

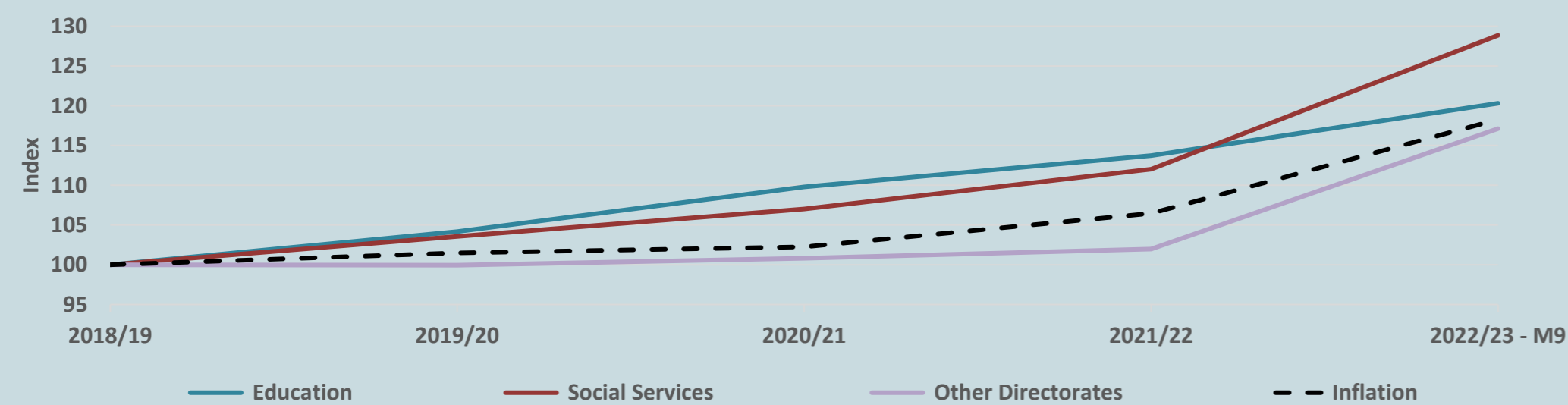
# Financial Resilience Snapshot

## 2022-23 Month 9

### Revenue Month 9 Position - 2022/23

Directorate	Budget £000	Outturn £000	Variance £000	Variance %
Corporate Management	37,414	34,037	(3,377)	(9.0%)
Economic Development	46,884	50,286	3,402	7.3%
Education	310,518	315,100	4,582	1.5%
Planning, Transport & Environment	8,001	7,999	(2)	(0.0%)
People & Communities				
- Housing & Communities	48,812	46,434	(2,378)	(4.9%)
- Performance & Partnerships	3,398	2,934	(464)	(13.7%)
- Adults' Services	133,344	131,524	(1,820)	(1.4%)
- Children's Services	81,084	87,661	6,577	8.1%
Resources				
- Governance & Legal Services	6,950	7,570	620	8.9%
- Resources	17,010	16,954	(56)	(0.3%)
<b>Directorate Total</b>	<b>693,415</b>	<b>700,499</b>	<b>7,084</b>	<b>1.0%</b>
Capital Financing	34,309	32,609	(1,700)	(5.0%)
General Contingency	2,000	0	(2,000)	(100.0%)
Summary Revenue Account etc.	14,022	14,161	139	1.0%
Council Tax	0	(483)	(483)	-
<b>Total</b>	<b>743,746</b>	<b>746,786</b>	<b>3,040</b>	<b>0.4%</b>

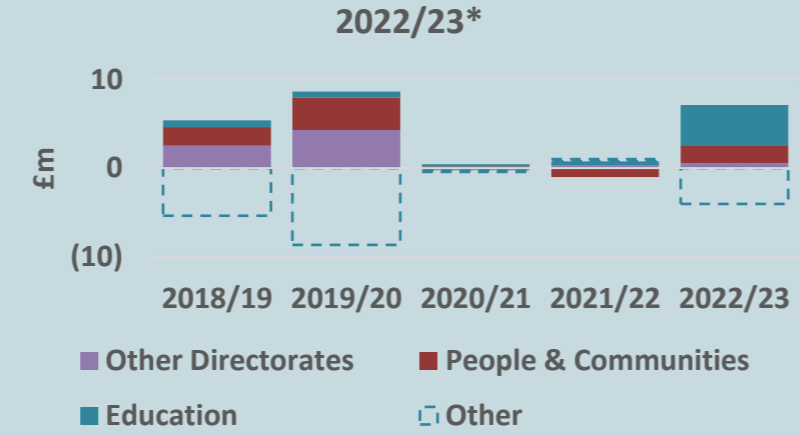
### Directorate Outturn Growth - 2018/19 Base Year



### Directorate Outturn Position: 2018/19 - 2022/23

Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000*
Education	261,913	272,812	287,533	297,868	315,100
People & Communities	217,881	224,524	232,204	242,373	268,553
Other Directorates	94,136	94,282	92,890	92,891	116,846
<b>Directorate Total</b>	<b>573,930</b>	<b>591,618</b>	<b>612,627</b>	<b>633,132</b>	<b>700,499</b>
Other	34,983	31,971	-8,629	49,120	46,287
<b>Total</b>	<b>608,913</b>	<b>623,589</b>	<b>603,998</b>	<b>682,252</b>	<b>746,786</b>

