

## Overall Revenue Position

Table 1: Council Fund 2021/22 Outturn Forecast Summary Statement at Month 9

Service Area	Original Budget 2021/22	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M6	Forecast Variance M6 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
<u>Social Care, Health &amp; Safeguarding</u>	52,825	(182)	52,643	52,671	28	1,181	(1,153)
<u>Children &amp; Young People</u>	56,527	48	56,575	57,703	1,128	1,262	(134)
<u>Enterprise</u>	21,884	(468)	21,416	21,463	47	913	(866)
<u>MonLife</u>	3,951	17	3,968	4,398	430	1,228	(798)
<u>Chief Executives Unit</u>	2,912	(100)	2,812	2,652	(160)	(41)	(119)
<u>People &amp; Governance</u>	3,383	427	3,809	3,630	(179)	(184)	5
<u>Resources</u>	7,235	(849)	6,386	6,425	38	1,504	(1,466)
<u>Corporate Costs &amp; Levies</u>	23,414	847	24,261	23,569	(693)	705	(1,398)
<b>Net Cost of Services</b>	<b>172,130</b>	<b>(261)</b>	<b>171,870</b>	<b>172,510</b>	<b>640</b>	<b>6,568</b>	<b>(5,928)</b>
<u>Appropriations</u>	5,836	261	6,097	5,697	(400)	(93)	(307)
<b>Expenditure to be Financed</b>	<b>177,966</b>	<b>0</b>	<b>177,966</b>	<b>178,207</b>	<b>240</b>	<b>6,475</b>	<b>(6,235)</b>
<u>Financing</u>	(177,966)	0	(177,966)	(178,517)	(550)	(564)	14
<b>Net General Fund (Surplus) / Deficit</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>(310)</b>	<b>(310)</b>	<b>5,911</b>	<b>(6,221)</b>

**Table 2: Council Fund 2021/22 Outturn Forecast Detailed Statement at Month 9**

Service Area	Original Budget 2021/22	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M6	Forecast Variance M6 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	8,341	(81)	8,261	8,257	(4)	629	(633)
Children Services	16,147	(85)	16,061	16,458	397	695	(298)
Community Care	24,386	(43)	24,342	24,275	(67)	96	(163)
Commissioning	1,431	(37)	1,394	1,239	(155)	(162)	7
Partnerships	436	0	436	436	(0)	0	(0)
Public Protection	1,523	18	1,541	1,426	(115)	(60)	(55)
Resources & Performance	560	47	607	580	(27)	(17)	(10)
<b>Social Care, Health &amp; Safeguarding</b>	<b>52,825</b>	<b>(182)</b>	<b>52,643</b>	<b>52,671</b>	<b>28</b>	<b>1,181</b>	<b>(1,153)</b>
Individual Schools Budget	46,488	43	46,531	46,502	(29)	166	(195)
Resources	1,167	4	1,171	1,180	8	18	(10)
Standards	8,871	1	8,872	10,021	1,149	1,078	71
<b>Children &amp; Young People</b>	<b>56,527</b>	<b>48</b>	<b>56,575</b>	<b>57,703</b>	<b>1,128</b>	<b>1,262</b>	<b>(134)</b>
Business Growth & Enterprise	3,024	10	3,034	3,270	236	534	(298)
Facilities & Fleet Management	5,487	(54)	5,433	5,429	(4)	437	(441)
Neighbourhood Services	11,233	(180)	11,053	10,685	(368)	(185)	(183)
Placemaking, Highways & Flood	2,140	(244)	1,896	2,079	183	127	56
<b>Enterprise</b>	<b>21,884</b>	<b>(468)</b>	<b>21,416</b>	<b>21,463</b>	<b>47</b>	<b>913</b>	<b>(866)</b>
Countryside & Culture	1,422	(0)	1,422	1,514	92	72	20
Finance & Business Development	1,735	23	1,758	1,651	(107)	8	(115)
Leisure, Youth & Outdoor Adventure	794	(6)	787	1,233	446	1,148	(702)
<b>MonLife</b>	<b>3,951</b>	<b>17</b>	<b>3,968</b>	<b>4,398</b>	<b>430</b>	<b>1,228</b>	<b>(798)</b>
Policy, Scrutiny & Customer Service	2,912	(100)	2,812	2,652	(160)	(41)	(119)
<b>Chief Executives</b>	<b>2,912</b>	<b>(100)</b>	<b>2,812</b>	<b>2,652</b>	<b>(160)</b>	<b>(41)</b>	<b>(119)</b>
Democratic Services	2,424	(82)	2,342	2,257	(85)	(114)	29
Emergency Planning	152	0	152	152	(0)	0	(0)
People	807	508	1,315	1,221	(94)	(62)	(32)

