

**SUBJECT  
MEETING**

**ADEQUACY OF RESERVES UPDATE**

**DATE**

**Audit Committee**

**DIVISIONS/WARD AFFECTED**

**15<sup>th</sup> October 2020**

**All**

**1 PURPOSE**

- 1.1 To appraise audit committee members of the prospective reserve usage in conjunction with continuing to highlight the impact of the revised reserves protocol endorsed by Cabinet.
- 1.2 A periodic focus by Audit Committee on reserve usage is important due to:
- Future funding gap and continuing low settlements
  - Pressures arising from such issues as increasing demand, new and changing legislation and changes in the wider economy
  - Financial pressures resulting from the outbreak of the COVID-19 pandemic
  - Grant funding streams being reduced or stopped at short notice
  - Capital receipts and other income streams not being achieved
  - Saving proposals not being delivered and increased demands on services

**2 RECOMMENDATIONS:**

- 2.1 That Audit Committee note the forecast usage of reserves for 2020/21 as contained within **Table 1** of this report and for future years as shown in **Appendix 1**.
- 2.2 The Audit Committee note the decline in earmarked reserve balances and that the reserves protocol in 2015 slowed and stabilised balances, albeit at levels which have limited opportunities for significant investment to meet the one off costs to invest and transform services.
- 2.3 That Audit Committee note that the Council Fund balance remains at the lower end of the 4% to 6% indicator of acceptable and prudent levels even when taking account of the one off specific replenishment of Council Fund as part of the 2019/20 revenue outturn and specifically relating to the financial response to the COVID-19 pandemic and MTFP.

**3 KEY ISSUES**

- 3.1 Reserves are an important part of the Authority's financial strategy and are held to create long-term budgetary stability. They enable the Authority to manage change without undue impact on council tax payers and are a key element of its strong financial resilience. The Authority's key sources of funding face an uncertain future and the Council therefore holds earmarked reserves and a Council fund balance in order to mitigate future financial risks.
- 3.2 Reserves are a one-off source of funding and the Authority aims to avoid using reserves to meet ongoing financial commitments other than as part of a sustainable budget plan.
- 3.3 The last four to five years has seen:
- Faster than expected use of earmarked reserves over the period
  - Limited opportunities to replenish reserves from in year underspends as budgets get tighter
  - Limited opportunities to redistribute reserves as various reserves are used up
  - Increased service demand
  - Risks around the on-going austerity measures and the projected gap in the medium term financial plan
  - A large commitment of capital resources to Future Schools

- The need for reserves to work harder to help the Authority through the financial challenges and risks it faces

3.4 One off windfalls to the revenue budget during 2019/20 relating to VAT recoupment from the Ealing judgement and use of capitalisation directive allowed £1.8m to be added to the Council Fund reserve. This was the first significant addition to the Council Fund since 2013/14 and directly as a response to the outbreak of the COVID-19 pandemic to allow the Authority the flexibility to respond to the potential significant financial pressures brought about by the pandemic whether in the current year or over the medium term.

3.5 Adding the one off windfall to the Council Fund resulted in little opportunity to replenish the level of Earmarked reserves and these continue in a downward trend.

### Reserve Activity

3.6 The Council has **unallocated reserves** in the form of Council fund balance and school reserves. The level of surplus/deficit on the revenue account at the end of any one financial year directly impacts the Council Fund balance. The forecast impact during the financial year as part of periodic monitoring will fluctuate, but for reserve forecasting purposes the presumption is that service activities will be within budget overall with no resultant impact on the Council fund balance.

3.7 In respect of **Earmarked (allocated) reserves**, revenue and capital monitoring reflects the approved budgeted use of reserves. A specific analysis is undertaken at every formal periodic monitoring exercise to establish whether reserve usage approved as part of the budget will be fully utilised within the financial year. Where it is apparent this is not the case, the reserve usage is removed from the budget and carried forward if required pending final approval at year end by the Section 151 officer.