### Directorate Variance to Budget 2018/19 - 2022/23\*



### Capital Month 9 Position - 2022/23

Directorate	Budget £000	Outturn £000	Variance £000	Variance %	Under/Over £000	Slippage £000
Economic Development	63,247	23,161	(40,086)	(63%)	0	(40,086)
Education	75,178	67,044	(8,134)	(11%)	750	(8,884)
People & Communities	23,437	11,877	(11,560)	(49%)	0	(11,560)
Planning, Transport & Environment	55,660	45,809	(9,851)	(18%)	0	(9,851)
Resources	20,033	8,432	(11,601)	(58%)	0	(11,601)
<b>Total</b>	<b>237,555</b>	<b>156,323</b>	<b>(81,232)</b>	<b>(34%)</b>	<b>750</b>	<b>(81,982)</b>

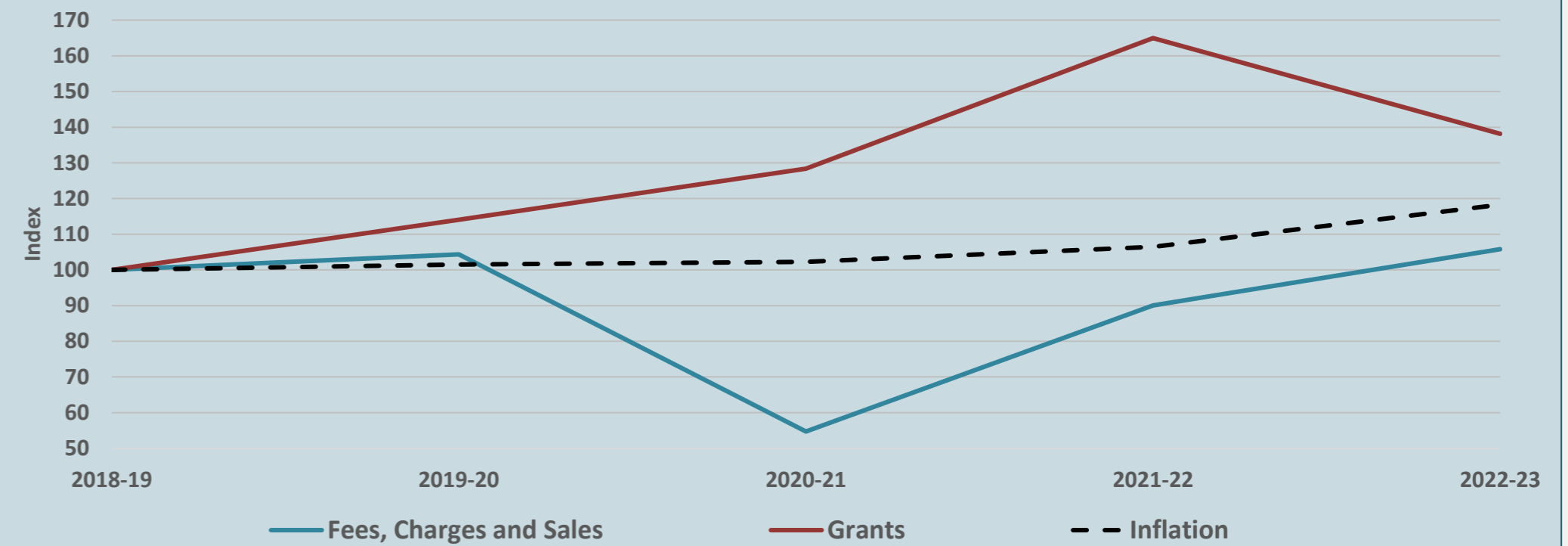
## External Income

### Directorate Outturn Position: 2018/19 - 2022/23

Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23* £000
Other Grants & Reimbursements	(44,001)	(41,268)	(36,827)	(41,621)	(29,876)
Interest, Investment Income & Rents	(8,156)	(8,779)	(12,270)	(14,932)	(15,233)
Grants	(101,602)	(115,847)	(130,394)	(167,600)	(140,320)
Grants (external spend)*	(154,370)	(142,566)	(137,163)	(128,463)	(150,958)
Covid Grants (inc. Hardship Fund)	0	0	(106,254)	(82,044)	(11,986)

\* 2022/23 figures projected at Month 9.

### Changes in External Income Streams - 2018/19 Base Year



### Fees & Charges, Highest Directorate Receipts: 2018/19 - 2022/23

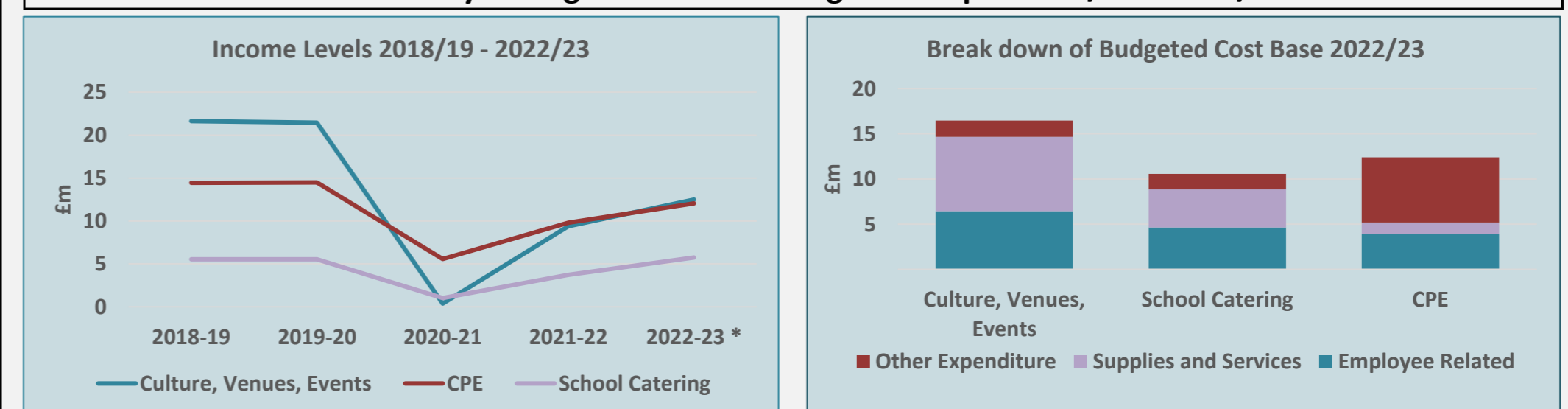
Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23* £000
Economic Development	35,658	35,562	8,575	23,821	29,786
Central Education	7,946	7,454	1,536	5,161	4,849
Delegated Schools	6,592	7,663	3,783	5,476	5,120
Planning, Transport & Environment	23,812	23,709	14,573	21,431	24,935