Service Area	Original Budget 2021/22	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M6	Forecast Variance M6 to M9
<b>People &amp; Governance</b>	<b>3,383</b>	<b>427</b>	<b>3,809</b>	<b>3,630</b>	<b>(179)</b>	<b>(176)</b>	<b>(3)</b>
Finance	3,339	(475)	2,864	2,539	(325)	760	(1,085)
Information, Communication Technology	3,029	(367)	2,662	2,641	(21)	(17)	(3)
Commercial & Corporate Landlord	868	(7)	860	1,245	384	754	(370)
<b>Resources</b>	<b>7,235</b>	<b>(849)</b>	<b>6,386</b>	<b>6,425</b>	<b>38</b>	<b>1,496</b>	<b>(1,458)</b>
Precepts & Levies	21,362	0	21,362	21,375	13	13	(0)
Coroner's	147	0	147	147	(0)	0	(0)
Archives	182	0	182	182	(0)	0	(0)
Corporate Management	339	0	339	245	(94)	(68)	(26)
Non Distributed Costs (NDC)	643	0	643	705	62	62	0
Strategic Initiatives	(836)	823	(13)	(689)	(676)	837	(1,513)
Insurance	1,578	24	1,601	1,604	3	(140)	143
<b>Corporate Costs &amp; Levies</b>	<b>23,414</b>	<b>847</b>	<b>24,261</b>	<b>23,569</b>	<b>(693)</b>	<b>705</b>	<b>(1,398)</b>
<b>Net Cost of Services</b>	<b>172,130</b>	<b>(261)</b>	<b>171,870</b>	<b>172,510</b>	<b>640</b>	<b>6,568</b>	<b>(5,928)</b>
Fixed Asset Disposal Costs	30	0	30	201	171	136	35
Interest & Investment Income	(134)	0	(134)	(203)	(69)	11	(80)
Interest Payable & Similar Charges	3,736	0	3,736	3,333	(403)	(230)	(173)
Charges Required under Regulation	6,404	0	6,404	6,393	(11)	(10)	(1)
Other Investment Income	0	0	0	(2)	(2)	0	(2)
Borrowing Cost Recoupment	(3,619)	0	(3,619)	(3,704)	(85)	0	(85)
Contributions to Reserves	195	0	195	195	(0)	0	(0)
Contributions from reserves	(777)	261	(516)	(516)	(0)	(0)	0
<b>Appropriations</b>	<b>5,836</b>	<b>261</b>	<b>6,097</b>	<b>5,697</b>	<b>(400)</b>	<b>(93)</b>	<b>(307)</b>
<b>Expenditure to be Financed</b>	<b>177,966</b>	<b>0</b>	<b>177,966</b>	<b>178,207</b>	<b>240</b>	<b>6,475</b>	<b>(6,235)</b>
General Government Grants	(69,465)	0	(69,465)	(69,465)	0	0	(0)

Service Area	Original Budget 2021/22	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M6	Forecast Variance M6 to M9
Non Domestic Rates	(32,018)	0	(32,018)	(32,018)	0	(0)	0
Council tax	(83,636)	0	(83,636)	(84,286)	(650)	(750)	100
Council Tax Benefit Support	7,152	0	7,152	7,253	100	186	(86)
Financing	(177,966)	0	(177,966)	(178,517)	(550)	(564)	14
Net General Fund (Surplus) / Deficit	(0)	0	0	(310)	(310)	5,911	(6,221)

## DIRECTORATE – DIVISION VARIANCE COMMENTS

<b>SOCIAL CARE, HEALTH &amp; SAFEGUARDING</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,665	1,181	28	0

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

The month 9 directorate outturn for 2021/22 is a predicted overspend of £28,000. The overspend would be £3.25M higher if not assisted by the Social Care Workforce and Sustainability Grant from Welsh Government of £1.242M, £500k of Intermediate Care Funding (ICF), Discharge to Reassess monies from Health, £540K from the Social Care Recovery and its Extension Fund, and the recently announced additional financial support package from Welsh Government to fund overspends within Social Care of £1.25M.

The Adult Services division (which also includes the Community care, Commissioning, Partnerships & Resources sections) at month 9 has an underspend of £253K, a reduction of £799K since month 6, even though we have made additional recruitment to our inhouse care at home service, and increased care packages in the South of the County. This area of the directorate is benefitting from the Social Care Workforce and Sustainability (SCWS) grant of £1.242M, ICF (scheduled to terminate at 31<sup>st</sup> March 2022) , Discharge to Reassess funding from Health totalling £150K, £300K from the Social Care Recovery Fund and £623K as its share of the £1.25M additional support from Welsh Government.

Children's Services has a forecast overspend of £396K, a decrease of £298K since month 6 due to increased costs connected with one high cost placement. At the end of 2019/20 CLA numbers stood at 213 but have fallen to 205 at the end of month 9, remaining unchanged since month 6. However, new children have required high cost residential placements, as opposed to those leaving which have been more in the lower cost fostering/kinship/family placements, accounting for £832K of the overspend. A recent legal case has led to the need for the directorate to pay kinship carers in line with foster carer rates, along with the increase in payment to foster carers due to increasing skills training, producing £273K of the overspend. Legal costs associated with court proceedings accounting for £213K of the overspend, with the continued use of agency staffing contributing £75K to the overspend. There are £104K of compensating savings mainly from the vacant Head of Service and reduced partner contributions. This element of the directorate has also benefitted from ICF funding of £300K, coupled with £240K from the Social Care Recovery and Extension Fund, and £627K as its share of the £1.25M additional support from Welsh Government has helped to lower the overspend.

Public Protection is anticipated to underspend by £115K due to vacancies within the service which will be maintained until the end of this financial year.

### **ADULT SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	289	629	(4)	0

Additional recruitment of carers, over and above budget, into our in-house care at home service to facility additional packages of care. This overspend has been offset by £623K as its share of the £1.25M additional funding package from Welsh Government

### **CHILDREN SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,127	695	397	0

Even with stabilising CLA numbers, new children have required high cost residential placements as a result of increased complexity, as opposed to those leaving which have been more in the lower cost fostering/kinship/family placements, accounting for £832K of the overspend. A recent legal case has led to the need for the directorate to pay kinship carers in line with foster carer rates, along with the increase in payment to foster carers due to increasing skills training, producing £273K of the overspend. Legal costs associated with court proceedings accounting for £213K of the overspend, with the remaining £75K due to continued use of agency staffing. There is £104K of compensating savings through the current vacant Head of Children's Services post, reduced partner contribution into the Youth Offending Service and reduced contracted transport costs achieved due to the pandemic. This service area is benefitting from one off ICF funding totalling £300K, £240K from the Social Care Recovery and Extension Fund and £627K as its share of the £1.25M additional funding package from Welsh Government which has reduced the impact of the overspend.

