

Earmarked Reserves, Sinking Funds and General Fund Balances

EXECUTIVE MEMBER: Councillor Gillian Troughton

LEAD OFFICER: Joanne Wagstaffe, Corporate Director – Resources and Transformation

REPORT AUTHOR: Barry Williams, Interim Technical Accountant

SUMMARY

This report provides details of the earmarked revenue reserves, sinking funds and general fund balances currently held by Council following the approval of the 2012/13 budget on 23 February 2012.

RPWG are asked to:

- (i) Recommend to the Executive and Council that all sinking funds are reclassified as earmarked reserves and that the payment of interest on their balances ceases, except for interest on the PFI reserve pending resolution of contractual negotiations with the current PFI provider.
- (ii) Review the earmarked reserves held by the Council and make recommendations to the Executive and Council as to the level of each reserve but particularly recommend that the Development Strategy Reserve is closed and that the balance on the Audit Reserve is reduced to £10,000, which will result in £47,536 being returned to General Fund balances.

1. INTRODUCTION

- 1.1 Revenue reserves play a key role in the management of the Council's budget. They are used as a contingency against risk, to fund new policy initiatives and to support the Council's revenue and capital budgets when needed.
- 1.2 Members of the Resource Planning Working Group have requested that a report be put forward to enable the Group to carry an in depth review of the individual earmarked reserves and sinking funds held by the Council.
- 1.3 Recommendations on changes to the level of reserves held or changes to the annual utilisation of reserves must be submitted to the Executive for approval.

1.4 Information on the level of reserves held by the Council and their respective purposes, is provided at Appendices **A - Earmarked Reserves, B - Sinking Funds and C – General Fund** to this report. The balances on the individual reserves in the appendices are those submitted to Council as part of the budget setting process.

2. THE USE OF RESERVES

2.1 Revenue reserves play a key role in the management of the Council's budget. The broad purposes for which reserves may be held are listed below;

- As a contingency to cover risks, uncertainties and emergencies;
- To fund planned investments and developments;
- To smooth the budgetary impact of cyclical costs;
- To carry forward funds for agreed purposes at year-end.

Revenue reserves are only for defined and formally agreed purposes.

2.2 Reserves fall into two categories:

- General Reserves – an accumulation of surpluses / deficits on overall revenue spending. The level of this reserve is linked to a risk assessment of the financial position of the authority.
- Earmarked Reserves – reserves set aside for specific purposes (including Sinking Funds).

Further details are given on these in paragraphs 3 and 4 below.

2.3 As a general principle, reserves will only be used to finance non-recurring spending or to cover transitional costs. If, in exceptional circumstances, the use of reserves is proposed to support recurring spending, this will be conditional on a strategy being in place to replace the use of reserves with mainstream funding.

2.4 Balances and reserves will be maintained at a level which is sufficient to allow for quantifiable liabilities and foreseeable risk and also to enable the Council to react to opportunities and risks should they arise;

2.5 The Council will maintain earmarked reserves for specific purposes which are consistent with achieving its key priorities. The use of earmarked reserves will be in line with the principles set out in the Medium Term Financial Strategy.

3. GENERAL RISK-BASED RESERVES

- 3.1 The use of a risk-based approach better determines the appropriate level of reserves in relation to risks and specific circumstances facing the Council. Therefore, the risk led element of the General Fund balance provides cover for risks and uncertainties in the approved budget and for emergencies. It does not provide cover for additional investment, rather it is there to ensure the approved budget can be delivered if associated risks materialise.
- 3.2 The Corporate Director - Resources and Transformation recommends a level for the risk-based element of the General Fund as part of the budget setting process each year. Budgets will be produced on the basis that the General Fund balance will be maintained at least at the recommended level throughout the period covered by the Medium-term Financial Strategy and can be sustained at this level in the longer-term.
- 3.3 As part of the review of reserves carried out during 2011/12 by the Corporate Director – Resources and Transformation, the level of risk based reserves was increased from £1,714,419 to £1,866,321 and that this is the minimum level that is deemed to be acceptable for Council purposes.
- 3.4 If the balance on the General Fund is projected to fall below the recommended risk-based level, then priority will be placed on restoring the balance in subsequent budget and out-turn recommendations. Temporary dips below the target may be acceptable provided that the minimum amount is not likely to be breached and there is a robust plan to restore balances to the target level.
- 3.5 The General Fund risk-based and unallocated balances will be reviewed in a future report, which inform members if the current levels are appropriate given the financial position of the Council and the risks it faces in 2012/13 and future years.