3.8 The following forecast of reserve balances for 2020/21 is based on latest budget monitoring forecasts available.

**Table 1: Reserve forecast 2020/21**

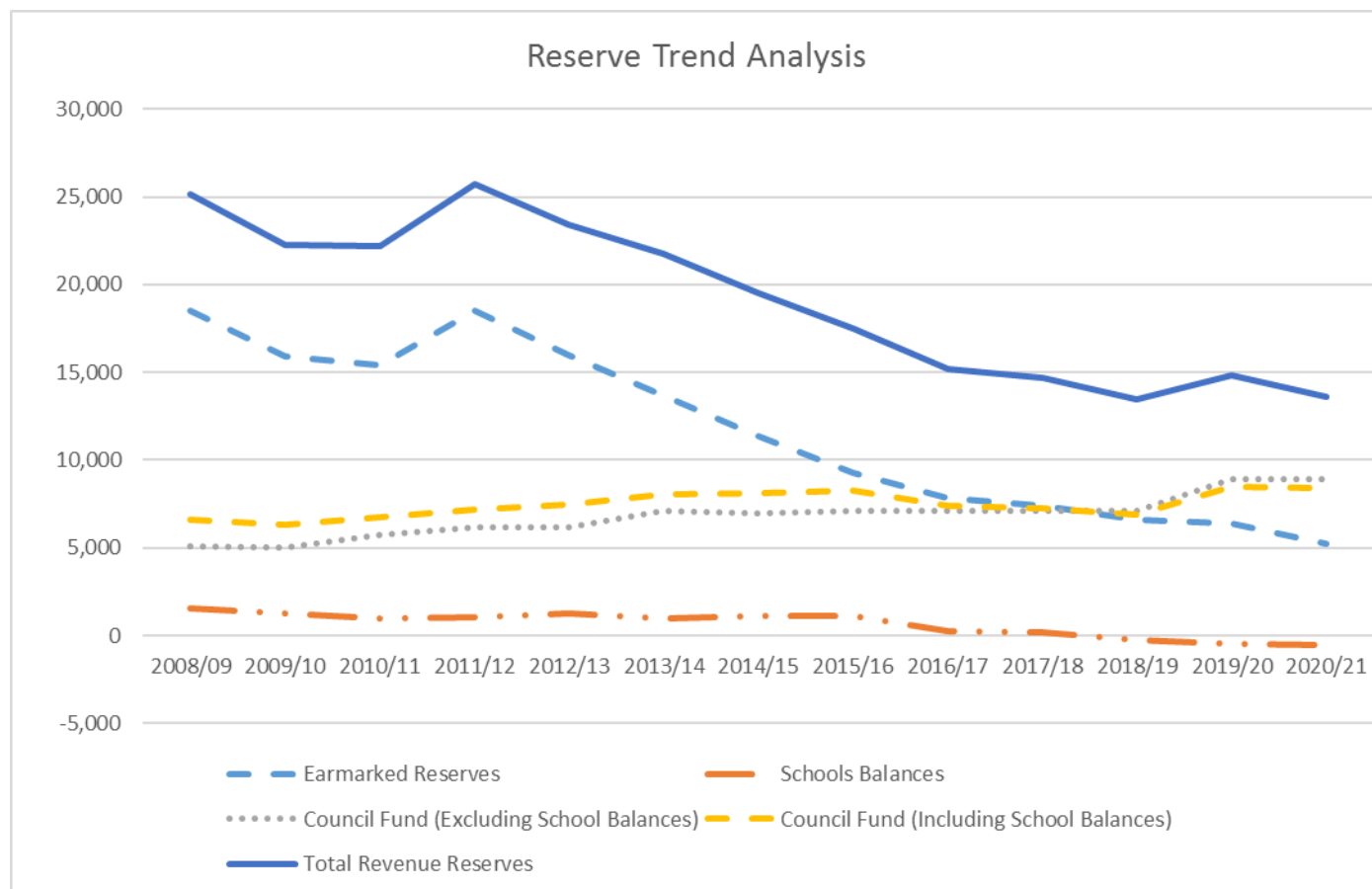
Reserve	B/F	Contribution From (Revenue)	Contribution From (Revenue) slipped **	Contribution From (Capital)	Contribution To	C/F
	£000's	£000's	£000's	£000's	£000's	£000's
Council Fund (Authority)	(8,907)					(8,907)
School Balances	435					435
<b>Sub Total Council Fund</b>	<b>(8,472)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8,472)</b>
<b>Earmarked Reserves:</b>						<b>0</b>
Invest to Redesign	(1,128)	52		113	(80)	(1,043)
IT Transformation	(254)	106	(12)	126		(34)
Insurance and Risk Management	(935)					(935)
Capital Receipt Generation	(181)	116				(65)
Treasury Equalisation	(990)	400				(590)
Redundancy and Pensions	(245)	88				(157)
Capital Investment	(627)			2		(625)
Priority Investment	(405)	405	(105)			(105)