### COMMUNITY CARE

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	397	95	(67)	0

The overspend in in the South of the County in our Chepstow Integrated team resulting from increased care packages. However, one off ICF funding, the Social Care Sustainability Grant and the new Social Care Recovery fund have helped to offset the potential overspend.

### COMMISSIONING

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'s	(134)	(162)	(155)	0

Ongoing vacant Commissioning Officer post and due to the continued closure of day facilities transport, costs are lower than budget.

### PARTNERSHIPS

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	0	0	0

No variances

### PUBLIC PROTECTION

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'s	2	(60)	(115)	0

Due to delayed recruitment into vacant posts.

### RESOURCES & PERFORMANCE

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	(16)	(16)	(27)	0

Vacant posts within the Finance team.

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	832	1,262	1,128	0

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

The Directorate's Month 6 position is an over spend of £1,128k, which is primarily due to additional ALN expenditure as outlined below.

#### **INDIVIDUAL SCHOOLS BUDGET**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	166	(29)	0

Back pay due to school staff is less than anticipated and there is an underspend on Covid-19 expenses from the 2020-21 grant.

#### **RESOURCES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	3	18	8	0

The decrease in overspend is due to staff cost savings.

#### **STANDARDS**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	829	1,078	1,149	0

- Recoupment decreased by (income received from other LA's) £235,000
- Independent placement costs overspent by £303,000
- Other LA placement costs overspent by £191,000
- Additional support for pupils attending our schools overspent by £336,000
- Breakfast Club reduction in income & increased costs £62,000
- Deri View SNRB/Virtual School Staff & Overmonnow SNRB £77,000

The above overspends have been partially offset by the following savings: -

- Staff cost savings in Psychology Service (£27,000)
- Recent Early Years grants released to cover staff costs (£20,000)

<b>ENTERPRISE</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	2,470	913	47	0

#### **ENTERPRISE DIRECTOR'S COMMENTARY:**

The Enterprise Directorate is forecasting a £47k overspend at month 9.

The impacts of COVID-19 are still affecting services provided within Enterprise, WG Covid-19 funding has been guaranteed for the remainder of the year so any shortfall caused by Covid-19 will not impact the directorates outturn position at year end. We have continued to submit Covid-19 claims through the year and the receipt of funding since Qtr2 is the main reason for the £866k improvement from Month 6.

The current £47k overspend projection can be broken down between:

- **Covid-19 Related Pressures** of £958k – these are mainly found in Homelessness (B&B and Security costs), Car Parking (loss of P&D and PCN income) and Waste (Staff cover and vehicles). As mentioned above we are anticipating that all these costs will be covered.
- **Non-Covid-19 Related** underspend of £911k – main savings can be found in Waste (Contract & Recyclate savings), Streetlighting (Energy savings), PTU (Contractor savings) and staff vacancy savings across whole directorate.

Each service area sets out the detail behind these projections within the next sections of the report and the key financial issues, risks and implications are described.

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.

## ENTERPRISE & COMMUNITY ANIMATION

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	1,143	534	235	0

Enterprise & Community Animation is forecasting a £235k overspend at month 9, this is mainly due to:

- **Borough Theatre** – Break-even – Covid-19 funding in Qtr. 1 & Qtr. 2 has helped offset income losses. The theatre is now closed for refurbishment, but it is anticipated that the cost of this will be covered within existing core budget.
- **Business Growth & Enterprise** – Reporting a break-even position
- **Communications** – £6k overspend – driven by on-going COVID-19 response comms requirements, an increase in photography, film and software costs, and a cost for recruitment, some training and freelance support driven by some team changes.
- **Community & P/Ships development** - £34k underspend - due to the capitalisation of staff costs linked to innovation & service transformation (£28k) and a decrease in travel costs and course fees (£5k).
- **Enterprise Management** - £12k underspend – Staff vacancy savings due to a post only being filled part way through the year.
- **Housing** - £308k overspend, this can be broken down into these main areas:
  - **Homelessness** – £354k overspend - If levels remain the same for the remainder of the year then we are expecting a pressure of £433k split between B&B costs of £176k and hostel security costs of £258k. This has been offset by staff vacancies of £79k. WG have informed us that the Homeless costs will continue to be covered out of Covid-19 grant for the rest of the year so there will be no adverse impact on revenue budget.
  - **Sewage Treatment Plants** - £24k overspend – Delays in NRW decision to approve a replacement system at Shirenewton has meant that the plant still needs to be emptied on a regular basis to avoid leaks.
  - **Social Housing Grant** - £63k overspend – Change in grant T&Cs has meant that core staff costs are no longer claimable causing a budget pressure.
  - **Shared Housing & Private Leasing** - £110k underspend - Rental income within Shared housing and Private leasing are currently exceeding budget creating a bottom-line underspend. This is an improvement from month 6 of £16k but the receipt of rental payments can be volatile so this figure could change between now and year end.
  - **Careline** - £22k underspend – Mainly due to reductions in equipment spend and income increase from recharges to other LAs.
- **Procurement** - £33k underspend – Employee saving due to a member of staff retiring.

The reduction in overspend from Month 6 of £299k can mainly be attributed to the receipt of Covid-19 funding in the 3<sup>rd</sup> quarter of the year.