### Specific Grants, Highest Directorate Receipts: 2018/19 - 2022/23

Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23* £000
Central Education	33,891	45,133	48,085	64,873	34,273
Delegated Schools	11,662	12,375	13,951	17,595	14,483
Housing & Communities*	35,463	37,722	39,358	48,898	52,830
Social Services	6,930	7,900	13,016	23,695	30,403

\* Excluding HB, 20 hour childcare and concessionary fares

### Trend Analysis: Highest Fees & Charges Receipts 2018/19 - 2022/23



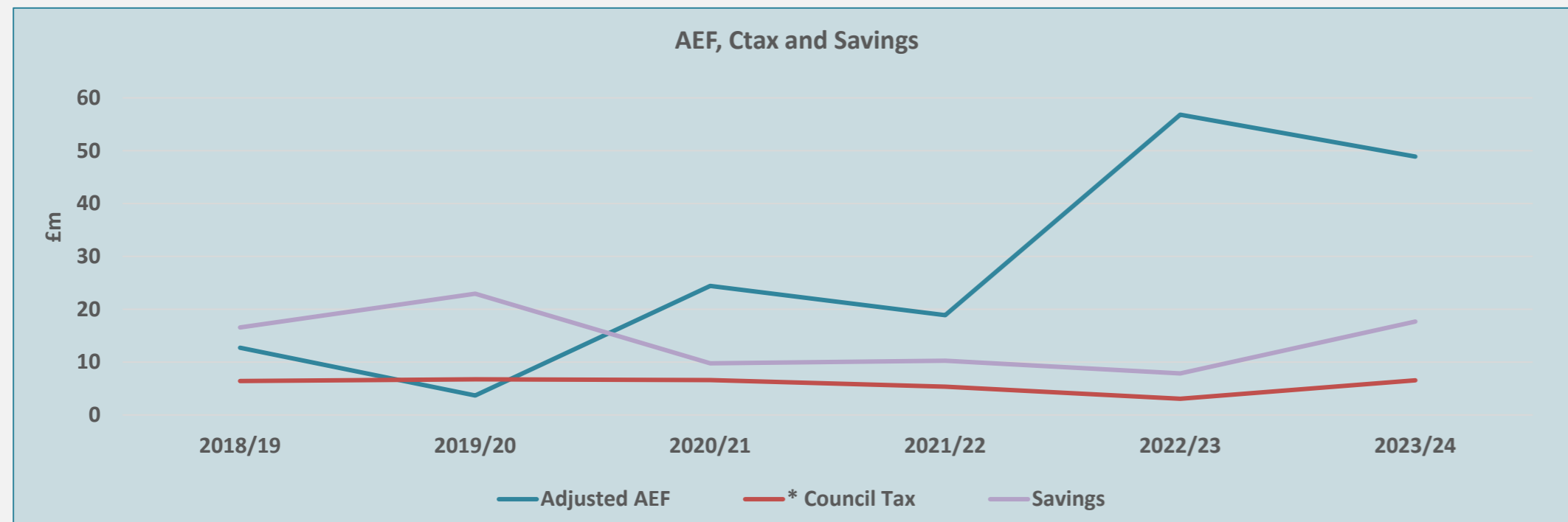
# Financial Resilience Snapshot

## Budget Strategy, Savings & Budgeted Resilience

### Net Revenue Funding & Budget Strategy

Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Savings	(16,576)	(22,943)	(9,764)	(10,244)	(7,857)	(17,666)
Council Tax Increase (rate)*	(6,406)	(6,744)	(6,594)	(5,351)	(3,065)	(6,550)
Reserve Funding	(2,350)	(2,750)	(750)	(750)	0	0
<b>Total</b>	<b>(25,332)</b>	<b>(32,437)</b>	<b>(17,108)</b>	<b>(16,345)</b>	<b>(10,922)</b>	<b>(24,216)</b>

