the information in this report will assist officers and members in formulating realistic budget proposals for the forthcoming financial year in order to discharge that duty.

### **Comments of Head of People, Policy, and Transformation**

The report highlights the current forecast position on the Council's revenue budget and the financial risks and opportunities that present themselves at the November position. An overall underspend is projected, whilst acknowledging the potential risks that could continue to cause this to change during the remainder of the year.

The Well-being of Future Generations Act requires public bodies to apply the five ways if 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. A Fairness and Equality Impact Assessment was not required but is considered as part of service delivery and will feature in annual finance reports.

### **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

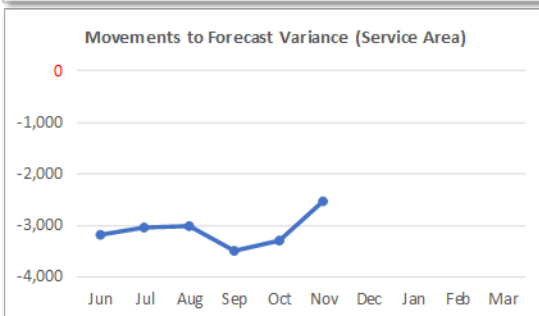
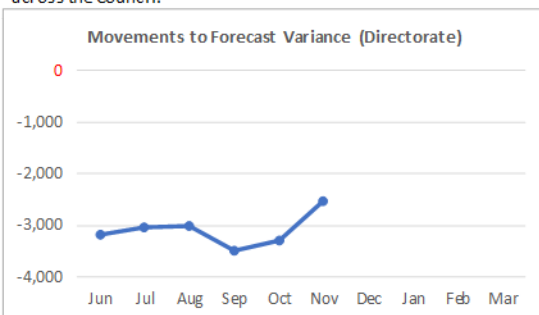
### **Background Papers**

**Dated: 3 January 2024**

## APPENDIX 1 Overall monitoring dashboard – November 2023

### Revenue Monitoring Dashboard 2023-24

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	242,341	248,188	5,847
Premises	31,900	36,294	4,394
Transport	11,269	12,490	1,221
Supplies & Services	78,221	76,206	-2,015
Agency & Contracted Services	159,816	167,160	7,344
Transfer Payments	37,472	37,200	-272
Support Services	0	0	0
Income	-190,209	-205,857	-15,648
Miscellaneous	-7,807	-9,379	-1,572
Minimum Revenue Position	10,673	8,851	-1,822
<b>Grand Total</b>	<b>373,677</b>	<b>371,154</b>	<b>-2,523</b>

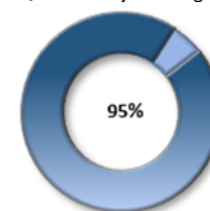
The following tables and charts provide an update on the financial performance for identified risk areas across the Council.

Risk Based Areas	Budget £'000	Forecast £'000	Variance £'000
<b>Adult Services</b>			
Community Care - Non Residential Service	15,879	17,135	1,256
Community Care - Residential Service	34,342	34,568	226
Community Care - Supported Living	14,826	14,472	-354
Community Care Income - Residential & Non Residential	-10,968	-12,980	-2,012
<b>Children Services</b>			
Emergency Placements	332	918	586
In House Fostering	3,856	3,875	19
In House Residential	2,379	2,125	-254
Independent Fostering Agencies	2,517	1,886	-631
Out of Area Residential	2,960	6,281	3,321
Special Guardianship Orders	1,351	1,426	75
<b>Education</b>			
ALN Local Provision Development	877	1,525	648
ALN Out of County Placements	4,235	4,045	-190
ALN Transport	2,592	2,295	-297
Special Home to School Transport	1,275	1,694	419
<b>Infrastructure</b>			
Home to School Transport - College	228	184	-44
Home to School Transport - Primary	1,555	1,330	-226
Home to School Transport - Secondary	1,884	1,625	-259
<b>Grand Total</b>	<b>80,120</b>	<b>82,404</b>	<b>2,284</b>

The figures and charts below report the performance against the 2023/24 savings target.