## FACILITIES & FLEET MANAGEMENT

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	551	437	(4)	0

Facilities & Fleet management are forecasting a £4k underspend, due to:

- **Schools Catering** – Break-Even – It is forecast that the anticipated uptake in meals between now and year end will be sufficient to bring the service in on budget. All shortfalls caused by Covid-19 in the earlier parts of the year have been covered by the WG Covid-19 grant.
- **Building Cleaning** - £25k overspend – due to increased staffing costs to cover Covid-19 related absences, this will be reclaimed from the WG Covid-19 funding so won't impact on year end outturn.
- **Passenger Transport** – £269k underspend:
  - **Home to School Transport** – Break-even - employee savings have offset external vehicle maintenance costs.
  - **External Commissioning** - The section is forecasting to underspend by £269k, this is due underspends in contractor payments and staff vacancies totalling £219k and a £50k saving from the capitalisation of route optimisation software costs.
  - **Private Hire** – Break-even – All losses anticipated in Private Hire have been covered off by the WG Covid-19 fund.
- **Fleet Maintenance** - £240k overspend – The cost of maintaining the authority's fleet has exceeded available budget, current forecasts predict a £219k shortfall. In addition, the number of members of the car salary sacrifice scheme have reduced meaning savings are below budgeted levels by £22k.

The outturn position has improved by £441k from month 6 and this is mainly down to the receipt of Covid-19 funding in Catering and PTU and an improving position regarding the overall impact of Covid-19 on services.

## NEIGHBOURHOOD SERVICES

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	346	(185)	(367)	0

Neighbourhood Services are forecasting to underspend by £367k, this is due to:

- **Highways, SWTRA & Streetlighting** – £109k underspend - This is due to Streetlighting, the LED replacement programme is now complete and the resultant reduction in KWH output means our energy costs have reduced below budget. We are also seeing a saving in our maintenance budget as our 'Hazard' monitoring costs have gone down. Highways Operations and SWTRA & External Clients are both forecasting a break-even budget.
- **Waste & Street Scene** - £257k underspend – this can be broken down between:
  - a. **Covid-19 Related** - £236k overspend – this is for additional staff and vehicles to cover Covid-19 related absences and distancing guidelines, these costs will be recovered from the WG Covid-19 fund and will not impact on year end.
  - b. **Non-Covid-19 Related** - £494k underspend - as we move through the year we are getting a better understanding of the potential outturn position for Waste & Street Scene, the HWRC and transfer station contract savings were still being worked through in Month 6 and a relatively buoyant recycling market in Quarter 2 and Quarter 3 have reduced costs. Planned expenditure on new depot infrastructure in

south of county has not materialised due to the lack of suitable site availability to house recycling and waste fleet.

The £182k improvement from Month 6 is due to the receipt of Covid-19 funding and the improvement in the Waste position that was not fully known in September.

### PLACEMAKING, HIGHWAYS & FLOOD

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	430	127	182	0

Placemaking, Highways & Flood is forecasting to overspend by £182k, this is because of:

**Planning & Building Control** – £108k overspend – Income in Building Control has dropped due to the impact of Covid-19, current predictions estimate we will be £73k below budget by year end. Pre-application income is also down in Planning by £35k due to reduced volume. The Building control income loss will be claimed back for the WG Covid-19 grant.

**Planning Policy & LDP** – Break-even.

**Car Parks** - £240k overspend – Covid-19 restrictions have impacted on parking and enforcement income, we are seeing an improvement in Pay & Display levels but are still expecting to see a pressure of £191k this year - in addition there are overspends in expenditure primarily transport, premises & software costs (£49k). We will be claiming back the lost income from the WG Covid-19 grant so impact on outturn will only be £49k by year end.

**Highways Management & Flooding** - £166k underspend – Staffing underspend due to delays in filling vacant posts and improved income.

The increase in overspend from Month 6 can be mainly attributed to the reduction in Building Control income that was not known in September, although this will be reclaimable via WG Covid-19 grant.

MONLIFE	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	3,010	1,228	430	

### MonLife DIRECTOR'S COMMENTARY:

The MonLife Directorate is forecasting an overspend of £430k at month 9, a significant reduction from month 6 which is due to the receipt of Welsh Government hardship funding of £793k to cover income losses in quarter 2.

The current £430k overspend projection can be broken down between:

- **Covid-19 Related Pressures** - £558k – this relates to income pressures in Leisure services, Outdoor Adventure and Attractions. The WG Covid-19 grant will continue to fund these losses through to March 2022 so this should have no impact on year end outturn.
- **Non-Covid-19 Related** - underspend of £128k – mainly due to staff savings throughout the service due to delays in filling vacant posts

### (MONLIFE) Countryside & Culture

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
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<b>Deficit / (Surplus) £'000s</b>	54	72	92	0
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Countryside & Culture is forecasting an overspend of £92k at month 9, this is due to:

- **Museums** - £64k overspend – our sites have had limited opening this year due to the pandemic resulting in a loss of income from retail sales and event income.
- **Learning** - £8k overspend – reduced income as the service hasn't been able to fully deliver programmes and events as planned due to pandemic.
- **Countryside** - £21k overspend – due to a £15k contribution to the "Living Levels" and additional cost for a compound in Gilwern and reduced income due to Covid-19.
- **Tourism** – Break-even – this is an improvement of £21k from Month 6 as IT system costs can be capitalised.

Of the reported overspend, £78k is Covid-19 related and will be recovered via the WG Covid-19 grant.

### (MONLIFE) Finance & Business Development

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	8	(107)	0

Finance & Business Development is forecasting to underspend by £107k at month 9, this is due to:

- **Attractions** - £58k underspend – due to senior staff savings in attractions management and overtime savings in our TICs, this has been offset by a net income shortfall at the Old Station in Tintern and Caldicot Castle.
- **Leisure Services Management** - £58k underspend – due to savings from staff vacancies due to delays in filling posts.
- **Business Support, Sales & Marketing** - £9k overspend – mainly due to a reduction in grant funding.

