

## Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 2

| Service Area                                  | Original Budget<br>2020/21 | Budget Adjustments<br>Months 1-2 | Revised Annual<br>Budget | Forecast<br>Outturn | Forecast<br>(Under) /<br>Over Spend<br>@ M2 |
|---|----------------------------|----------------------------------|--------------------------|---------------------|---|
|   | '000's                     | '000's                           | '000's                   | '000's              | '000's                                      |
| <b>Social Care, Health &amp; Safeguarding</b> | 50,685                     | (182)                            | 50,503                   | 52,133              | 1,630                                       |
| <b>Children &amp; Young People</b>            | 55,539                     | (658)                            | 54,881                   | 54,965              | 84  |
| <b>Enterprise</b>                             | 24,132                     | 47                               | 24,179                   | 30,128              | 5,949                                       |
| <b>Chief Executives Unit</b>                  | 4,745                      | 4                                | 4,749                    | 4,936               | 187   |
| <b>Resources</b>                              | 7,746                      | 41                               | 7,787                    | 8,569               | 782   |
| <b>Corporate Costs &amp; Levies</b>           | 22,743                     | 229                              | 22,972                   | 24,452              | 1,480                                       |
| <b>Net Cost of Services</b>                   | <b>165,590</b>             | <b>(519)</b>                     | <b>165,071</b>           | <b>175,183</b>      | <b>10,112</b>                               |
| <b>Appropriations</b>                         | 4,857                      | 778                              | 5,635                    | 5,557               | (78)  |
| <b>Expenditure to be Financed</b>             | <b>170,447</b>             | <b>259</b>                       | <b>170,706</b>           | <b>180,740</b>      | <b>10,034</b>                               |
| <b>Financing</b>                              | <b>(170,447)</b>           | <b>(259)</b>                     | <b>(170,706)</b>         | <b>(170,370)</b>    | <b>336</b>                                  |
| <b>Net General Fund (Surplus) / Deficit</b>   | <b>0</b>                   | <b>0</b>                         | <b>0</b>                 | <b>10,370</b>       | <b>10,370</b>                               |

Table 2: Council Fund 2020/21 Outturn Forecast Detailed Statement at Month 2

| Service Area                       | Original Budget<br>2020/21 | Budget Adjustments<br>Months 1-2 | Revised Annual<br>Budget | Forecast<br>Outturn | Forecast<br>(Under) /<br>Over Spend<br>@ M2 |
|------------------------------------|----------------------------|----------------------------------|--------------------------|---------------------|---|
|                                    | '000's                     | '000's                           | '000's                   | '000's              | '000's                                      |
| <b>Adult Services</b>              | 7,877                      | (50)                             | 7,827                    | 7,851               | 24  |
| <b>Children Services</b>           | 14,428                     | (80)                             | 14,348                   | 15,923              | 1,575                                       |
| <b>Community Care</b>              | 24,434                     | 35                               | 24,469                   | 24,406              | (63)  |
| <b>Commissioning</b>               | 1,483                      | (64)                             | 1,419                    | 1,301               | (118)                                       |
| <b>Partnerships</b>                | 436                        | (8)                              | 428                      | 428                 | 0   |
| <b>Public Protection</b>           | 1,481                      | (12)                             | 1,469                    | 1,680               | 211   |
| <b>Resources &amp; Performance</b> | 546                        | (3)                              | 543                      | 544                 | 1   |

| Service Area                                  | Original Budget<br>2020/21 | Budget Adjustments<br>Months 1-2 | Revised Annual<br>Budget | Forecast<br>Outturn | Forecast<br>(Under) /<br>Over Spend<br>@ M2 |
|---|----------------------------|----------------------------------|--------------------------|---------------------|---|
|   | '000's                     | '000's                           | '000's                   | '000's              | '000's                                      |
| <b>Social Care, Health &amp; Safeguarding</b> | <b>50,685</b>              | <b>(182)</b>                     | <b>50,503</b>            | <b>52,133</b>       | <b>1,630</b>                                |
| Individual Schools Budget                     | 47,420                     | (648)                            | 46,772                   | 46,772              | 0   |
| Resources                                     | 1,234                      | (3)                              | 1,231                    | 1,268               | 37  |
| Standards                                     | 6,885                      | (7)                              | 6,878                    | 6,925               | 47  |
| <b>Children &amp; Young People</b>            | <b>55,539</b>              | <b>(658)</b>                     | <b>54,881</b>            | <b>54,965</b>       | <b>84</b>                                   |
| Business Growth & Enterprise                  | 1,918                      | (167)                            | 1,751                    | 1,781               | 30  |
| Neighbourhood Services, Facilities & Fleet    | 16,698                     | (140)                            | 16,558                   | 19,369              | 2,811                                       |
| Planning & Housing                            | 1,951                      | 272                              | 2,223                    | 3,234               | 1,011                                       |
| Countryside & Culture (MonLife)               | 1,348                      | (8)                              | 1,340                    | 1,382               | 42  |
| Finance & Business Development (MonLife)      | 1,507                      | 116                              | 1,623                    | 1,505               | (118)                                       |
| Leisure, Youth & Outdoor Adventure (MonLife)  | 710                        | (26)                             | 684                      | 2,857               | 2,173                                       |
| <b>Enterprise</b>                             | <b>24,132</b>              | <b>47</b>                        | <b>24,179</b>            | <b>30,128</b>       | <b>5,949</b>                                |
| Legal & Land Charges                          | 839                        | (6)                              | 833                      | 911                 | 78  |
| Governance, Democracy & Support               | 3,906                      | 10                               | 3,916                    | 4,025               | 109   |
| <b>Chief Executives Unit</b>                  | <b>4,745</b>               | <b>4</b>                         | <b>4,749</b>             | <b>4,936</b>        | <b>187</b>                                  |
| Finance                                       | 2,597                      | (52)                             | 2,545                    | 2,682               | 137   |
| Information, Communication Technology         | 2,803                      | 135                              | 2,938                    | 2,978               | 40  |
| People  | 1,725                      | 50                               | 1,775                    | 1,773               | (2)   |
| Future Monmouthshire                          | (46)                       | (25)                             | (71)                     | 41                  | 112   |
| Commercial & Corporate Landlord               | 667                        | (67)                             | 600                      | 1,095               | 495   |
| <b>Resources</b>                              | <b>7,746</b>               | <b>41</b>                        | <b>7,787</b>             | <b>8,569</b>        | <b>782</b>                                  |
| Precepts & Levies                             | 20,379                     | 1                                | 20,380                   | 20,382              | 2   |