Reserve	B/F	Contribution From (Revenue)	Contribution From (Revenue) slipped **	Contribution From (Capital)	Contribution To	C/F
<b>Sub-Total Earmarked Reserves</b>	<b>(4,766)</b>	<b>1,168</b>	<b>(117)</b>	<b>241</b>	<b>(80)</b>	<b>(3,554)</b>
<b>Service Specific Reserves</b>						
Museums Acquisitions Reserve	(53)					(53)
Elections Reserve	(118)				(35)	(153)
Grass Routes Buses Reserve	(156)				(5)	(161)
Youth Offending Team	(150)					(150)
Building Control trading reserve	(1)					(1)
CYP maternity	(47)					(47)
Plant & Equipment reserve (Highways)	(109)					(109)
Homeless Prevention Reserve Fund	(50)					(50)
Solar Farm Maintenance & Community Fund	(64)				(23)	(87)
Newport Leisure Park Reserve	(62)					(62)
Castlegate Reserve	(80)					(80)
Local Resilience Forum Reserve (Gwent PCC Tfr)	(198)					(198)
Rural Development Plan Reserve	(530)					(530)
<b>Sub-Total Service Specific Reserves</b>	<b>(1,617)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(63)</b>	<b>(1,680)</b>
<b>Total Earmarked Reserves</b>	<b>(6,383)</b>	<b>1,168</b>	<b>(117)</b>	<b>241</b>	<b>(143)</b>	<b>(5,234)</b>
<b>Total Usable revenue reserves</b>	<b>(14,854)</b>	<b>1,168</b>	<b>(117)</b>	<b>241</b>	<b>(143)</b>	<b>(13,706)</b>

\*\* Provisionally slipped to 2021/22 pending final approval by Section 151 Officer

## Reserves Trend Analysis

- 3.9 The level of total usable revenue reserves had been in constant decline for many years and the introduction of the reserves protocol in 2015 looked to slow and stabilise reserves at least at prudent levels and noting the ongoing funding challenges faced by the Authority.