Service Area	MTRP Target	Savings Realised	Variation to MTRP Target	Variation % to MTRP Target
Adult Services	1,394	807	-587	-42%
Children Services	1,200	1,200	0	0%
Contingency Provisions	1,575	1,575	0	0%
Education	1,387	1,319	-68	-5%
Environment & Public Protection	616	616	0	0%
Finance	408	408	0	0%
Housing & Communities	413	117	-296	-72%
Infrastructure	590	590	0	0%
Law & Standards	188	156	-32	-17%
Levies / Other	1,000	1,000	0	0%
People, Policy & Transformation	1,314	1,266	-48	-4%
Prevention & Inclusion	92	92	0	0%
Regeneration & Economic Development	953	953	0	0%
Schools	8,255	8,255	0	0%
<b>Grand Total</b>	<b>19,385</b>	<b>18,354</b>	<b>-1,031</b>	

2023/24 Delivery of Savings (forecast)



% of MTRP Target Achieved

## APPENDIX 2 Revenue Summary Monitor - November 2023

	Current Budget	Projection	(Under) / Over
	£'000	£'000	£'000
<b>Summary Revenue Budget 2023/24</b>			
<b>Social Services</b>			
Children Services	29,405	31,953	2,548
Adult Services	69,153	68,296	(857)
Prevention & Inclusion	913	817	(95)
	<b>99,471</b>	<b>101,067</b>	<b>1,596</b>
<b>Transformation &amp; Corporate</b>			
Finance	5,581	5,405	(176)
People, Policy & Transformation	15,068	15,507	439
Law & Standards	4,975	5,264	289
	<b>25,624</b>	<b>26,176</b>	<b>552</b>
<b>Environment &amp; Sustainability</b>			
Housing & Communities	8,249	10,431	2,183
Environment & Public Protection	16,320	16,357	37
Infrastructure	15,269	15,181	(88)
	<b>39,838</b>	<b>41,970</b>	<b>2,132</b>
<b>Chief Executive</b>			
Regeneration & Economic Development	6,215	6,219	4
Education	17,626	18,020	394
Schools	129,127	133,790	4,662
	<b>152,968</b>	<b>158,029</b>	<b>5,061</b>
<b>Sub Total - Service Areas (inc schools)</b>	<b>317,901</b>	<b>327,241</b>	<b>9,340</b>
Earmarked reserves: Transfer to/(from) Schools		(4,662)	(4,662)
<b>Sub Total - Service Areas (net of school reserves)</b>	<b>317,901</b>	<b>322,579</b>	<b>4,678</b>
<b>Capital Financing Costs and Interest</b>			
Capital Financing Costs and Interest (Non-PFI)	16,564	12,357	(4,207)
	<b>26,264</b>	<b>22,057</b>	<b>(4,207)</b>
<b>Sub Total - Service/Capital Financing</b>	<b>344,165</b>	<b>344,637</b>	<b>471</b>
<b>Contingency Provisions</b>			
General Contingency	1,373	-	(1,373)
Centralised Insurance Fund	616	617	-
Non Departmental Costs	40	20	(20)
Other Income and Expenditure	3,218	2,107	(1,111)
	<b>5,247</b>	<b>2,744</b>	<b>(2,504)</b>
<b>Levies / Other</b>			
Discontinued Operations - pensions	1,451	1,338	(113)
Discontinued Operations - Ex Gratia Payments	3	3	-
Levies - Drainage Board, Fire service etc	10,810	10,857	47
CTAX Benefit Rebates	13,739	13,314	(425)
	<b>26,002</b>	<b>25,512</b>	<b>(490)</b>
<b>Transfers To/From Reserves</b>			
Base budget - Planned Transfers to/(from) Reserves	(1,739)	(1,739)	-
Earmarked reserves: Transfer to/(from) Capital	-	-	-
Invest to Save Reserve	-	2,400	2,400
Invest to Save Reserve (from)	-	(2,400)	(2,400)
	<b>(1,739)</b>	<b>(1,739)</b>	<b>-</b>
<b>Total</b>	<b>373,676</b>	<b>371,153</b>	<b>(2,523)</b>
<b>Funded By</b>			
WG funding (RSG and NNDR)	(289,522)	(289,522)	-
Council Tax	(84,154)	(84,154)	-
Council Tax Deficit	-	-	-
<b>Total</b>	<b>(0)</b>	<b>(2,523)</b>	<b>(2,523)</b>