| Service Area                          | Original Budget<br>2020/21 | Budget Adjustments<br>Months 1-2 | Revised Annual<br>Budget | Forecast<br>Outturn | Forecast<br>(Under) /<br>Over Spend<br>@ M2 |
|---------------------------------------|----------------------------|----------------------------------|--------------------------|---------------------|---|
|                                       | '000's                     | '000's                           | '000's                   | '000's              | '000's                                      |
| Coroner's                             | 117                        | 0                                | 117                      | 140                 | 23  |
| Archives                              | 182                        | 0                                | 182                      | 182                 | 0   |
| Corporate Management                  | 293                        | 0                                | 293                      | 293                 | 0   |
| Non Distributed Costs<br>(NDC)        | 492                        | 0                                | 492                      | 600                 | 108   |
| Strategic Initiatives                 | (167)                      | 228                              | 61                       | 1,361               | 1,300                                       |
| Borrowing Cost<br>Recoupment          | 0                          | 0                                | 0                        | 0                   | 0   |
| Insurance                             | 1,447                      | 0                                | 1,447                    | 1,494               | 47  |
| <b>Corporate Costs &amp; Levies</b>   | <b>22,743</b>              | <b>229</b>                       | <b>22,972</b>            | <b>24,452</b>       | <b>1,480</b>                                |
| <b>Net Cost of Services</b>           | <b>165,590</b>             | <b>(519)</b>                     | <b>165,071</b>           | <b>175,183</b>      | <b>10,112</b>                               |
| Fixed Asset Disposal Costs            | 19                         | 46                               | 65                       | 65                  | 0   |
| Interest & Investment<br>Income       | (252)                      | 0                                | (252)                    | (89)                | 163   |
| Interest Payable & Similar<br>Charges | 4,020                      | 26                               | 4,046                    | 3,920               | (126)                                       |
| Charges Required under<br>Regulation  | 6,251                      | (76)                             | 6,175                    | 6,062               | (113)                                       |
| Other Investment Income               | (1,152)                    | 1,153                            | 1                        | 0                   | (1)   |
| Borrowing Cost<br>Recoupment          | (3,426)                    | 50                               | (3,376)                  | (3,376)             | 0   |
| Contributions to Reserves             | 143                        | 0                                | 143                      | 143                 | 0   |
| Contributions from reserves           | (746)                      | (421)                            | (1,167)                  | (1,168)             | (1)   |
| <b>Appropriations</b>                 | <b>4,857</b>               | <b>778</b>                       | <b>5,635</b>             | <b>5,557</b>        | <b>(78)</b>                                 |
| <b>Expenditure to be Financed</b>     | <b>170,447</b>             | <b>259</b>                       | <b>170,706</b>           | <b>180,740</b>      | <b>10,034</b>                               |
| General Government<br>Grants          | (64,823)                   | 0                                | (64,823)                 | (64,823)            | 0   |
| Non Domestic Rates                    | (32,937)                   | 0                                | (32,937)                 | (32,937)            | 0   |
| Council tax                           | (79,572)                   | (259)                            | (79,831)                 | (79,831)            | 0   |
| Council Tax Benefit Support           | 6,885                      | 0                                | 6,885                    | 7,221               | 336   |
| <b>Financing</b>                      | <b>(170,447)</b>           | <b>(259)</b>                     | <b>(170,706)</b>         | <b>(170,370)</b>    | <b>336</b>                                  |

| Service Area                                | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|---|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|   | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>Net General Fund (Surplus) / Deficit</b> | 0                       | 0                             | 0                     | 10,370           | 10,370                             |

## DIRECTORATE – DIVISION VARIANCE COMMENTS

| Service Area                                  | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|---|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|   | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>SOCIAL CARE, HEALTH &amp; SAFEGUARDING</b> | 50,685                  | (182)                         | 50,503                | 52,133           | 1,630                              |

### **SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY**

The 2020/21 month 2 directorate forecast outturn is an overspend of £1.63M, after accounting for the Social Care Workforce and Sustainability Grant from Welsh Government of £984K. The overall overspend is mainly around the care costs for our 217 Looked After Children (LAC) and the income lost resulting from the COVID 19 pandemic in non- residential adult care charges and Registrars from cancelled and lack of pre booking wedding ceremonies.

The Adult Services division is forecasting an under spend of £156K which is after accounting for lost income from non-residential care charges of £273K. The main reason for the under spend is reduced activity resulting from COVID 19 with the closure of day centres and our in house respite facilities.

Children's Services has a predicted overspend of £1.575M, which is a result of care costs to service our Looked-After Children population currently at 217, legal costs are £238K over budget and the need to employ 10 agency staff as part of workforce planning. This element of the directorate greatly benefitted from a significant injection as part of the 2020/21 budget allocation, however, this was based on LAC numbers at that time being 197. Since the budget for 2020/21 was set, the service had a further influx of children to 219 at the end of 2019/20, but with current LAC numbers of 217 there are early signs that this is stabilising.