### **Earmarked Reserves**

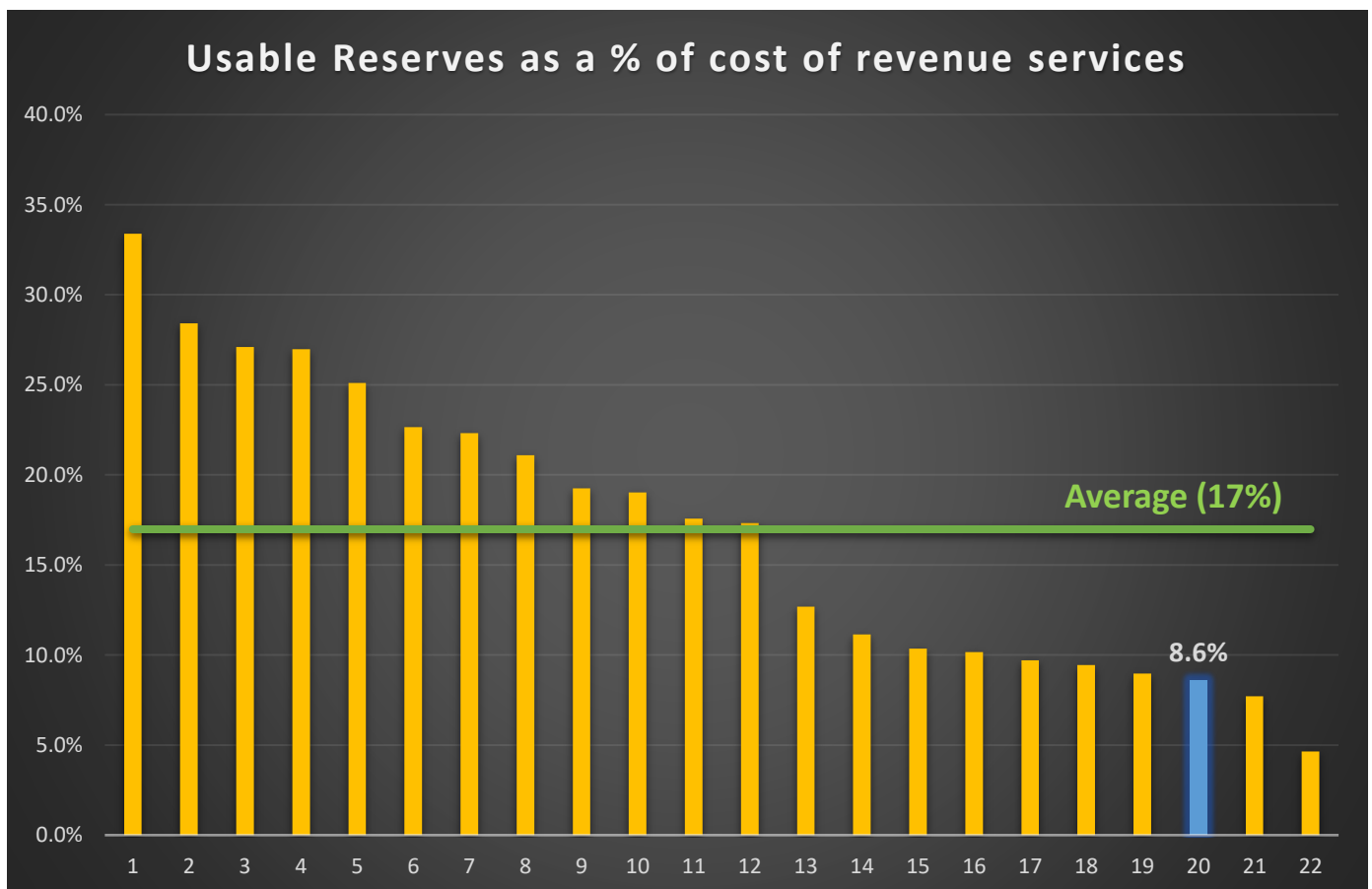
- 3.10 The analysis above highlights the decline in earmarked reserves over an extended period. It can be seen that since the introduction of the reserves protocol in 2015 the reduction in earmarked reserves has continued but at a less severe rate.
- 3.11 A prolonged period of financial austerity along with low funding settlements from Welsh Government and increasing service demand has resulted in limited opportunities to replenish earmarked reserves to a level that can provide opportunities for significant investment to meet one off costs to invest and transform services so that they can operate within a reduced financial envelop.
- 3.12 When reserve investment is approved it is important that clear protocols and responsibility is assigned to help to ensure the return from the use of reserves in the future is maximised. The benefits/return from any reserve investment should be monitored as the investment takes place and reviewed once the investment is complete to ensure the expected benefits have been delivered and to gain the learning for future investment decisions.
- 3.13 The forecast usage of earmarked reserves based on the current medium term financial plan is highlighted in **Appendix 1** to this report.
- 3.14 The reserves protocol will now be reviewed as part of the forthcoming budget and MTFP process. It is planned for this protocol to also cover useable capital receipt balances as well as revenue reserve balances.

## Council Fund

- 3.15 The Council Fund balance has remained at the lower end of the 4% to 6% indicator of acceptable and prudent levels since 2008/09, when taken as a percentage of the cost of providing revenue services.
- 3.16 One off windfalls to the 2019/20 revenue budget relating to VAT recoupment from the Ealing judgement and use of capitalisation directive allowed £1.8m to be added to the Council Fund reserve to increase the total to £8.472m as at 31<sup>st</sup> March 2020. It should be noted that this increase was directly as a response to the outbreak of the COVID-19 pandemic to allow the Authority the flexibility to respond to the potential significant financial pressures brought about by the pandemic.
- 3.17 It is still not clear how much of the £1.8m may be required to meet the financial pressures brought about by COVID-19 given the ongoing uncertainty in Welsh Government funding, the length of time that social distancing restrictions remain in place, how our service demands may change and recognising that the economy will be in recession which will considerably impact future public spending. To that end the headroom created will act as cover to support not only the current year but the medium term budgetary challenges brought about by the pandemic or otherwise.
- 3.18 When taking the one-off increase in Council Fund of £1.8m into account Monmouthshire's level of cover still remains low at 4.76% and lower still at 3.75% when calculated without the £1.8m.