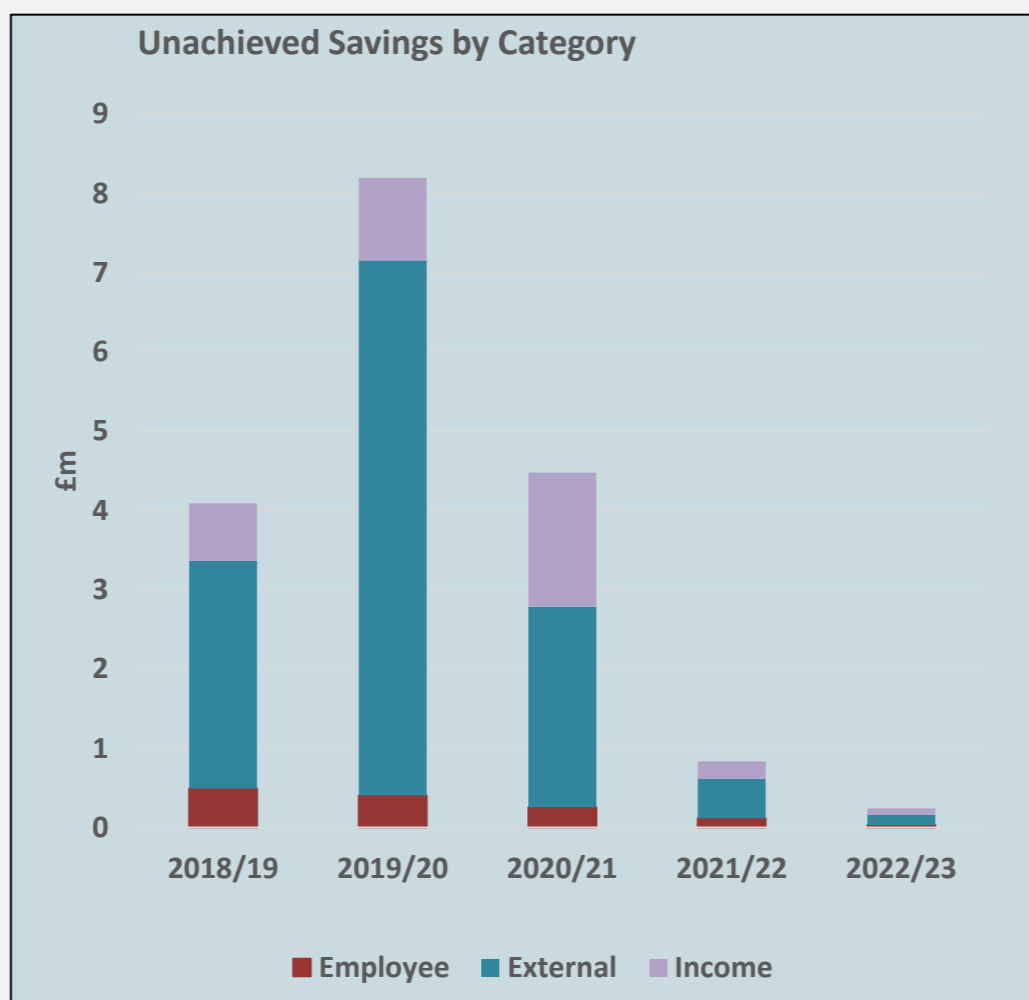
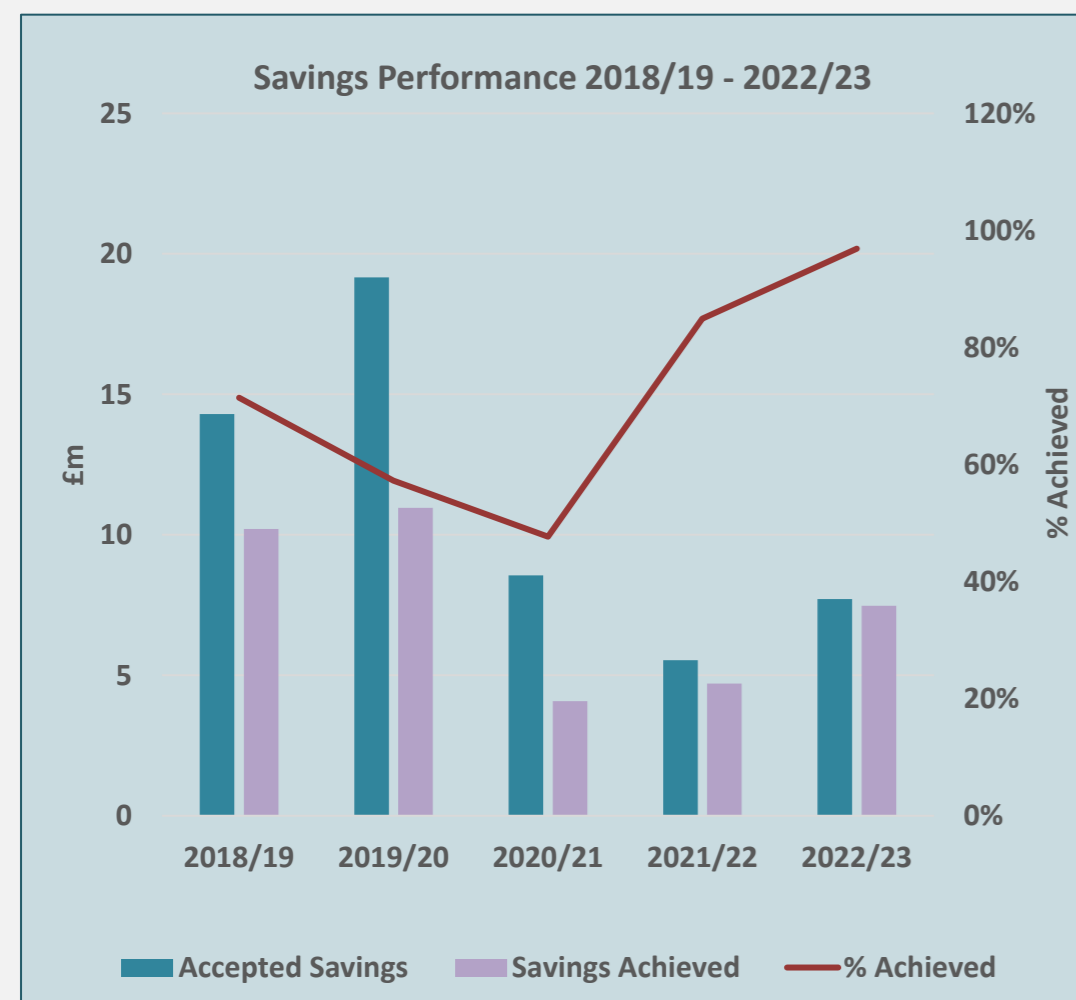
\* Net of impact on Council Tax Reduction Scheme