Public Protection continues to strive to remain within its budget allocation, but the COVID 19 pandemic has hit this small service hard and is estimating an overspend of £211K. The worse affected area is Registrars, with wedding ceremonies cancelled or delayed, and a significant drop in people pre booking ceremonies income levels are showing a £241K loss.

### **ADULT SERVICES**

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 24      | 0       | 0       |

Mainly due to not meeting the 2% staff efficiency saving.

| <b>CHILDREN SERVICES</b>  |                |                |                |
|---|----------------|----------------|----------------|
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 1,575          | 0              | 0              |
| £1.1M overspend in providing care and placements for our 217 Looked After Children, £238K overspend in legal costs and the remaining overspend as a result of continued use of agency staffing which currently stands at 10 being employed. |                |                |                |
| <b>COMMUNITY CARE</b>   |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | (63)           | 0              | 0              |
| A small underspend due to closure of day care centres, however the underspend masks a loss in annual income of £273K resulting from non-residential charges to clients that have cancelled care due to COVID 19.                            |                |                |                |
| <b>COMMISSIONING</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | (118)          | 0              | 0              |
| Ongoing vacant Commissioning Officer post and realignment of Service Level Agreements and Contracts.  |                |                |                |
| <b>PARTNERSHIPS</b>   |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 0              | 0              | 0              |
| No variances  |                |                |                |
| <b>PUBLIC PROTECTION</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 211            | 0              | 0              |
| A loss in Registrars income of £241K resulting from cancelled marriages and people not pre booking ceremonies because of the COVID 19 pandemic.   |                |                |                |
| <b>RESOURCES &amp; PERFORMANCE</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 1              | 0              | 0              |
| Not fully meeting the 2% staff efficiency saving  |                |                |                |

| <b>Service Area</b>                | <b>Original Budget 2020/21</b> | <b>Budget Adjustments Months 1-2</b> | <b>Revised Annual Budget</b> | <b>Forecast Outturn</b> | <b>Forecast (Under) / Over Spend @ M2</b> |
|------------------------------------|--------------------------------|--------------------------------------|------------------------------|-------------------------|---|
|                                    | '000's                         | '000's                               | '000's                       | '000's                  | '000's                                    |
| <b>CHILDREN &amp; YOUNG PEOPLE</b> | 55,539                         | (658)                                | 54,881                       | 54,965                  | 84  |

## **CHILDREN & YOUNG PEOPLE DIRECTOR'S COMMENTARY**

The Directorate's Month 2 position is a forecasted overspend of £84,357 against the budget. The majority of this overspend relates to Breakfast Clubs, which is currently £46,674 overspent due to the loss of income relating to the summer term only, however this will need to be updated as more information becomes available as to how schools will operate from September 2020.

The remaining overspend is largely due to additional ICT essential upgrade costs and amount to £29,568.

### INDIVIDUAL SCHOOLS BUDGET

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 0       | 0       | 0       |

No variance to budget at month 2

### RESOURCES

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 37      | 0       | 0       |

Additional IT Licence costs

### STANDARDS

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 47      | 0       | 0       |

Breakfast Clubs - Loss of income due to Covid-19 for the summer term only

| Service Area      | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|-------------------|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|                   | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>ENTERPRISE</b> | 24,132                  | 47                            | 24,179                | 30,128           | 5,949                              |

### ENTERPRISE DIRECTOR'S COMMENTARY

The Enterprise and Monlife Directorate is forecasting an outturn position of £5.949m adverse at month 2. The impact of COVID-19 has been significant across all of the services with both a loss of income and additional costs incurred to operate critical front line services during the pandemic. In addition to the direct impacts of the pandemic service areas have identified pressures where budget savings have not been implemented or ongoing pressures continue to affect services.

Each service area sets out the detail behind these projections in the next sections of this report and the key financial issues and implications that have arisen since COVID and lockdown commenced. The loss of income for Monlife, grounds maintenance, private hire, the Borough Theatre and trade waste is significant. It is not anticipated that these income streams will be restored fully within this financial year and assumptions have been built into the forecast to account for the services reopening/ recommencing. Due to schools closures there is a direct impact upon the income within schools catering, home to school transport and outdoor education and with ongoing social distancing requirements this will have a long term impact on these services. There are also significant increased costs across the directorate for example a downturn in the recycling market had increased the costs for disposal of recycling materials, in addition

there are additional resource requirements to operate services whilst complying with social distancing within building cleaning, waste services and grounds maintenance as examples.

Across all service areas we are looking to ensure that all eligible additional costs and income losses will be claimed against any Welsh Government funding being made available. Through the Job Retention Scheme we will also look to maximise the amount of UK Government funding available for furloughed staff.

### BUSINESS GROWTH & ENTERPRISE

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 30      | 0       | 0       |

Business Growth & Enterprise is forecasting a £30k overspend, this can be split down to the following :-

- Abergavenny Borough Theatre - £62k overspend. This is due to the impact of the Covid-19 lockdown where it is anticipated that the theatre will not re-open until January. The loss of turnover has been part offset by Staff Furlough credits.
- Communications - £21k Overspend – the unit are unable to meet external fee income budgets as staff resource is taken up with in-house non-rechargeable work.
- Community & Partnership Development - £27k underspend due to staff vacancy savings.
- Events - £26k underspend due to staff vacancy savings.

### NEIGHBOURHOOD SERVICES, FACILITIES & FLEET

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 2,811   | 0       | 0       |

Neighbourhood services, Facilities & Fleet is forecasting to overspend by £2,811k – the services within this area have been heavily impacted by the Covid 19 outbreak.