## All Wales analysis

- 3.19 The below analysis compares Welsh Authorities levels of usable reserves (**both Council fund and Earmarked reserves**) as a ratio of their annual cost of running revenue services. This ratio gives an indication of the degree of cover that usable reserves provide relative to the size of the Authority.



- 3.20 **Appendix 3** provides a more detailed breakdown of the data contained within this analysis.

- 3.21 Despite the introduction of the reserves protocol in 2015 and addition of £1.8m to the Council Fund at the end of 2019/20, Monmouthshire remains at the lower end of reserve coverage with just 8.6% compared to an all Wales average of 17%.
- 3.22 Whilst comparisons may be useful, the levels of reserves required in any given authority needs to be assessed against the strategic, operational and financial risks of that Authority. However it is clear that when the low level of reserve cover is combined with continuing low funding settlements from Welsh Government, increasing service demands and an uncertain economic outlook, it creates a significant risk that the gap in reserve adequacy cannot be remedied in the medium term to allow the Authority to improve its financial resilience to a more appropriate level.

### Schools Reserves

- 3.23 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 5 projections for each Educational Cluster.

Draft Council Fund Outturn 2020/21 – School Balances Summary outturn position at Month 5	(A) Opening Reserves (Surplus) / Deficit Position 2020/21 £000's	(B) Draw / (Contribution) from / (to) School Balances @ Month 2 £'000	(C) Draw / (Contribution) from / (to) School Balances @ Month 5 £'000	(A+C) Forecast Reserve Balances at 2020/21 Outturn £'000
<b>Cluster</b>				
Abergavenny	(118)	84	(316)	(434)
Caldicot	160	98	81	241
Chepstow	24	250	235	259
Monmouth	518	(32)	(98)	420
Special	(149)	(26)	180	31
<b>Total</b>	<b>435</b>	<b>374</b>	<b>82</b>	<b>517</b>

- 3.24 Collective School Balances at the beginning of the financial year amounted to a £435,000 deficit. The Schools month 2 draw on reserves was £374,000 which resulted in a forecast deficit balance of £809,000. At month 5, the forecast deficit balance had improved by £293,000 taking the forecast deficit to £517,000. It should be noted that there are expectations that schools will secure further Welsh Government Funding both in relation to COVID-19 related costs and to meet other cost pressures. This will be better understood as the financial year progresses and could lead to further improvement to school balances.
- 3.25 It should also be noted that King Henry VIII Comprehensive School have requested a Local Authority Loan of £250,000, this has been approved by the Governing Body.
- 3.26 At Month 5 there are forecast to be 12 schools in a deficit at year end, these are: Ysgol Gymraeg Y Fenni, Caldicot School, Undy Primary School, Ysgol Gymraeg Y Ffin, Chepstow School, St. Mary's RC Primary School, The Dell Primary School, Thornwell Primary School, Monmouth Comprehensive, Llandogo Primary School, Osbaston CIW Primary School and the Pupil Referral Service.
- 3.27 This is an improvement on the 17 schools in a deficit at the start of the financial year which were:
- 3.28 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.

3.29 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.

3.30 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 (Surplus)/Deficit</b>
2014/15	(1,140)
2015/16	(1,156)
2016/17	(269)
2017/18	(175)
2018/19	232
2019/20	435
2020-21 (Forecast)	517

3.31 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.

3.32 Individual School Balances are available in **Appendix 2** of this report.

#### **4 REASONS**

4.1 To comply with best practice regarding the management and review of earmarked reserves and the Financial Procedure Rules within the Authority's constitution.