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

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	2,956	1,148	445	0

Leisure, Youth & Outdoor Adventure is forecasting a £445k overspend, this is due to:

- **Leisure Services** - £427k overspend - Leisure Centres have re-opened but income levels have been affected by the pandemic. Throughout the year we have seen high levels of membership cancellations and reductions in general bookings with some memberships still frozen. We have recently seen a much needed uplift due to the re-opening of the Abergavenny fitness suite, although the benefits of this have been slightly impaired by a short term issue with the pool, so although the net income position is improving as we go through the year we will still need to draw on the WG Covid-19 grant to cover the remaining shortfall.
- **The Outdoor Adventure Service** - £19k overspend - Covid-19 Restrictions on residential visits for schools have had significant impact on income with no visits between April and August and limited bookings for the rest of the year as customers continue to be hesitant about returning, although the service is hopeful that as confidence returns that income levels will improve through to year end. As with above income shortfalls have been covered by the WG Covid-19 grant.

<b>CHIEF EXECUTIVES UNIT</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	53	(41)	(160)	

#### **HEAD OF POLICY, PERFORMANCE AND SCRUTINY COMMENTARY:**

The Chief Executive's department is currently forecasting a £160K under spend. The most significant factor is an increase in grant income because of a change in the national formula. This has not been fully utilised because of the impact of Covid-19 restrictions on service delivery. Provision had been made for partial repayment which we have been advised will not be required accounting for the shift on the month 6 position.

The other main factor is a delay in the introduction of a new telephony system. This is part of a Wales-wide framework contract which will not be implemented until the 2022-23 financial year.

These have helped balance overspends in other service areas including an over-spend on Welsh language translation costs.

#### **POLICY, SCRUTINY & CUSTOMER EXPERIENCE**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	53	(41)	(160)	0

Policy, Scrutiny & Customer Experience is forecasting a £160k underspend at month 9, this is due to:

- **Community Education** - £159k underspend – this is due to improved external partner income that have been carried forward from 2020-21 that has helped offset core service costs, these have been part offset by increased lecturer costs.
- **Contact Centre** - £65k underspend – due to budget savings because of the delay in the implementation of a new telephony system. This was not known at month 6 and is the reason for the positive swing.

*Offset by:*

- **Community Hubs** - £29k overspend – shortfall in library and room hire income due to unachievable income budgets.
- **Corporate CEO** - £9k overspend – due to inability to meet staff vacancy factor saving and an increase in license costs.
- **Policy & Partnerships** – £24k overspend - Net overspend mainly due to an increase in Welsh Language translation costs of £37k, offset by a saving of £4k in third party contributions and £7k in CCTV maintenance costs. The volume of translation work has increased significantly in recent months and is the reason for the increase in overspend from Month 6.

The improvement in underspend of £119k from Month 6 is mainly due to:

- Community Education - £59k additional income that was not factored in at month 6.
- Contact Centre - £83k reduced expenditure due to the delay in telephony system implementation.
- Welsh language – Increased translation costs £37k not factored in at Month 6.

<b>PEOPLE &amp; GOVERNANCE</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(8)</b>	<b>(176)</b>	<b>(179)</b>	

### People & Governance DIRECTOR'S COMMENTARY:

People & Governance is reporting a £179k under spend. It is a period of transition for this new Directorate and intentional restraint around vacancies and the overall structure of the team has led to the majority of the underspend. Planning for FY 2022/23 is advanced and resource allocation is likely to be a much more challenging prospect given the combination of several projects coming to fruition.

### Governance

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(8)</b>	<b>(122)</b>	<b>(84)</b>	<b>0</b>

Democratic Services is forecasting to underspend by £84k, this is due to:

- **Organisational Development** – overspending by £8k – increase in staff costs as a post has gone from part-time to full time.
- **Members Costs** - underspending by £49k due to a reduction in IT replacement costs (£35k) and savings in mileage and allowance claims (£14k) due to more agile attendance of meetings.
- **Electoral Management** – Break-Even – underspends resulting from a reduction in canvassing costs have been offset by increased postage & printing costs and a staff costs due to post re-gradings. The extent of postage and printing costs was not known earlier in the year and is the reason for the £30k reduction in underspend since Month 6.
- **Committee Section** – overspending by £18k due to increased staff costs due to post re-gradings, a small overspend on software costs and a reduction in WG grant.
- **Legal Services** - £24k underspend – staff savings resulting from the delay of the employment lawyer
- **Land Charges** - £37k underspend – this is because of increased search income and savings from a staff vacancy.

### Emergency Planning

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'s</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Emergency Planning are forecasting a balanced budget.

### People

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>(62)</b>	<b>(94)</b>	<b>0</b>

- **People Services** is forecasting to underspend by £94k due to senior staff vacancy savings of £80k and a £11k underspend in Occupational Health due to a reduction in demand.
- **Corporate Training** – Forecasting a £3k underspend – due a small staff saving resulting from a delay in filling a post and an increase in external training income.

The £32k improvement from Month 6 can be attributed to the delay in filling a senior post in People services.

<b>RESOURCES</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,107	1,504	38	

### RESOURCES DIRECTOR'S COMMENTARY:

The directorate has seen a considerable improvement in forecast since month 6 of £1,466k, of which £576k can be attributed to core service delivery, with a further £885k representing continued recoupment of Covid-19 related costs from the WG hardship fund.

Of the total forecast, a £217k surplus relates to core service delivery, with much of this relating to continued staff vacancies which does not represent a sustainable position moving forward and will need further consideration as we move into 2022/23.

The remaining £256k forecast pressure is specifically related to additional Covid related expenditure or income losses and is expected to be funded in full from the Welsh Government hardship fund during the course of the year. Officers will continue to work with Welsh Government colleagues to ensure that legitimate costs and income losses are recovered where they are as a direct result of the impact of the pandemic on services.