#### Neighbourhood Services

- Highways & Street Lighting - £25k underspend. This is due to a saving in Street Lighting as electricity price increases were less than budgeted and due to KWH savings from energy efficient lamp replacement. Highways Operations and Swtra are currently forecasting to Break-Even.
- Waste & Street Scene - £1,481k overspend – This can be broken down into 2 main areas :-
  - Waste Services - £1,263k overspend due to :-
    - Staff Costs overspending by £210k due to the need to bring in more resource to cope with the impact of Covid19. This forecast assumes social distancing guidelines will be relaxed by September, if not then the over spend could increase.
    - Vehicle Hire & running costs increasing by £206k – extra vehicles have been brought in to help with social distancing of workforce.
    - Additional recycling costs increasing by £432k – the recycling market was in decline entering 20/21 and has continued to fall due to Covid. Reduced recycling rebates plus increased tonnage of material collected at kerbside equals increased treatment costs. Additional bags, boxes etc for increased collections at kerbside.
    - External Income reducing by £178k – The lockdown has meant that trade income and re-use shop income will not hit budget.
    - Non-Covid related pressures - £236k – budget pressures include abeyance of Usk closure £30k no budget pressure increases included for contracts, fuel etc., delayed roll out of polyprop bags budget reduced 19/20 (Actual 20/21 budget pressures of £540k to be managed as invest to save in year with roll out of polyprop bags, black bag sorting) enforcement etc have been partly netted off with savings in project staff vacancies).



- Grounds Maintenance – £219k overspend – this is mainly due to a forecast reduction in external contract income as a result of Covid lockdown. Grounds staff and vehicles were initially redeployed to help in the waste service. Forecast has been based on contract work returning to normal levels from July.

### **Facilities & Fleet Management**

- Schools Catering - £409k overspend - This is due to a shortfall in income as school closures from Covid19 has impacted on income. We are estimating that we will have no income between April-June with only a small amount in July. When the school year resumes in September we are only forecasting meal uptake to be 40% of normal levels for the rest of the year. In addition we have also taken a hit on our income streams from buffet services and the Police canteen.
- Building Cleaning - £154k overspend. This is due to the expected increase in staff hours that will be needed when buildings and schools re-open due to the need for more regular and more thorough cleaning as a result of Covid 19. We are currently estimating that staff hours will increase by a third to cope with demand. We are also anticipating a 25% drop in external income.
- Passenger Transport - £750k overspend, due in the main :-
  - Private Hire - £287k loss of private hire income as we anticipate no private hires, school trips etc... for the rest of the year.
  - Home to School Transport - £554k overspent :-
    - £437k additional staff costs – combination of historic staff pressure c/fwd from 19-20 and estimated additional hours required to cover new covid transport arrangements.
    - £50k new software packages & support costs.
    - £31k financing costs required for 3 new vehicles.
  - Vehicle Maintenance costs - £97k overspent – current estimates show that our maintenance budget is under pressure.
  - External School Transport - £221k underspend – we are anticipating an under spend in this area due to us only paying a 75% retainer for services during the Covid lockdown.

Fleet Maintenance - £40k overspend. Increased depot maintenance and vehicle repair costs (£34k). A reduction in members of the Green Car scheme has hit savings (£6k).

### **PLANNING & HOUSING**

| <b>Outturn Forecast</b>        | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
|--------------------------------|----------------|----------------|----------------|
| <b>Deficit / (Surplus) £'s</b> | 1,011          | 0              | 0              |

Planning & Housing is forecasting to overspend by £1,011k.

- Planning & Building Control - £217k overspend due to shortfalls in planning income and building control fees as a result of Covid-19 lockdown (£293k) offset by staff savings from a vacant post (£34k) and professional & specialist fees (£36k).
- Housing - £55k overspend. Main areas :-
  - Homelessness costs increasing by £22k due to an increase in B&B spend because of Covid-19.
  - Reduced income in Renovation grants as Covid-19 lockdown has affected fees (£33k).
- Car Parking, Highways Development & Flooding - £844k overspend. Main areas :-
  - Car Parks overspending by £1,049k – Forecast income overall is expected to be £1,013k below budget. Pay & display income has been affected by the Covid lockdown, we are expecting minimal income from April-July, a 50% reduction in August and 30% reduction from September through to year end. This leaves us with a £696k pressure on the pay & display budget, we are also expecting our season ticket and permit income to be £35k down. Civil Parking Enforcement income is expected to be below budget by £282k, this reduction can in part be attributed to the Covid impact but we have historically struggled to maintain income levels within this area anyway.



- Highways Development & flooding underspending by £205k – this is mainly due to staff vacancies across the department where the decision has been made to freeze vacant posts to help with recovery of car park overspend.

#### (MONLIFE) Countryside & Culture

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 42      | 0       | 0       |

Countryside & Culture is forecasting a £42k overspend. This is predominately down to lost income from event cancellations, postponement of workshops and shop closures in Museums and Learning due to the impact of closing sites due to Covid-19.

#### (MONLIFE) Finance & Business Development

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | (118)   | 0       | 0       |

Finance & Business development is forecasting to underspend by £118k. There has been lost income due to Covid-19 closures at Tintern Station and Caldicot Castle (£47k) but this has been offset by staff underspends across the services as posts have been purposely held vacant.

#### (MONLIFE) Leisure, Youth & Outdoor Adventure

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 2,173   | 0       | 0       |

Leisure, Youth & Outdoor Adventure is forecasting a £2,173k overspend.