\* Indicative AEF shows a drop back in 2023/24 and 2024/25

### Budget Corporate Resilience

Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Covid Recovery Budget	0	0	0	0	10,000	0
Financial Resilience Mechanism	4,000	3,800	3,800	3,800	3,800	2,000
General Contingency	3,000	3,000	3,000	3,000	2,000	1,000
Adults' Contingency	0	0	0	0	3,000	2,000
Children's Contingency	950	2,000	2,175	2,175	2,175	2,175
MRF	350	350	350	350	350	350



\* Achievement of Directorate Savings in year - Savings unachieved in year would either be achieved in future years or would require budget realignment. (2022/23 represents savings achieved to date)

## Financial Ratios and Earmarked Reserves

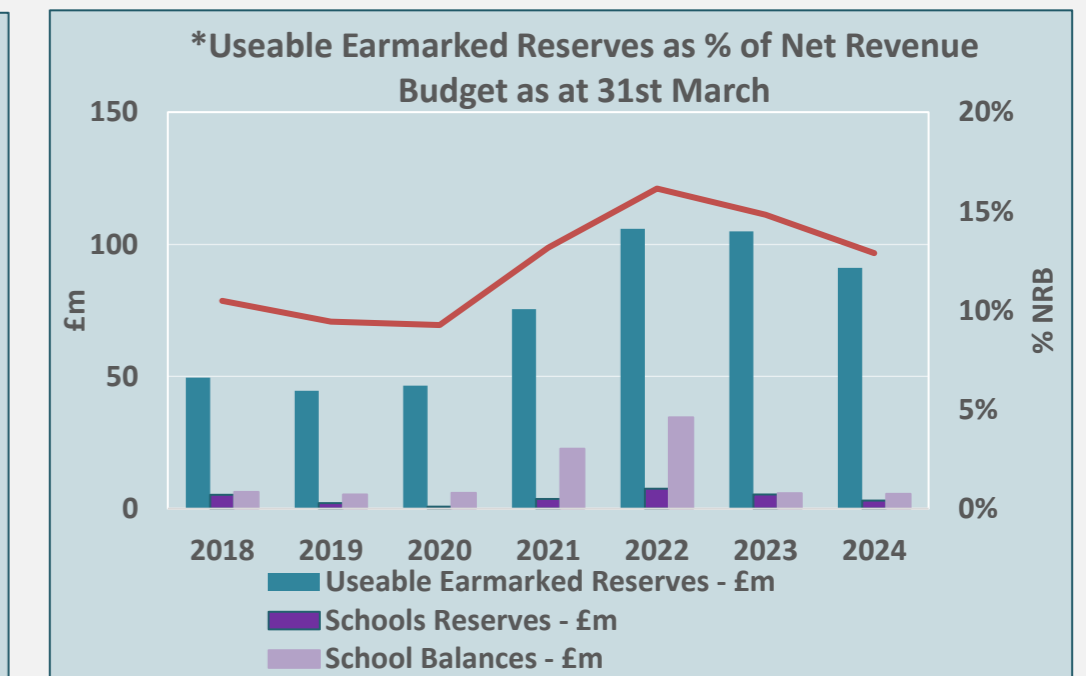
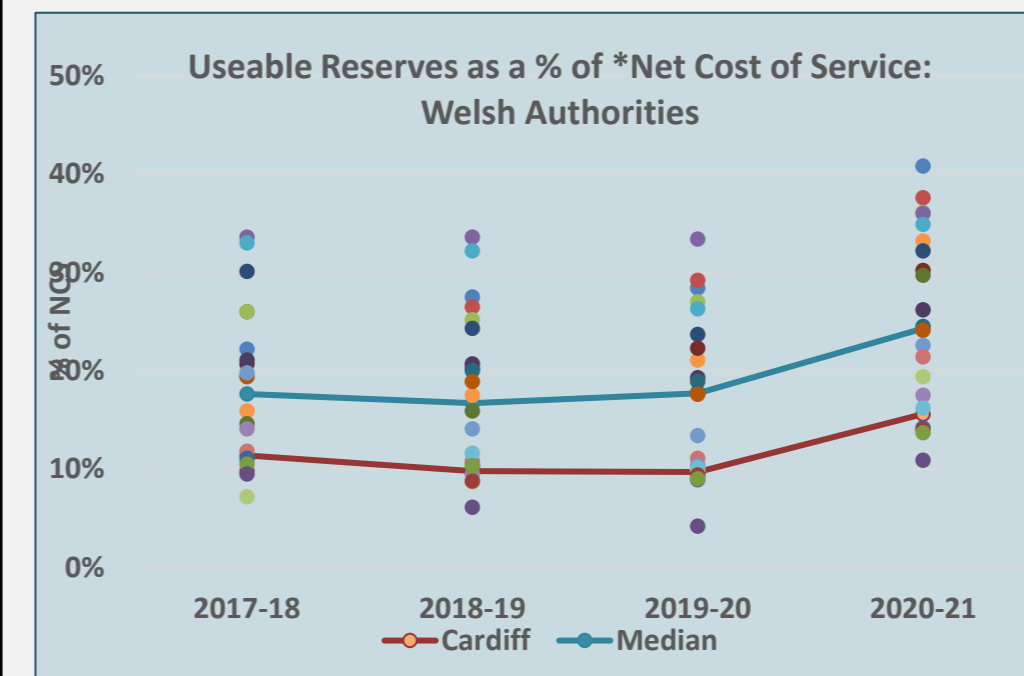
### Financial Indicators : Cardiff Council Single Entity