### FINANCE

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	756	760	(325)	0

Finance is forecasting to underspend by £325k, this is mainly due to:

- **Revenues** - £13k overspend, this is due in the main to:
  - **Housing Benefits** - £42k overspend - The position has improved significantly for this budget following Welsh Government's decision to release hardship funding to support the lost Housing Benefit Subsidy resulting from temporary accommodation placements. The remaining £42,000 over-spend is a real cost to Monmouthshire and mainly reflects ongoing placements costs, which by their nature do not currently attract subsidy.
  - **Council Tax** - £108k over-spend – due to a £57k over-spend against salary costs, as the budget was vired to Finance as part of structure adjustments. Plus, a £51k estimated shortfall in summons income. Courts have now started up again and full recovery is underway. As a result, Summons Income has started to pick up and is the reason for the £29,000 reduction in the forecast over spend since month 6. However, Summons Income is still behind normal levels and any shortfall at year end has the potential to be claimed back via the WG Covid-19 fund.
  - **Debtors and Charity relief** - £137k underspend – due to a combination of £3k anticipated savings against the discretionary relief budget, a net surplus of £3k admin grant funding from Welsh Government, a £5k saving against the debtors postage budget and a £126k under spend following the decision not to call on the NDR budget this year.
- **Finance** - £243k underspend – This is a result of senior management vacancies. We are anticipating that these positions will now not be filled until the new financial year.
- **Audit** - £15k underspend – This is due to staff vacancy savings.
- **Systems & Cashiers** – £21k underspend – The Cashiers budget includes a £20k staff saving, following the decision to remove cheques from the authority's day-to-day business. However, Covid-19 has delayed the full implementation of this decision resulting in a budget pressure. In addition, we have seen an increase in card handling fees as more people are paying for services online. Cash system costs have also increased as new functionality is developed



resulting in a combined over-spend of £26k. These pressures are offset by £10k security carrier savings and a £57k underspend in the Revenues & Systems Support team, due to staff vacancies and system development savings intentionally held back to fund the pressure within cashiers.

- **Payroll** – £59k underspend – Staff savings due to the retirement of a senior post plus further savings from delays in filling vacant posts.

The outturn position has improved by £1.085m from month 6 and this is mainly down to the receipt of Covid-19 funding in our Revenues section from September and an improving position regarding the overall impact of Covid-19 on services. In addition, the position has also improved as staff vacancies have remained vacant longer than originally thought at Month 6.

## INFORMATION, COMMUNICATION & TECHNOLOGY

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(17)	(21)	0

ICT is forecasting to underspend by £21k as our SRS contribution for 2021-22 is below available budget. All other services are reporting break-even.

## COMMERCIAL & CORPORATE LANDLORD

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	352	754	382	0

Commercial & Corporate Landlord is forecasting to overspend by £382k:

- **Investment Properties** - £242k overspend, due to:
  - **Newport Leisure Park** - £8k underspend – Although the site has seen losses in rental due to the Covid-19 pandemic these have been reclaimed from WG Covid-19 grant so budget for 2021-22 forecast to come in on target.
  - **Castlegate Business Park** - £249k overspend - Rental income forecasts for this year are still projecting to cover outgoings but a budget pressure has been caused by an in-year adjustment to correct a control account in-balance due to the mis-posting of income in previous years.
- **Landlord Services** - £59k underspend – due to staff vacancies of £122k caused by delays in filling vacant posts and rates savings on buildings (£21k), offset by an £85k net income shortfall from rental loss at Magor (£38k) plus a £65k loss of service charge, these have been offset by a small gain of £17k in commercial rents and estates fees. The improvement from month 06 is due to the receipt of Q2 Covid-19 funding of £20k, £58k further staff savings due to posts not filled (M6 assumed posts would be filled from Dec) and £20k less rates bill than anticipated.
- **County Farms** - £21k overspend – due to additional consultant costs associated with dilapidation surveys and a reduction in rental income due to a reduction in tenants.
- **Solar Farm** - £40k underspend – income is currently projected to be above budget; this is mainly due to improved ROC prices.
- **Markets** - £89k overspend. This is due to an estimated shortfall in income of £54k due to the disruption caused by Covid-19 and a net increase in spend of £35k mainly due to an overspend on waste disposal costs. The rental income loss will be recovered from the WG Covid-19 grant so will not impact on final outturn figures.

- **Property Services** - £131k overspend. This can be split into 2 main areas:
  - **Accommodation** - £90k overspend due to an increase in repair and maintenance costs across council offices (£42k) and increase in cleaning costs due to additional requirements relating to Covid-19 (£48k). It is anticipated that the cleaning costs can be recovered via the WG Covid-19 fund.
  - **Property** - £40k overspend. Mainly due to a reduction in fee income as the number (and size) of projects that staff can be recharged to have reduced this year, although position has improved by £135k since Month 6. The service will continue to address this shortfall between now and year end.

The outturn position for the division has improved by £372k from month 6, this is mainly down to the receipt of Covid-19 funding in Estates, improved income projection within Property Services and increased staff savings across the services as posts have remained vacant longer than originally thought at Month 6.

<b>CORPORATE COSTS &amp; LEVIES</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	21	705	(693)	
<b>PRECEPTS &amp; LEVIES</b>				
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	13	13	13	
National parks levy notified after budget produced - increase in levy of circa 10% based on increased staff and project work required				
<b>CORONERS SERVICES</b>				
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	0	0	
No variance at month 6				
<b>CORPORATE MANAGEMENT</b>				
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(24)	(68)	(94)	
Primarily due to the release of a bad debt provision in relation to the SRS financial administration whereby it was originally estimated that there may be a bad debt burden upon transfer of the administration to TCBC, but which has not materialised.				
<b>NON-DISTRIBUTED COSTS</b>				
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	32	62	62	
Additional pension strain costs notified since the budget has been set. These costs reflect the additional payment the Council need to make to the pension fund when an employee is permitted to leave employment prior to their normal pensionable age and wishes to immediately draw on their pension				



## STRATEGIC INITIATIVES

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	837	(676)	

Primarily due to the allowance for an expected non-teaching pay award of £837k across services, which represents a forecast award of 1.75%, which is 0.75% above that already budgeted.