Leisure Centres are reporting a combined overspend of £1,752k. Since the Covid-19 lockdown started our 4 centres have been closed, resulting in no income generation. The forecast assumes limited re-opening from October but we still do not know what the effect of distancing guidelines will have on future memberships and centre use.

Outdoor Adventure is forecasting a £402k overspend. Both sites have been closed since March and we do not expect them to re-open for residential accommodation visits until January with anticipated income at a fraction of original budget.

The Youth & Community Team are reporting a £26k overspend mainly due to a staff overspend in Active Travel as we have not secured grant funding for the post.

| Service Area                 | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|------------------------------|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|                              | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>CHIEF EXECUTIVES UNIT</b> | 4,745                   | 4                             | 4,749                 | 4,936            | 187                                |

#### LEGAL & LAND CHARGES

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 78      | 0       | 0       |

Land Charges is overspending by £76k due to a reduction in income as a result of the impact Covid 19 has had on the Housing market. Due to Covid we have based our income projection on 35% of last year's activity.

Legal – no current issues. Income shortfall has been offset by staff savings.

| <b>GOVERNANCE, DEMOCRACY &amp; SUPPORT</b>  |                |                |                |
|---|----------------|----------------|----------------|
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 109            | 0              | 0              |
| <p>Community Education is forecasting to overspend by £30k, this is due to a reduction in income because of courses being unable to run due to Covid-19.</p> <p>Community Hubs is forecasting a £27k overspend mainly due to running costs outstripping budgets in Gilwern Library and Usk Post Office.</p> <p>The Contact Centre is reporting a £55k overspend, this is down to staff costs exceeding budget as restructure savings are put on hold whilst we deal with Covid-19 issues.</p> <p>Policy &amp; Partnerships is underspending by £9k due to staff savings from a vacant post being part offset by increases in welsh translation costs.</p> |                |                |                |

| <b>Service Area</b> | <b>Original Budget 2020/21</b> | <b>Budget Adjustments Months 1-2</b> | <b>Revised Annual Budget</b> | <b>Forecast Outturn</b> | <b>Forecast (Under) / Over Spend @ M2</b> |
|---------------------|--------------------------------|--------------------------------------|------------------------------|-------------------------|---|
|                     | '000's                         | '000's                               | '000's                       | '000's                  | '000's                                    |
| <b>RESOURCES</b>    | 7,746                          | 41                                   | <b>7,787</b>                 | <b>8,569</b>            | <b>782</b>                                |

### **RESOURCES DIRECTORS COMMENTARY**

Whilst the COVID pandemic has adversely impacted front line services the directorate has equally suffered significantly but in different ways. The forecast over spend of £782k is in part offset by vacancy savings and notably where senior finance posts are not being filled. This is not a sustainable position and will not be a permanent feature.

There is a significant pressure of £307k that centres itself on forecast increases in housing benefit claims, and that includes B&B claims for homeless people, and which doesn't attract full subsidy from DWP.

The directorate is also suffering income shortfalls as a consequence of the COVID-19 pandemic, with shortfalls in summons income, in Raglan training centre, Markets and with shortfalls in budgeted commercial income.

This remains and evolving and dynamic situation that is under constant review and every effort is being made to curtail non-essential spend in recognition of the directorate and whole authority forecast over spend.

### **FINANCE**

| <b>Outturn Forecast</b>        | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
|--------------------------------|----------------|----------------|----------------|
| <b>Deficit / (Surplus) £'s</b> | 137            | 0              | 0              |

Finance - £217k underspend - as a result of senior Finance staff vacancies and maternity leave. This forecast currently assumes these posts will be filled from January.

Revenues - £402k overspend. The outturn has been heavily impacted by Covid-19,

- Benefits is forecasting a £307k overspend due to a material increase in Housing Benefit Claims, government guidance on rough sleeping has resulted in a large increase in B&B claims (we have received the same number of claims in the first 2 months as we did all last year). Not all of this qualifies for subsidy so it is leaving a large pressure on the budget. Current modelling assumptions assume this will carry on until December.
- Council Tax is forecasting a £113k overspend, £60k of this relates to an anticipated shortfall in summons income, following the closure of courts and the decision to temporarily halt recovery for unpaid council tax and business rates, as a result of Covid-19. The remaining balance relates to a staffing overspend as budget has been moved as part of the Resources restructure, this has been offset by underspends within Finance above.
- Debtors is underspending by £17k due to a staff vacancy saving, due to the financial impact of Covid-19 the decision has been made not to fill this post.

Systems & Cashiers - £48k underspend – main reasons relate to software and system development savings and security carrier costs as activity is down due to Covid-19 shutdown.

### INFORMATION, COMMUNICATION & TECHNOLOGY

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 40      | 0       | 0       |

ICT is forecasting to overspend by £40k, due to the anticipated increase in licensing costs from January-March 2021. This is due to a mixture of contract inflation and an increase in licence numbers as a result of more staff requiring the ability to work agilely.

### PEOPLE

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | (2)     | 0       | 0       |

The department is forecasting a £2k underspend but there are variations amongst sections :-

- Payroll, Systems & Support - £24k overspend due to additional staff hours because of Covid-19 work and system development.
- Corporate Training - £38k overspend as income projections are down due to the training centre shutdown because of Covid-19.
- People Management - £64k underspend due to staff savings and increased SLA income.

### FUTURE MONMOUTHSHIRE

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 112     | 0       | 0       |

Future Monmouthshire is forecasting to overspend by £112k. Corporate Agency and travel savings have been included in the budget for 2020-21 – currently these are unachievable.