Ratio / Indicator - Availability of Resources	2017/18	2018/19	2019/20	2020/21	2021/22*
** Changes in Useable Reserve	3.33%	(10.68%)	1.74%	68.85%	41.55%
Net CTAX Proceeds / Net CTAX budgeted	100.15%	100.48%	102.16%	100.55%	103.87%
Current Ratio	1.65	1.47	1.61	1.77	2.03
Working Capital as % of Gross Revenue Expenditure	9%	7%	11%	15%	16%
General Reserve to Gross Revenue Expenditure (days)	6	6	6	5	4
Capital Funding Req/Net Revenue	116%	114%	121%	109%	102%
LT Borrowing to LT Assets (ratio)	36%	37%	38%	37%	37%
LT Borrowing to Tax & AEF	103%	104%	115%	100%	96%
Interest Payments / Net Revenue	7%	7%	7%	8%	9%

\* 2021/22 - Draft Statement of Accounts figures - Subject to Audit.

\*\* Useable Reserves defined as Council Fund and Earmarked Reserves, School Balances and Reserves, and Joint Committee reserves in line with Audit Wales definition.

- 2018/19 - Reduction in Useable reserves due to in year funding of higher than anticipated pay award and a reduction in School balances.
- 2020/21 and 21/22 - Increase in reserves to fund short term Covid based pressures and recovery.

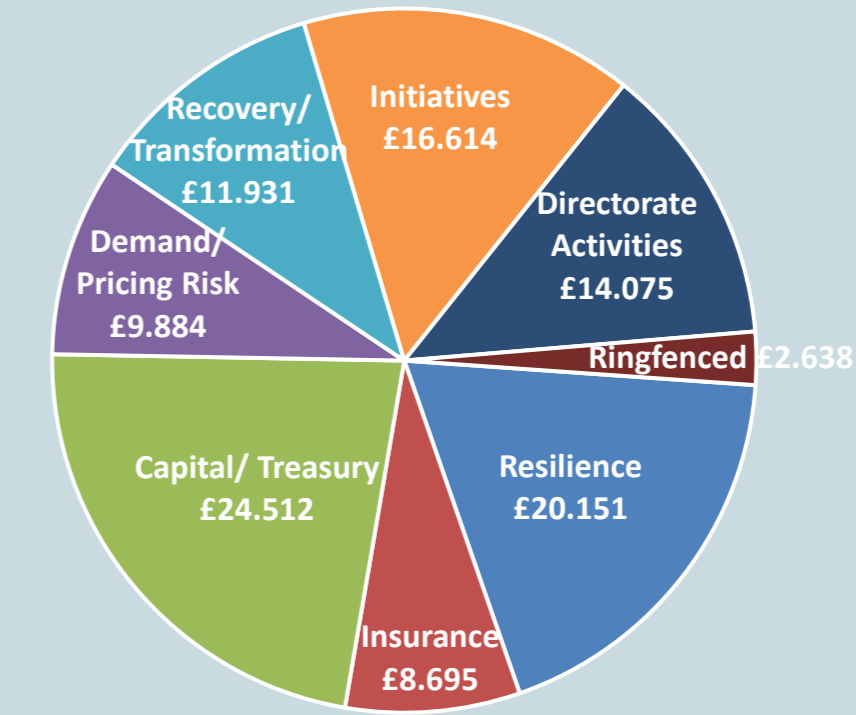


\* Latest available information provided from Audit Wales.

Useable reserves is Council Fund and Earmarked Reserves, School Balances and Reserves and Joint Committee reserves. Net cost of Services includes Precepts, Levies and Debt but excludes HRA.

\* This is a local Financial Resilience Indicator that diverges from Audit Wales reserve indicator. Useable Reserves definition is more stringent than Audit Wales and only includes funds readily available to fund Council Revenue activities i.e. - Council Fund and Council Earmarked Reserves. Measures coverage of reserves as at 31st of March to fund revenue activities in the proceeding year. NB. 2022 data is based on the Draft Financial position of the Council as the accounts for 2021/22 remain the subject of audit, with final accounts due for consideration at Full Council at end of March 2023. No change is currently expected.