4 SINKING FUNDS

- 4.1 Sinking Funds have in the past been set aside for specific purposes and they have also benefitted from regular contributions from within the revenue budget to increase their balances.
- 4.2 The use of sinking funds to pay for specific spending was effectively repealed by the Local Government and Housing Act 1989. Since that date all reserves set up to meet specific spending requirements should have been classed as earmarked reserves. It is therefore necessary to re-classify all of the reserves currently held as sinking funds to earmarked reserves.
- 4.3 The current sinking funds also receive interest on their balances. Whilst this is not prevented by law, it is unusual for internally held balances to receive interest.

- 4.4 The current levels of each sinking fund are shown in **Appendix B** to the report.
- 4.5 RPWG are requested to recommend to the Executive and Council that all sinking funds are re-classified as earmarked reserves and that the policy of paying interest on their balances ceases, with the exception of the sinking fund balance held in respect of the PFI project for the Copeland Centre, which will continue until a review of the contractual liabilities for this project are concluded when further recommendations will be made.

5 **EARMARKED RESERVES**

- 5.1 Earmarked reserves may be set up to save for policy initiatives that cannot be met in full from the base budget in the year or years the spending is planned. Use of reserves for these purposes must be planned in advance and incorporated, where possible, in the budget recommendation to Council in February each year. However, earmarked reserves may be established during the year as a result of policy developments that have been reported to the Executive as part of the Council's budget monitoring process.
- 5.2 Earmarked reserves may also be used to smooth the impact on the revenue budget of spending that is cyclical in nature or is highly variable between years. Use of reserves for these purposes must be planned in advance and incorporated in the budget recommendation to Council in February each year.
- 5.3 Reserves should be sufficient to cover forecast spending requirements but should avoid building up large uncommitted balances. Earmarked reserves may be used to carry forward amounts unspent at the year-end but committed for previously approved purposes. Such commitments will be recommended for carry forward in the out-turn report presented to the Executive as part of the closure of accounts process, subject to a robust review of their adequacy and reasonableness.
- 5.4 Reserves may not be over-committed. If potential calls on an earmarked reserve exceed its available balance, then this must be addressed through the budget monitoring process. Once the purpose of an earmarked reserve has been fulfilled, or the balance is higher than is needed, the remaining balance will be returned in the first instance to the unallocated portion of the General Fund.
- 5.5 **Appendices A(1) and A(2)** show the current forecast level of earmarked reserves as reported as part of the 2012/13 budget process, the purpose of each individual reserve and details of the current proposals for funding from earmarked reserves for the period 2012/13 to 2015/16.
- 5.6 As part of the year-end process for 2011/12, budget managers have been requested to confirm:

- that the individual reserves contained within appendices A and B are still required;
- the likely level of reserves that will be required to fund spending in 2011/12 and
- any potential carry forwards of funding from reserves into 2012/13.

This detail is provided in the individual reserves pro-formas attached to this report.

At this stage members are not being requested to recommend changes to the use of reserves submitted as part of the budget process for 2012/13. Changes of this nature will be presented for consideration as part of the out-turn report for 2011/12 later in the year.

- 5.7 However, this exercise has highlighted that, of the current earmarked reserves, one to fund the use of Development Strategy consultants is no longer needed releasing £30,536 back to the General Fund. One further reserve, for the Audit Shared Service, can be reduced from £27,000 down to £10,000, which is the amount required to meet the council's contribution to the cost of IT improvements within the service. The General Fund balance will therefore increase by £47,536 as a result of these changes. Members are requested to recommend to the Executive and Council that these adjustments to reserves are made.