### COMMERCIAL & CORPORATE LANDLORD

| Outturn Forecast        | Month 2 | Month 7 | Outturn |
|-------------------------|---------|---------|---------|
| Deficit / (Surplus) £'s | 495     | 0       | 0       |

Commercial & Corporate Landlord is forecasting a £495k overspend :-

- Investment Properties is forecasting a combined overspend of £237k, this can be split into 2 areas :-
  - Investment Assets other - £200k overspend, our MTFP for 20-21 included a £200k saving to reflect additional income from the purchase of more investment properties. Currently (and in part due to Covid-19) there are no further purchases in the pipeline this year so this saving is unachievable.

- Castlegate and Newport Leisure Park's combined surplus for 20-21 is estimated to be £572,000, although we are more than covering costs this is still a little short on our budgeted target of £609k so we are forecasting a £37k overspend for this year. This is mainly down to income reducing at our NLP site by £80k as we have lost a tenant (linked to the Covid-19 impact) and professional fees outstripping budget at our Castlegate site. Our vacancy rate at Castlegate has improved to 90% so income is now hitting budget. Apart from the one site in NLP we have not seen any further impact from Covid-19 on the achievability of rental levels – we do have some rent arrears/deferrals across our units but are confident that these will be paid in full once government guidelines allow trading to fully open up.
- Estates - £170k over spend. This is mainly due to income not reaching budgeted levels due to 3 issues 1) vacant space in Magor means rental income is down, 2) the budget assumed income from the creation of a development company, this has not happened yet 3) our service charge income is down as we are yet to come to an agreement with BAM. All three total a shortfall of £244,256. This is being offset by staffing savings of £73k due to vacant posts only being filled part way through the year.
- Solar Farm - £69k underspend, current weather predictions and improved maintenance are resulting in a higher income estimate.
- Cemeteries - £37k overspend mainly due to increased maintenance work on trees and boundary walls. We have seen less burials due to Covid-19 rules but we are confident that income will remain at 2019/20 levels.
- Markets - £106k overspend. This is mainly due to an estimated income loss of £125k where there has been no income for 3 months due to the Covid-19 shutdown. In addition once able to re-open we will likely only see 50% rental charges due to continuing building works in the market hall and the drive to rebuild the markets following Covid-19. The income loss is offset by staff savings of £29k, due to the delay in the appointment of the Deputy Markets manager and other smaller staffing savings.
- Industrial units - £10k overspend mainly due to the cost of EPC surveys and a reduction in rental income.
- Property Services & Facilities Management – On Budget

| Service Area   | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|--|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|  | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>CORPORATE COSTS &amp; LEVIES</b>  | 22,743                  | 229                           | 22,972                | 24,452           | 1,480                              |
| <b>PRECEPTS &amp; LEVIES</b>   |                         |                               |                       |                  |                                    |
| <b>Outturn Forecast</b>  | <b>Month 2</b>          |                               | <b>Month 7</b>        |                  | <b>Outturn</b>                     |
| <b>Deficit / (Surplus) £'s</b>   | 2                       |                               | 0                     |                  | 0                                  |
| Small overspend on National parks levy of £2k due to notification of levy late in the budget process |                         |                               |                       |                  |                                    |
| <b>CORONERS SERVICES</b>   |                         |                               |                       |                  |                                    |
| <b>Outturn Forecast</b>  | <b>Month 2</b>          |                               | <b>Month 7</b>        |                  | <b>Outturn</b>                     |

|   |                |                |                |
|---|----------------|----------------|----------------|
| <b>Deficit / (Surplus) £'s</b>  | 23             | 0              | 0              |
| An increase in workload and staffing requirements along with DDA compliance works will lead to a forecast £23k overspend against budget.  |                |                |                |
| <b>NON DISTRIBUTED COSTS</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 108            | 0              | 0              |
| Additional pension strain costs relating to redundancies. Strain costs relate to staff who retire before their normal pension age and where the employer is required to top up the pension fund to cover the shortfall in contributions. The majority of these costs would not have been known about at budget setting stage due to the uncertainty over the timing, value and individual pension implications of redundancies  |                |                |                |
| <b>STRATEGIC INITIATIVES</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 1,300          | 0              | 0              |
| The proposed Local Government Employers pay offer of an increase of 2.75% would create a forecast pressure of £1.3m over and above the budgeted 1% increase across all service areas.   |                |                |                |
| <b>INSURANCE</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | 47             | 0              | 0              |
| An overspend is currently forecast against the premium budget based on the potential for costs to increase for the period Oct 2020 to April 2021 due to the worsening of claims experience. The flooding events led to a significant property claim at Monmouth LC and Covid19 has led to significant travel claims relating to cancelled school trips. It should be noted that 2021/22 will see a full year impact of these events which will need to be taken account of in budget setting. |                |                |                |
| There is a high degree of risk relating to this forecast due to the uncertainty in the Insurance market following the flooding events and Covid19 and how the Insurance market will look to recoup losses incurred over time.   |                |                |                |

| Service Area  | Original Budget 2020/21 | Budget Adjustments Months 1-2 | Revised Annual Budget | Forecast Outturn | Forecast (Under) / Over Spend @ M2 |
|---|-------------------------|-------------------------------|-----------------------|------------------|------------------------------------|
|   | '000's                  | '000's                        | '000's                | '000's           | '000's                             |
| <b>APPROPRIATIONS</b>   | 4,857                   | 778                           | 5,635                 | 5,557            | (78)                               |
| <b>INTEREST &amp; INVESTMENT INCOME</b>   |                         |                               |                       |                  |                                    |
| <b>Outturn Forecast</b>   | <b>Month 2</b>          | <b>Month 7</b>                | <b>Outturn</b>        |                  |                                    |
| <b>Deficit / (Surplus) £'s</b>  | 163                     | 0                             | 0                     |                  |                                    |
| The forecast rate of return achievable following the Covid19 pandemic has reduced significantly from budgeted levels as the UK Government refines its economic response. This has also impacted forecast returns on Property and combined funds |                         |                               |                       |                  |                                    |