#### **5 OPTIONS APPRAISAL**

5.1 Not applicable.

#### **6 EVALUATION CRITERIA**

6.1 Not applicable

#### **7 RESOURCE IMPLICATIONS**

7.1 None arising directly from this report. The governance arrangements outlined in this report are designed to ensure that the appropriate resource implications are considered when earmarked reserves usage or replenishment is being considered

**8 WELLBEING OF FUTURE GENERATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)**

8.1 There are no implications directly arising from the recommendations and decisions highlighted in this report.

**9 CONSULTEES**

Strategic Leadership Team  
Chief Officer - Resources  
Head of Legal Services

**10 BACKGROUND PAPERS**

Appendix 1 – Usable revenue reserve projection using latest available budget and MTFP information  
Appendix 2 – Individual School balance forecast  
Appendix 3 – Backing data for analysis of all Wales usable reserves

**11 AUTHOR**

Jonathan Davies – Finance Manager

**12 CONTACT DETAILS**

Tel. 01633 644114  
e-mail. [jonathandavies2@monmouthshire.gov.uk](mailto:jonathandavies2@monmouthshire.gov.uk)



**Appendix 1 - Usable revenue reserve projection  
using latest available budget and MTFP  
information**

Financial Year ending	2020	Forecast	2021	Forecast	2022	Forecast	2023	Forecast	2024
	£000	Usage	£000	Usage	£000	Usage	£000	Usage	£000
<b><i>Council Fund</i></b>									
Council Fund (Authority)	(8,907)	0	(8,907)	0	(8,907)	0	(8,907)	0	(8,907)
School Balances	435	0	435	0	435	0	435	0	435
<b>Sub Total Council Fund</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>
<b><i>Earmarked Reserves</i></b>									
Invest to Redesign Reserve	(1,128)	86	(1,043)	(100)	(1,143)	(100)	(1,243)	0	(1,243)
IT Transformation Reserve	(254)	220	(34)	12	(22)	0	(22)	0	(22)
Insurances & Risk Management Reserve	(935)	0	(935)	0	(935)	0	(935)	0	(935)
Capital Receipt Generation Reserve	(181)	116	(65)	51	(14)	51	37	51	88
Treasury Equalisation Reserve	(990)	400	(590)	0	(590)	0	(590)	0	(590)
Redundancy and Pensions Reserve	(245)	88	(157)	88	(69)	88	19	88	107
Capital Investment Reserve	(627)	2	(625)	16	(609)	16	(593)	16	(577)
Priority Investment Reserve	(405)	300	(105)	105	0	0	0	0	0
Other Reserves	(1,617)	(63)	(1,680)	67	(1,613)	(63)	(1,676)	(63)	(1,739)
<b>Sub Total Earmarked Reserves</b>	<b>(6,383)</b>	<b>1,149</b>	<b>(5,234)</b>	<b>239</b>	<b>(4,995)</b>	<b>(8)</b>	<b>(5,003)</b>	<b>92</b>	<b>(4,911)</b>
<b>Total Useable Revenue Reserves</b>	<b>(14,854)</b>	<b>1,149</b>	<b>(13,706)</b>	<b>239</b>	<b>(13,467)</b>	<b>(8)</b>	<b>(13,475)</b>	<b>92</b>	<b>(13,383)</b>

Appendix 2 – Forecast  
 outturn movement on  
 school reserves -  
 Month 5

	Opening Reserves 2020-21 (Surplus)/Deficit	Month 2 forecast position (Surplus)/Deficit	Variance Month 2 to Month 5	In Year position at Month 5 (Surplus)/Deficit	Projected c/f at year end 2020-21 (Surplus)/Deficit	Notes	Recovery Plan Y/E target balance 2020-21 (in 19-20)	Recovery Plan Y/E target balance 2021-22	Recovery Plan Y/E target balance 2022-23
<b>Abergavenny cluster</b>									
King Henry VIII Comprehensive	225,699	(1,431)	(301,612)	(303,043)	(77,344)	Local Authority Loan of £250,000. Additional Post 16 Funding and confirmation of Additional Learning Needs Funding for the Autumn and Spring terms	(7,045)	(77,960)	
Cantref Primary School	(105,193)	20,782	(9,413)	11,369	(93,824)	Unaccounted Maternity and Pension savings			
Deri View Primary School	(73,956)	63,375	(51,152)	12,223	(61,733)	Administrative Team and Teaching Staff savings			
Gilwern Primary School	(64,549)	436	4,770	5,206	(59,343)				
Goytre Fawr Primary School	(34,893)	16,854	7,237	24,091	(10,802)	Additional Teaching and Support Staff resources for accelerated learning post Covid-19			
Llanfoist Fawr Primary School	(24,871)	(6,454)	(3,013)	(9,467)	(34,338)				
Llantillio Pertholey CiW Primary School (VC)	21,016	(35,267)	0	(35,267)	(14,251)		16,052	4,196	(1,638)
Llanvihangel Crucorney Primary School	(49,684)	(19,911)	(30)	(19,941)	(69,625)				
Our Lady and St Michael's RC Primary School (VA)	(15,860)	(34,082)	0	(34,082)	(49,942)	Agency teacher and support staff savings due to School closure.			
Ysgol Gymraeg Y Fenni	4,408	80,138	(47,221)	32,917	37,325	Support staff savings.			
<b>Caldicot cluster</b>									
Caldicot School	179,693	115,447	2,706	118,153	297,846		416,576	404,215	248,758