### Earmarked Reserves Categorised by Purpose (£m) projected balance as at 31st March 2024



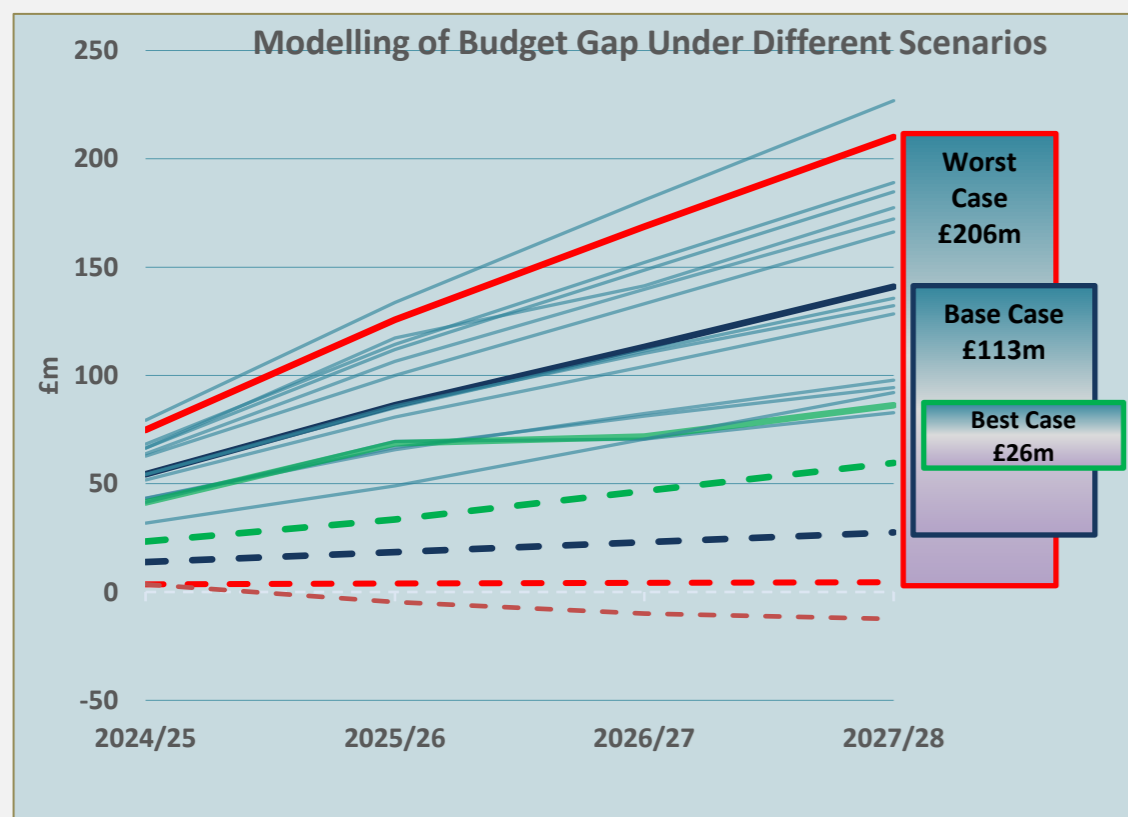
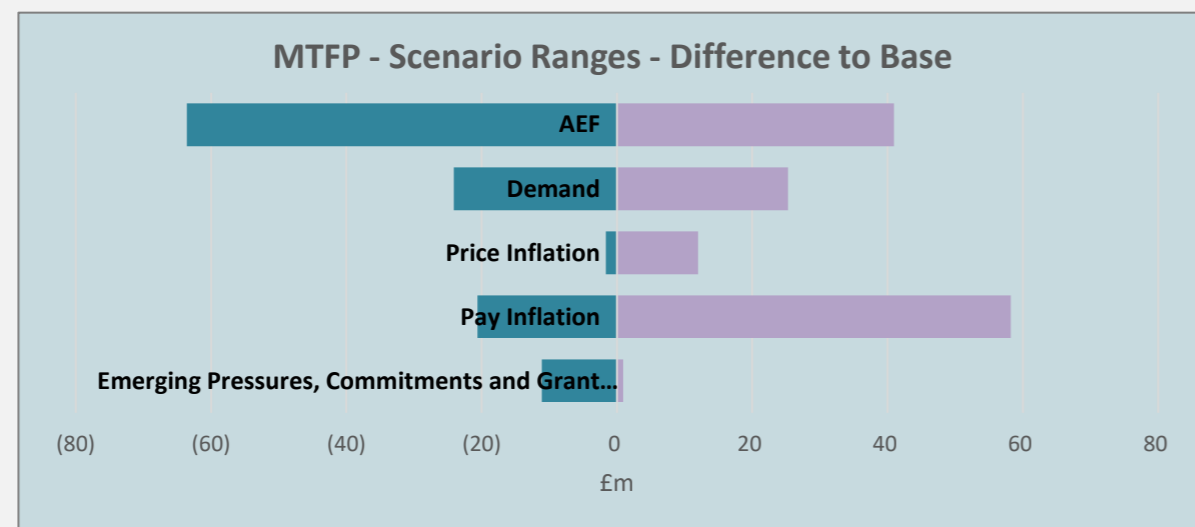
# Financial Resilience Snapshot