## APPENDIX 3 School Balances Position

School Name	Opening Reserve 23/24	Final ISB Allocation (inc Post 16)	In Year U/(O) Spend March 24	Closing Reserve 31/03/24
	£	£	£	£
Bassaleg School	688,103	9,253,564	(497,037)	191,066
Newport High	467,836	6,285,687	(306,718)	161,118
Caerleon Comprehensive	481,691	7,596,434	(50,856)	430,836
The John Frost School	868,055	7,962,535	(543,171)	324,884
Llanwern High	623,817	5,919,289	2,615	626,432
Lliswerry High	373,491	6,151,256	32,172	405,663
St Josephs R.C. High	692,782	7,245,337	(389,660)	303,122
St Julians School	1,247,263	8,131,316	(489,680)	757,583
Ysgol Gyfun Gwent Is Coed	248,971	2,917,903	(147,652)	101,318
<b>Sub Total</b>	<b>5,692,010</b>	<b>61,463,321</b>	<b>(2,389,988)</b>	<b>3,302,022</b>
Alway Primary	182,838	1,790,357	(148,433)	34,405
Caerleon Lodge Hill	170,699	1,444,080	(62,676)	108,023
Charles Williams CIW	711,625	2,014,348	(127,171)	584,454
Clytha Primary	20,600	967,542	(28,923)	(8,323)
Crindau Primary	215,536	1,701,817	(2,012)	213,523
Eveswell Primary	625,722	1,842,472	(93,851)	531,871
Gaer Primary	66,296	2,036,572	(49,621)	16,675
Glan Usk Primary	345,969	2,439,005	(140,161)	205,808
Glan Llyn Primary	362,335	2,078,018	74,820	437,155
Glasllwch Primary	48,668	953,927	(43,177)	5,490
High Cross Primary	34,693	1,083,984	(17,722)	16,970
Jubilee Park	271,870	1,588,865	(152,208)	119,662
Langstone Primary	201,600	1,334,543	(156,124)	45,476
Llanmartin Primary	151,052	830,391	(74,279)	76,772
Lliswerry Primary	48,832	2,341,034	22,675	71,507
Maesglas Primary	36,860	1,303,731	(28,551)	8,308
Maindee Primary	107,393	2,185,056	(80,980)	26,413
Malpas CIW Primary	43,818	1,183,151	5,524	49,342
Malpas Court Primary	65,103	1,367,445	(51,293)	13,810
Malpas Park Primary	253,430	1,009,325	(97,355)	156,075
Marshfield Primary	119,988	1,749,316	(83,356)	36,632
Millbrook Primary	208,686	1,416,720	(162,314)	46,372
Milton Primary	155,501	2,047,705	(121,625)	33,876
Monnow Primary	69,584	1,790,137	(3,460)	66,124
Mount Pleasant	58,640	1,042,274	(18,833)	39,807
Pentrepoeth Primary	44,950	1,815,652	43,765	88,714
Pillgwenlly Primary	(72,203)	2,557,855	109,477	37,275
Ringland Primary	139,537	1,177,600	(128,011)	11,527
Rogerstone Primary	114,039	2,446,399	(41,361)	72,679
Somerton Primary	143,469	793,842	6,276	149,745
St Andrews Primary	175,597	3,087,581	(139,190)	36,407
St Davids RC Primary	195,048	949,503	(35,246)	159,802
St Gabriels RC Primary	134,835	842,433	(38,574)	96,261
St Josephs RC Primary	94,670	860,073	(29,013)	65,657
St Julians Primary	370,870	2,596,859	(42,838)	328,032
St Marys Rc Primary	269,924	1,630,972	(114,472)	155,452
St Michaels RC Primary	81,330	959,025	(55,860)	25,470
St Patricks RC Primary	126,764	893,202	(51,992)	74,772
St Woolos Primary	39,221	1,358,881	(53,840)	(14,618)
Tredegar Park Primary	594,736	1,832,943	(193,259)	401,478
Ysgol Gym Bro Teyrnnon	339,915	923,865	(134,863)	205,052
Ysgol Gym Casnewydd	283,581	1,551,337	(43,799)	239,781
Ysgol Gym Ifor Hael	117,100	882,535	(89,189)	27,911
Ysgol Gym Nant Gwenlli	312,007	627,420	268,567	580,574
<b>Sub Total</b>	<b>8,082,726</b>	<b>67,329,792</b>	<b>(2,404,528)</b>	<b>5,678,198</b>
Newport Nursery	123,199	306,375	(27,978)	95,221
<b>Sub Total</b>	<b>123,199</b>	<b>306,375</b>	<b>(27,978)</b>	<b>95,221</b>
Maes Ebbw	297,340	4,347,665	(201,621)	95,719
Bryn Derw	231,101	3,075,611	(138,127)	92,974
<b>Sub Total</b>	<b>528,441</b>	<b>7,423,276</b>	<b>(339,748)</b>	<b>188,693</b>
Assumed additional grant and other compensation			500,000	500,000
Pay Award Pressure				
<b>Grand Total</b>	<b>14,426,375</b>	<b>136,522,764</b>	<b>(4,662,242)</b>	<b>9,764,133</b>