Additionally there is a £493k overspend in relation to a Holiday Pay liability for the last two years due a change in case law for staff whose overtime is regular and consistent.

This is offset by notification of an unbudgeted grant of £1.019m from Welsh Government in relation to the reduction in Council tax collection rates during the period and a further £1m in AEF notified by WG.

## INSURANCE

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(140)	3	

Primarily due to savings in premium costs for the year of £35k, savings in professional fees of £34k, and the forecast saving in settlement expenditure based on current trends. In terms of settlement expenditure it should be noted that this area of the business can be highly volatile and a significant number of, or complex claims can lead to high value settlements in terms of the excesses payable on our insurance policies. This has been offset since month 6 by a forecast uninsured settlement of circa £200k in respect of a repairing obligation to the former Usk grammar school foundation trust for a former property owned by the trust and occupied by MCC.

## APPROPRIATIONS

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(93)	(400)	

The Appropriations under spend has increased by £307k to £400k at month 9.

Interest & Investment Income has moved to an underspend of £69k due to backdated interest paid as part of the Broadway loan which was not received at Month 6.

Interest Payable is underspent by £403k from £230k at month 6. This is due to authority locking in both short and long term borrowing before an increase in interest rates. Longer term borrowing costs are also less than expected due to an error found in previous calculations which has not been rectified.

The underspend is offset slightly by an overspend on Fixed Asset Disposal costs of £171k. This overspend is due to unforeseen security costs at Hilston Park.

## FIXED ASSET DISPOSAL COSTS

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
Deficit / (Surplus) £'000s	0	136	171	

Overspend due to £190k of additional security costs related to the sale of the Hilston Park Site. This is offset by fully utilising the available capital fixed asset disposal budget.

## INTEREST & INVESTMENT INCOME

Outturn Forecast	Month 2	Month 6	Month 9	Outturn
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<b>Deficit / (Surplus) £'000s</b>	0	11	(69)	
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The movement to surplus is due to interest from Broadway loan which wasn't reported at month 6. There has also been an improvement in return from pooled funds since month 6.

### INTEREST PAYABLE & SIMILAR CHARGES

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	(230)	(403)	

Additional short-term borrowing costs were anticipated at M6 but did not materialise due to locking in longer term PWLB borrowing. Clarification of PWLB annuity loan costs also meant the total PWLB costs were less than previously anticipated.

### CHARGES REQUIRED UNDER REGULATION

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	(10)	(11)	

11k underspend against MRP due reduced capital spend in the previous financial year than budgeted.

### OTHER INVESTMENT INCOME

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	0	(2)	

A small number of unbudgeted Wayleaves + Easements Income has been received since month 6.

### BORROWING COST RECOUPMENT

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	0	(85)	

Additional loan repayment has been made from services since Month 6.

### FINANCING

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(130)	(564)	(550)	

### COUNCIL TAX BENEFIT SUPPORT

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	370	186	100	

This budget continues to be under pressure, as a direct result of Covid-19. However, we continue to see some easing of demand since the year started. We have still not received confirmation from Welsh Government at the writing of this report if they will provide any funding support that was put in place last year.

### COUNCIL TAX

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 6</b>	<b>Month 9</b>	<b>Outturn</b>
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<b>Deficit / (Surplus) £'000s</b>	<b>(500)</b>	<b>(750)</b>	<b>(650)</b>	
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The latest council tax data shows a slight reduction in anticipated income for the year. We continue to see new properties being added to the tax base however we have now also started to see an increase in the number of exemptions and discounts being requested and awarded

## 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 9 projections for each Educational Cluster.

Draft Council Fund Outturn 2021/22 – School Balances Summary outturn position at Month 9	(A) Opening Reserves (Surplus) / Deficit Position 2021/22	(B) Draw / (Contribution) from / (to) School Balances @ Month 2	(C) Draw / (Contribution) from / (to) School Balances @ Month 6	(D) Draw / (Contribution) from / (to) School Balances @ Month 9	(A+D) Forecast Reserve Balances at 2021/22 Outturn	Variance Draw on School Balances Month 6 to Month 9
Cluster	£000's	£'000	£'000	£'000	£'000	£'000
Abergavenny	(1,158)	309	426	(197)	(1,355)	(623)
Caldicot	(1,091)	539	372	(197)	(1,288)	(569)
Chepstow	(349)	516	417	42	(307)	(375)
Monmouth	(794)	457	354	(318)	(1,113)	(673)
Special	(26)	(39)	(11)	(16)	(42)	(5)
<b>Total</b>	<b>(3,418)</b>	<b>1,782</b>	<b>1,558</b>	<b>(687)</b>	<b>(4,105)</b>	<b>(2,245)</b>

- 2.2. Collective School Balances at the beginning of the financial year amounted to a £3,418,120 surplus. (The majority of the surplus balance brought forward is due to two grants being awarded to schools at the 2020/21 year-end; the Schools Revenue Maintenance Grant and Recruit, Recover and Raise Standards).
- 2.3. The Schools month 2 forecast anticipated draw on reserves was £1,781,648, which resulted in a forecast surplus balance of £1,636,472. At month 6, the forecast anticipated draw on reserves was reduced by £223,938, to a forecast surplus balance of £1,860,410. At month 9, the forecast is a contribution to reserves of £686,954, resulting in a forecast surplus balance of £4,105,074. The majority of the increase in reserve balances is due to additional grants from Welsh Government, the details are below:

- £1,089,288 to cover revenue maintenance
- £117,306 Winter of Wellbeing
- £184,076 ALN new system funding
- £668,971 RRR's funding.
- £2,059,641 Total

All schools are putting in place plans to ensure the most effective and beneficial use of these grants is made.