Appendix 2 – Forecast  
outturn movement on  
school reserves -  
Month 5

	Opening Reserves 2020-21 (Surplus)/ Deficit	Month 2 forecast position (Surplus)/Deficit	Variance Month 2 to Month 5	In Year position at Month 5 (Surplus)/Deficit	Projected c/f at year end 2020-21 (Surplus)/ Deficit	Notes	Recovery Plan Y/E target balance 2020-21 (in 19-20)	Recovery Plan Y/E target balance 2021-22	Recovery Plan Y/E target balance 2022-23
Archbishop Rowan Williams CiW Primary School (VA)	(83,716)	(25,855)	0	(25,855)	(109,571)	Agency & Supply Staff savings during Summer term.			
Castle Park Primary School	(2,153)	(3,944)	(16,068)	(20,012)	(22,165)	Agency & Supply Staff savings during Summer term.	(19,802)	(25,229)	
Dewstow Primary School	(136,455)	106,363	0	106,363	(30,092)	Laptop purchases and additional staff costs.			
Durand Primary School	(12,691)	(7,795)	(2,631)	(10,426)	(23,117)				
Magor CiW Primary School (VA)	18,785	(32,320)	0	(32,320)	(13,535)				
Rogiet Primary School	4,404	(15,982)	0	(15,982)	(11,578)	Agency teacher and support staff savings due to School closure.			
Undy Primary School	145,925	(37,944)	0	(37,944)	107,981		81,011	33,432	(7,599)
Ysgol Gymraeg Y Ffin	45,882	74	(1,395)	(1,321)	44,561	Staffing costs not in original budget			
<b><u>Chepstow cluster</u></b>									
Chepstow School	63,570	141,510	12,137	153,647	217,217	Original budget error for member of staff who is on a phased return	140,426	(4,699)	
Pembroke Primary School	(1,204)	(14,635)	0	(14,635)	(15,839)		(3,760)		
Shirenewton Primary School	(128,890)	43,828	(9,488)	34,340	(94,550)				
St Mary's Chepstow RC Primary School (VA)	46,518	29,717	13,218	42,935	89,453	Senior Leadership Team Support for Acting Head teacher			
The Dell Primary School	(3,032)	78,444	(20,286)	58,158	55,126	Increase in expected income			
Thornwell Primary School	47,150	(28,790)	(11,110)	(39,900)	7,250	Agency & Supply Staff savings during Summer term.	(24,372)	(25,417)	