Reserve	Balance at 31-Mar-23 (£'000)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Balance at 31-Mar-24 (£'000) (Forecast)
Theatre & Arts Centre	(232)												-	(232)
Environmental Health - Improve Air Quality	(49)													(49)
City Economic Development Reserve	(370)													(370)
Welsh Language Standards	(100)												55	(45)
Port Health	(20)													(20)
Financial System Upgrade	(437)												348	(89)
Events	(282)												(37)	(319)
Voluntary Sector Grants	(27)													(27)
IT Development	(53)								53					-
Joint Committee City Deal Reserve	(662)													(662)
Civil Parking Enforcement	(11)												11	-
Business Support	(81)													(81)
Business Development Grants	(250)													(250)
IT Infrastructure	(309)								143				59	(107)
PSB Contribution	(5)													(5)
COVID Reserve	(351)												-	(351)
Chief Education Grant	(2,208)												309	(1,899)
Home to School Transport - St Andrews / Millbrook	(314)				(509)								291	(532)
Housing Supply review	(16)													(16)
Cariad Casnewydd	(166)													(166)
Community Gardening Schemes	(180)												180	-
Market Arcade owner contributions	(51)													(51)
Parks & Open Spaces	(2,090)												1,180	(910)
Discretionary Rate Relief	(900)												360	(540)
Domiciliary Care Service Capacity (now Direct Payments)	(34)												34	-
St. Andrews Primary	(152)												19	(133)
Communications Corporate Requirement	(232)													(232)
Growing space - 2 years	(100)												50	(50)
Spring Gardens - short breaks service	(200)												200	-
Residential Care Home Equalisation Reserve	(621)													(621)
Partnership funding - ABUHB - Windmill Farm	(57)													(57)
Levelling up	(38)												36	(2)
Cost of living Support Scheme Reserve	(485)												105	(380)
Prior year underspend	(5,065)				4,964								101	-
Empty Homes	-				(200)								(58)	(258)
Transporter Bridge	-				(53)								(41)	(94)
<b>SUB TOTAL - OTHER RESERVES</b>	<b>(16,169)</b>	-	-	-	<b>4,202</b>	-	-	-	<b>196</b>	-	-	-	<b>3,202</b>	<b>(8,569)</b>
<b>RESERVES TOTAL</b>	<b>(138,868)</b>	-	-	-	<b>(41)</b>	-	-	-	<b>3,335</b>	-	-	-	<b>23,214</b>	<b>(112,361)</b>