| <b>INTEREST PAYABLE &amp; SIMILAR CHARGES</b>   |                |                |                |
|---|----------------|----------------|----------------|
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | <b>(126)</b>   | <b>0</b>       | <b>0</b>       |
| <p>In October 2019 the PWLB took the unprecedented step of increasing its borrowing margin across the board by 1% in reaction to increased levels of borrowing by Local Authorities to fund commercial investments. This has resulted in PWLB borrowing being uneconomic when compared to short term borrowing sourced from other public bodies and consequently the Authority's approach has been modified resulting in lower borrowing costs in the short term.</p> |                |                |                |
| <b>CHARGES REQUIRED UNDER REGULATION</b>  |                |                |                |
| <b>Outturn Forecast</b>   | <b>Month 2</b> | <b>Month 7</b> | <b>Outturn</b> |
| <b>Deficit / (Surplus) £'s</b>  | <b>(113)</b>   | <b>0</b>       | <b>0</b>       |
| <p>A high level of slippage in the capital programme has resulted in some assets not being operational by 31/03/2020 and consequently the MRP charge for those assets being deferred by at least one year</p>   |                |                |                |

| <b>Service Area</b>  | <b>Original Budget 2020/21</b> | <b>Budget Adjustments Months 1-2</b> | <b>Revised Annual Budget</b> | <b>Forecast Outturn</b> | <b>Forecast (Under) / Over Spend @ M2</b> |
|--|--------------------------------|--------------------------------------|------------------------------|-------------------------|---|
|  | '000's                         | '000's                               | '000's                       | '000's                  | '000's                                    |
| <b>FINANCING</b>   | <b>(170,447)</b>               | <b>(259)</b>                         | <b>(170,706)</b>             | <b>(170,370)</b>        | <b>336</b>                                |
| <b>COUNCIL TAX BENEFIT SUPPORT</b>   |                                |                                      |                              |                         |   |
| <b>Outturn Forecast</b>  | <b>Month 2</b>                 | <b>Month 7</b>                       | <b>Outturn</b>               |                         |   |
| <b>Deficit / (Surplus) £'s</b>   | <b>336</b>                     | <b>0</b>                             | <b>0</b>                     |                         |   |
| <p>This budget is under particular pressure, as a direct result of Covid-19. Since the beginning of the financial year, caseloads has increased to around 6,040 cases (caseload at the end of March 2019 was 5,721). Cases are now slowly beginning to level off in terms of new applicants. However there is some evidence to suggest that this levelling off is due to the impact of the self- employed scheme which may only be temporary with cases increasing again next month when these return to Universal Credit.</p> |                                |                                      |                              |                         |   |

## 2. SCHOOLS

2.1. A Board of Governors who are responsible for managing the school's finances directly governs each of the Authority's Schools. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 2 projections for each Educational Cluster.

| <b>Draft Council Fund Outturn 2020/21 – School Balances Summary outturn position at Month 2</b> | <b>(A)<br/>Opening Reserves (Surplus) / Deficit Position 2020/21<br/>£'000's</b> | <b>(B)<br/>Budgeted Draw / Contribution from / (to) School Balances 2020/21<br/>£'000</b> | <b>(C)<br/>Draw / (Contribution) from / (to) School Balances @ Month 2<br/>£'000</b> | <b>(A+C)<br/>Forecast Reserve Balances at 2020/21 Outturn<br/>£'000</b> |
|---|--|---|--|---|
|---|--|---|--|---|

| <b>Cluster</b> |            |            |            |            |
|----------------|------------|------------|------------|------------|
| Abergavenny    | (118)      | 125        | 84         | (34)       |
| Caldicot       | 160        | 89         | 98         | 258        |
| Chepstow       | 24         | 211        | 250        | 274        |
| Monmouth       | 518        | (13)       | (32)       | 486        |
| Special        | (149)      | (26)       | (26)       | (175)      |
| <b>Total</b>   | <b>435</b> | <b>385</b> | <b>374</b> | <b>809</b> |

2.2. Collective School Balances at the beginning of the financial year amounted to a £435,000 deficit. The Schools budgeted draw upon balances for the 2020/21 financial year is £385,000, therefore leaving £820,000 as a budgeted deficit closing reserve balance. At month 2, there is a slightly improved collective forecast of £11,000 from that budgeted.

2.3. A budgeted reduction in school balances are forecast for the majority of the total 36 Monmouthshire Schools, with 14 schools budgeting to be in a deficit position by the end of the financial year.

2.4. 14 schools exhibited a deficit position at month 2; this is a net decrease of three from the end of the 2019/20 financial year. The schools in a deficit at the start of the financial year are:

King Henry VIII Comprehensive; Llantillio Pertholey CIW Primary; Ysgol Gymraeg Y Fenni; Caldicot Comprehensive; Magor CIW Primary; Rogiet Primary; Undy Primary; Ysgol Gymraeg Y Ffin; Chepstow Comprehensive; St Mary's RC Primary, Thornwell Primary; Monmouth Comprehensive; Llandogo Primary; Osbaston Ciw Primary; Overmonnow Primary; Raglan CiW Primary and the Pupil Referral Service.

2.5. The four schools that are forecasting to return to a surplus from a deficit position are:

- Llantillio Pertholey CIW Primary;
- Magor CIW Primary;
- Rogiet Primary;
- Overmonnow Primary;

The Dell Primary school is forecasting to slip into a deficit balance position from a positive one.