Appendix 2 – Forecast  
outturn movement on  
school reserves -  
Month 5

	Opening Reserves 2020-21 (Surplus)/ Deficit	Month 2 forecast position (Surplus)/Deficit	Variance Month 2 to Month 5	In Year position at Month 5 (Surplus)/Deficit	Projected c/f at year end 2020-21 (Surplus)/ Deficit	Notes	Recovery Plan Y/E target balance 2020-21 (in 19-20)	Recovery Plan Y/E target balance 2021-22	Recovery Plan Y/E target balance 2022-23
<b>Monmouth cluster</b>									
Monmouth Comprehensive	462,531	(54,392)	(10,391)	(64,783)	397,748	Increase in expected income	324,012	193,172	24,949
Cross Ash Primary School	(64,157)	53,386	0	53,386	(10,771)				
Kymin View Primary School	(37,955)	24,747	(11,471)	13,276	(24,679)	Staff Savings			
Llandogo Primary School	176,535	(32,719)	2,295	(30,424)	146,111				
Osbaston CiW Primary School (VC)	11,250	(8,055)	3,119	(4,936)	6,314				
Overmonnow Primary School	33,929	(44,965)	0	(44,965)	(11,036)				
Raglan CiW Primary School (VC)	33,112	(19,262)	(20,737)	(39,999)	(6,887)	Savings due to two staff on Maternity Leave	35,366	17,177	(24,921)
Trellech Primary School	(50,947)	5,396	(18,428)	(13,032)	(63,979)	Maternity cover on lower pay scale and Pension savings			
Usk CiW Primary School (VC)	(45,943)	44,081	(10,960)	33,121	(12,822)	Replacement staff on lower pay scales.			
	<b>584,257</b>	<b>400,775</b>	<b>(499,924)</b>	<b>(99,149)</b>	<b>485,108</b>				
<b>Special Schools</b>									
Mounton House Special School	(172,060)	(34,458)	206,518	172,060	(0)	Due to the school closing on 31st August 2020 the surplus balance reported at month 2 has been transferred to the central budgets to support placement costs for 3 pupils and other education central budgets.	(39,683)		
PRU	22,931	7,985	(98)	7,887	30,818		28,020	(17,337)	(48,710)

Appendix 2 – Forecast  
 outturn movement on  
 school reserves -  
 Month 5

Opening Reserves 2020-21 (Surplus)/ Deficit	Month 2 forecast position (Surplus)/Deficit	Variance Month 2 to Month 5	In Year position at Month 5 (Surplus)/Deficit	Projected c/f at year end 2020-21 (Surplus)/ Deficit	Notes
---	---	-----------------------------	---	--	-------

Recovery Plan Y/E target balance 2020-21 (in 19-20)	Recovery Plan Y/E target balance 2021-22	Recovery Plan Y/E target balance 2022-23
---	--	--

<b>(149,129)</b>	<b>(26,473)</b>	<b>206,420</b>	<b>179,947</b>	<b>30,818</b>
------------------	-----------------	----------------	----------------	---------------

<b>435,128</b>	<b>374,302</b>	<b>(293,504)</b>	<b>80,798</b>	<b>515,926</b>
----------------	----------------	------------------	---------------	----------------

The monitoring for month 2 included a surplus balance of £206,518 for Mounon House. As the school has now closed this has been transferred to the central budget. £107,000 has been used to support the placement cost for the 3 MCC pupils who were attending the school and the remaining balance is being used to offset the overspend in CYP. Below is school reserve table restated excluding Mounon House

Total - Excluding  
 Mounon House

<b>607,188</b>	<b>408,760</b>	<b>(500,022)</b>	<b>(91,262)</b>	<b>515,926</b>
----------------	----------------	------------------	-----------------	----------------

### Appendix 3 – Backing data for analysis of all Wales usable reserves

Authority	Usable Revenue Reserves at 31st March 2020	Net Cost of Services in 2019-20	Reserve Coverage
Vale of Glamorgan	83,008	248,602	33.4%
Gwynedd	71,090	250,149	28.4%
Caerphilly	100,547	370,910	27.1%
Carmarthenshire	100,837	373,888	27.0%
Newport	78,806	313,904	25.1%
Rhondda Cynon Taf	119,873	529,390	22.6%
Bridgend	64,562	289,242	22.3%
Swansea	93,752	444,555	21.1%
Neath Port Talbot	59,093	306,961	19.3%
Pembrokeshire	45,746	240,375	19.0%
Denbighshire	36,434	207,366	17.6%
Ceredigion	27,688	159,867	17.3%
Merthyr Tydfil	15,042	118,608	12.7%
Isle of Anglesey	16,017	143,705	11.1%
Powys	28,584	276,153	10.4%
Wrexham	26,205	257,842	10.2%
Cardiff	69,149	712,111	9.7%
Blaenau Gwent	14,056	148,762	9.4%
Torfaen	16,738	186,602	9.0%
Monmouthshire	15,246	177,834	8.6%
Flintshire	24,318	315,765	7.7%
Conwy	11,005	237,279	4.6%
Average			17.0%