## Medium Term Financial Outlook: Revenue

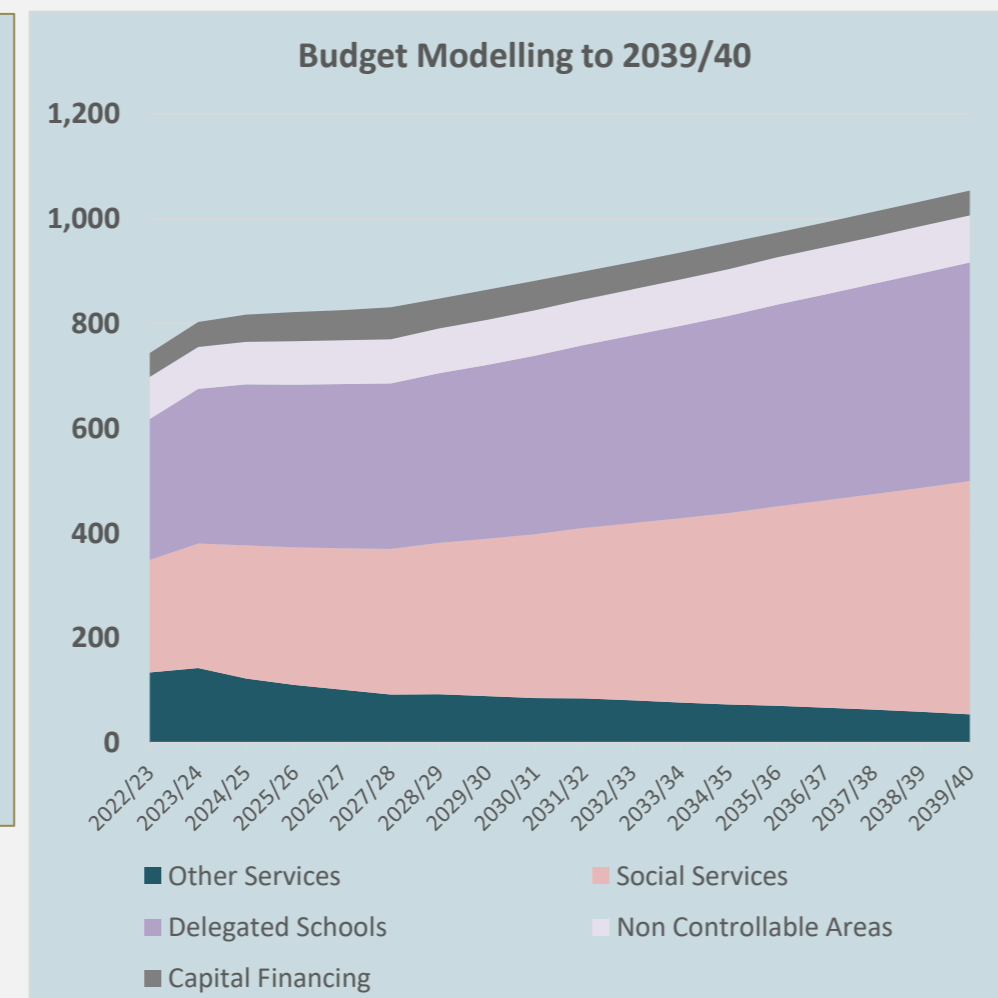
Medium Term Budget Gap					
Directorate	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Pay Inflation and Actuarial Reviews	28,430	11,012	5,546	7,472	52,460
Price Inflation	7,259	3,587	6,229	7,681	24,756
Capital Financing (pre school Band B Cont.)	5,591	4,099	2,378	2,970	15,038
Commitments & Realignment	2,203	823	906	(107)	3,825
Demographic Pressures	7,878	9,397	8,767	6,828	32,870
Emerging Financial Pressures	3,000	3,000	3,000	3,000	12,000
Funding - AEF & Reserves	(13,840)	(4,563)	(4,597)	(4,521)	(27,521)
<b>Total Budget Gap</b>	<b>40,521</b>	<b>27,355</b>	<b>22,229</b>	<b>23,323</b>	<b>113,428</b>
Council Tax - Modelled at 3%	(5,172)	(5,327)	(5,487)	(5,652)	(21,638)
Savings	(35,349)	(22,028)	(16,742)	(17,671)	(91,790)
<b>Budget Strategy Requirement</b>	<b>(40,521)</b>	<b>(27,355)</b>	<b>(22,229)</b>	<b>(23,323)</b>	<b>(113,428)</b>

Medium Term Budget Gap Scenario £m		Demand - Scenarios		
		High	Base	Low
Economic Scenarios	Recession - High Inflation	93+	67+	54+
	Recession - Low Inflation	31+	-18	-7
	<b>Base</b>	<b>25+</b>	<b>£113m Budget Gap over 4 yrs</b>	<b>-13</b>
	Economic Growth - High Inflation	21+	-28	-16
	Economic Growth - Low Inflation	-37	-87	-75

8 of the 14 alternative scenarios had a lower Budget Gap than the Base case. The single biggest variable in the MTFP budget gap is AEF - i.e. Local Government Settlement



Graph above illustrates the different planning scenarios. Maximum budget gap over medium term period is £206m, minimum is £26m and the average was £114m which is comparable to base case of £113m.



## Capital Financing

Capital Financing Requirement as at 31st March each year							
Element	2022 Actual £m	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate
General Fund	482	539	575	624	646	646	622
General Fund (Arena Affordability Envelope)	62	60	67	141	217	236	233
Housing Revenue Account	325	334	391	446	480	532	618
<b>Total</b>	<b>869</b>	<b>933</b>	<b>1,033</b>	<b>1,211</b>	<b>1,343</b>	<b>1,414</b>	<b>1,473</b>

Capital Financing Requirement as Ratio of the Net Revenue Stream								
Element	2011/12 Actual %	2021/22 Actual %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %	2027/28 Estimate %
General Fund	0.72%	0.80%	0.81%	0.80%	0.93%	1.04%	1.04%	1.00%
Housing Revenue Account	2.24%	3.81%	3.74%	4.04%	4.25%	4.39%	4.72%	5.28%

Ratio of Financing Costs to Net Revenue Budget Stream							
Element	2021/22 Actual %	2022/23 Estimate %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %	2027/28 Estimate %
General Fund - Gross Capital Financing Budget	7.27%	6.25%	6.64%	7.38%	8.44%	8.90%	9.02%
HRA - Gross Capital Financing Budget	30.84%	29.05%	28.80%	30.66%	32.84%	34.34%	36.57%