2.6. All schools in a deficit budget have, or are in the process of agreeing recovery plans. These recovery plans will be confirmed with both the Local Education Authority and each School's Governing Body. Once finalised the schools with significant deficits will be monitored by the Cabinet member for Children and Young People and Resources on a termly basis.

2.7. Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

| <b>Financial Year-end</b> | <b>Net level of School Balances</b> |
|---------------------------|-------------------------------------|
| 2014-15                   | (1,140)                             |
| 2015-16                   | (1,156)                             |



|                    |       |
|--------------------|-------|
| 2016-17            | (269) |
| 2017-18            | (175) |
| 2018-19            | 232   |
| 2019-20            | 435   |
| 2020-21 (Forecast) | 809   |

2.8. There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances are not being used to subsidise and sustain core costs such as staffing.

### 3. CAPITAL OUTTURN

3.1. The summary forecast Capital position at Month 2 is as follows:

#### Forecast Capital Outturn Position 2020/21 at Month 2

| Select Portfolio                    | Slippage B/F    | Original Budget | Budget Adjustments | Provisional Slippage | Revised Budget 2020/21 | Forecast        | Variance     |
|-------------------------------------|-----------------|-----------------|--------------------|----------------------|------------------------|-----------------|--------------|
|                                     | £000's          | £000's          | £000's             | £000's               | £000's                 | £000's          | £000's       |
| <b>Expenditure</b>                  |                 |                 |                    |                      |                        |                 |              |
| Children & Young People             | 1,245           | 14,423          | 10                 | 0                    | 15,678                 | 15,544          | (134)        |
| Economic & Development              | 17,496          | 3,068           | 30                 | 0                    | 20,594                 | 20,594          | 0            |
| Adult                               | 300             | 5,678           | 0                  | (5,978)              | 0                      | 0               | 0            |
| Strong Communities                  | 5,801           | 10,139          | 40                 | 0                    | 15,980                 | 15,680          | 0            |
| <b>Total Expenditure</b>            | <b>24,842</b>   | <b>33,308</b>   | <b>80</b>          | <b>(5,978)</b>       | <b>52,252</b>          | <b>52,118</b>   | <b>(134)</b> |
| <b>Financing</b>                    |                 |                 |                    |                      |                        |                 |              |
| Supported Borrowing                 | 0               | (2,417)         | 0                  | 0                    | (2,417)                | (2,417)         | 0            |
| General Capital Grant               | 0               | (2,423)         | 0                  | 0                    | (2,423)                | (2,423)         | 0            |
| Grants and Contributions            | (393)           | (18,229)        | (50)               | 3,145                | (15,527)               | (15,527)        | 0            |
| S106 Contributions                  | (1,052)         | 0               | 0                  | 0                    | (1,052)                | (1,010)         | 42           |
| Unsupported Borrowing               | (22,546)        | (5,275)         | 0                  | 1,833                | (25,988)               | (25,896)        | 92           |
| Earmarked Reserve & Revenue Funding | (239)           | (2)             | 0                  | 0                    | (241)                  | (241)           | 0            |
| Capital Receipts                    | (612)           | (3,462)         | (30)               | 1,000                | (3,104)                | (3,104)         | 0            |
| Leasing                             | 0               | (1,500)         | 0                  | 0                    | (1,500)                | (1,500)         | 0            |
| <b>Total Financing</b>              | <b>(24,842)</b> | <b>(33,308)</b> | <b>(80)</b>        | <b>5,978</b>         | <b>(52,252)</b>        | <b>(52,118)</b> | <b>134</b>   |

3.2. The capital expenditure forecast outturn at month 2 shows a net underspend of £134k against budget due to the Access for All budget of £92k and Monmouth Leisure Centre Pool budget of £42k not being required as the projects have been completed within budget.

3.3. Forecasted capital slippage totalling £5,978m at month 2 on the Crick Road Care Home scheme in Adult Select is due partly to the situation with COVID 19 pandemic and delay in getting the building tenders into the market place. The Chief Officer for Social Care Health and Safeguarding is planning to talk to Welsh Government officials about rolling forward the scheme and the associated funding into future years.

#### 3.4. Useable Capital Receipts Available

3.5. In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments are illustrated. There is also a comparison to the balances forecast within the 2020/24 MTFP capital budget proposals.

|   | 2020/21      | 2021/22        | 2022/23        | 2023/24        | 2024/25        |
|---|--------------|----------------|----------------|----------------|----------------|
|   | £000         | £000           | £000           | £000           | £000           |
| Balance as at 1st April                                   | 3,207        | 9,154          | 8,397          | 9,042          | 8,287          |
| Capital receipts used for financing                       | (1,688)      | (1,859)        | (859)          | (859)          | (859)          |
| Capital receipts used to support capitalisation direction | (1,416)      | 0              | 0              | 0              | 0              |
| Capital receipts Received or Forecast                     | 9,051        | 1,102          | 1,504          | 104            | 104            |
| <b>Forecast Balance as at 31st March</b>                  | <b>9,154</b> | <b>8,397</b>   | <b>9,042</b>   | <b>8,287</b>   | <b>7,532</b>   |
| Forecast Balance 2020/24 MTFP                             | 9,904        | 10,245         | 10,791         | 10,136         | 10,136         |
| <b>Variance compared to 2020/24 MTFP</b>                  | <b>(750)</b> | <b>(1,848)</b> | <b>(1,749)</b> | <b>(1,849)</b> | <b>(2,604)</b> |

3.6. Forecasted balances held at the end of each financial year are lower than forecast in the 2020/24 MTFP. Ignoring timing differences in the realisation of capital receipts, this is largely attributable to the use of unbudgeted receipts under the capitalisation direction in 2019/20 reflected in the balance brought forward.