- 2.4. The movement of individual schools forecast to be in deficit since the start of the financial year is shown below:

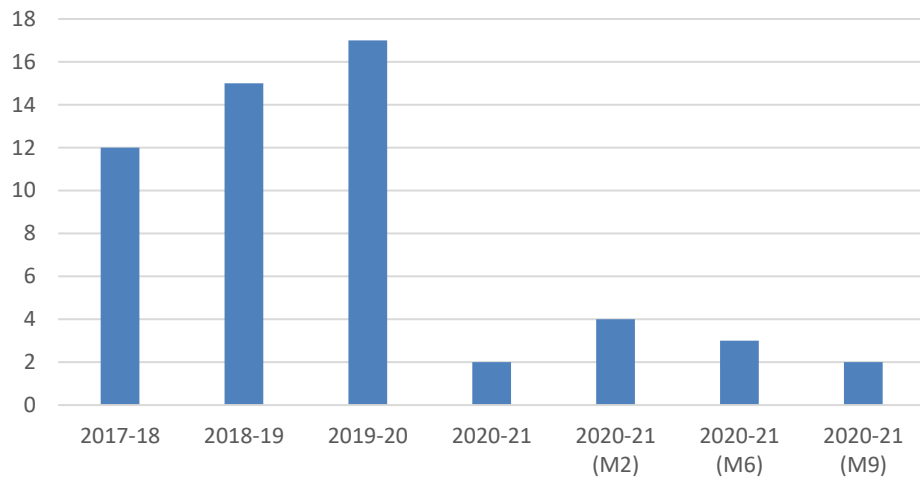
Start of year	Month 2 (Forecast)	Month 6 (Forecast)	Month 9 (Forecast)
2	4	3	2
Chepstow Comprehensive	Chepstow Comprehensive	Chepstow Comprehensive	Chepstow Comprehensive
Llandogo Primary	Llandogo Primary	Llandogo Primary	Llandogo Primary
	Ysgol Gymraeg Y Fenni	Ysgol Gymraeg Y Fenni	
	Ysgol Gymraeg Y Ffin		

- 2.5. 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.
- 2.6. Total Schools balances have been exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances, which is of concern, and others a more balanced trend. However, as previously advised, grants awarded to schools at 2020/21 year-end has resulted in a large increase in overall school balances.

Financial Year-end	Net level of School Balances
2014-15	(1,140)
2015-16	(1,156)
2016-17	(269)
2017-18	(175)
2018-19	232
2019-20	435
2020-21	(3,418)
2021-22 (Forecast)	(4,105)

- 2.7. The increase in school balances has resulted in a reduction in the number of schools in deficit, as illustrated in the following table: -

### Number of Schools in Deficit



### 3 CAPITAL OUTTURN

3.1 The summary forecast Capital position at Month 9 is as follows:

Forecast Capital Outturn Position 2021/22 at Month 9							
Select Portfolio	Slippage B/F	Original Budget	Budget Adjustments	Provisional Slippage	Revised Budget 2021/22	Forecast	Variance
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>							
Children & Young People	15,381	14,423	1,261	(27,478)	3,587	3,587	0
Economic & Development	19,244	546	606	(18,143)	2,253	2,253	0
Adult	5,964	0	0	(5,964)	0	0	0
Strong Communities	8,554	11,545	8,349	(2,768)	25,680	25,680	0
<b>Total Expenditure</b>	<b>49,143</b>	<b>26,514</b>	<b>10,216</b>	<b>(54,353)</b>	<b>31,520</b>	<b>31,520</b>	<b>0</b>
<b>Financing</b>							
Supported Borrowing	0	(2,431)	0	0	(2,431)	(2,431)	0
General Capital Grant	0	(2,438)	0	0	(2,438)	(2,438)	0
Grants and Contributions	(19,096)	(13,160)	(7,685)	29,132	(10,809)	(10,809)	0
S106 Contributions	(711)	0	(331)	170	(872)	(872)	0
Unsupported Borrowing	(27,031)	(4,094)	0	23,686	(7,439)	(7,439)	0
Earmarked Reserve & Revenue Funding	(241)	0	0	0	(241)	(241)	0
Capital Receipts	(2,064)	(2,891)	(2,200)	1,365	(5,790)	(5,790)	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0
<b>Total Financing</b>	<b>(49,143)</b>	<b>(26,514)</b>	<b>(10,216)</b>	<b>54,353</b>	<b>(31,520)</b>	<b>(31,520)</b>	<b>0</b>

3.2 The capital expenditure forecast outturn at month 9 shows a balanced outturn position as capital budget holders are forecasting a full spend on schemes that are not being slipped.

3.3 Forecast Capital Slippage at month 9 is £54.353m (£51.772m at Month 6) as major schemes are impacted by delays.

- Abergavenny King Henry VIII replacement (£26.399m), where the original budget schedule for the project has changed considerably since the inception of the project.
- Asset Investment Fund (£18.092m), on hold due to an asset investment priority review;
- Crick Road Care Home (£5.964m), delays in building schedule;
- £813k for a backlog in disabled facility grant implementations;
- £516k for modifications to County Hall 'J' block, delayed due to a 'SUDS' consent being required;
- £489k for Match Funded Capital schemes due to the dependency on external funding contributions;
- £280k on the Re-Fit programme

### 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.

	2021/22	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000	£000
Balance as at 1st April	9,581	13,503	11,108	10,311	8,714
Capital receipts used for financing	(3,582)	(2,311)	(1,294)	(1,194)	(1,094)
Capital receipts used to support capitalisation direction	(2,208)	(2,650)	(507)	(507)	(507)
Capital receipts Received or Forecast	9,712	2,565	1,004	104	104
<b>Forecast Balance as at 31st March</b>	<b>13,503</b>	<b>11,108</b>	<b>10,311</b>	<b>8,714</b>	<b>7,217</b>