6 THE CURRENT LEVEL OF RESERVES

- 6.1 In summary, the forecast available reserve balances over the period 2012/13 – 2015/16, provided as part of the 2012/13 budget process, is as follows:

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
General Fund					
- Risk based	1,313	1,866	1,866	1,866	1,866
- Unallocated balance	1,604	651	634	617	600
	2,917	2,517	2,500	2,483	2,466
Earmarked Reserves (inc. former sinking funds)	3,473	3,427	3,574	3,734	3,958
Total	6,390	5,944	6,074	6,217	6,424

- 6.2 These balances will change when the Council's out-turn position for 2011/12 is considered later in the year and the actual funding requirement from reserves for 2011/12 is finalised.

7 WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?

7.1 Implications are set out in the report.

8 STATUTORY OFFICER COMMENTS

8.1 The Monitoring Officer's comments are:

None

8.2 The Section 151 Officer's comments are;

All comments are contained within the report.

8.3 Other consultee comments, if any;

None

List of Appendices

Appendix A – Earmarked Reserves

Appendix B – Sinking Funds

Appendix C – General Fund Balances

Appendix D – Current forecast for Reserve Balances

List of Background Documents:

Various reports to RPWG.

Revenue Budget Proposals 2012/13.

EARMARKED RESERVES

Appendix A (1)

Description	Purpose	Approval	Final Balance as at 31 March 2011	2011/12			2012/13		
				Contributions in year	Planned utilisation	Balance as at 31 March 2012	Contributions in year	Planned utilisation	Balance as at 31 March 2013
CHIEF EXECUTIVE									
Choosing to Change	Reserve created from £100,000 transferred from balances 2009/10, £455,000 2010/11 service reviews and the transfer of unused earmarked reserve balances totalling £1.083m in December 2010. Funds the Council's Choosing to Change programme of service reviews.	Executive 22/12/10	-1,603,721		1,538,000	-65,721			-65,721
Assist in resourcing Nuclear activities	Assist in resourcing Nuclear. £200k provided to match a pressure included in the 2010/11 budget	Executive 16/2/10	-219,658		200,000	-19,658			-19,658
TOTAL			-1,823,379	0	1,738,000	-85,379	0	0	-85,379
POLICY & TRANSFORMATION									
IT Review	To provide funds for a review of IT	Not known	-25,000		25,000	0			0
TOTAL			-25,000	0	25,000	0	0	0	0
CORPORATE RESOURCES									
2010/11 Carry Forwards	Carry forwards approved by the Executive as part of the 2010/11 out-turn. Used in full 2011/12	Exec 31/5/11	-252,291		252,291	0			0
Audit Shared Services	Amalgamated from 3 reserves: 1.To fund preparation for a shared audit service with Allerdale, Carlisle, Eden and Cumbria CC (£10,000) 2. Set up at the end of 2005/06 to buy in services for computer audits and supplement training (£7,000) 3. Set up at the end of 2007/08 to buy in specialist computer audits (£10,000). Its purpose it to support the Audit Shared Service being operated by Cumbria CC.	Exec 26/5/09, Exec 23/05/06 Exec 12/08/08	-27,000			-27,000			-27,000
Revenues & Benefits Shared Service	To provide funds to address any performance issues and implementation on the Revenues and Benefits Shared Service, which are subject to ongoing negotiations with the Shared Service.	Exec 30/05/07	-40,722			-40,722			-40,722
DWP Grant Reserve.	DWP Grant Reserve. Remaining balance to avoid potential dip in performance during implementation of Shared Service project.	Exec 29/06/04	-16,691			-16,691			-16,691
Revenues & Benefits Shared Service (Fraud)	Created by merging 2 balances - 1. To undertake searches for which internal audit do not have powers in the event of fraud investigation; 2. Set aside at the end of 2006/07 for training on benefit fraud. Provides further resources to support the Shared Service.	Exec 23/05/06 Exec 30/06/07	-7,979			-7,979			-7,979
Legal Services - Taxi Ranks	Set up in 2003-04 for re-siting of taxi ranks	Not Known	-2,319			-2,319			-2,319
Mayors Charity Bequest	This is a bequest for defined purposes.	Not Known	-12,967			-12,967			-12,967
Members IT Reserve	To fund members IT. Set up at end of 2005-06 from underspending, as take-up of laptops was less than expected	Exec 23/05/06	-7,902			-7,902			-7,902
Members Induction	Set aside from 2007-08 outturn as a contribution to a round of member personal development plans facilitated by NWEQ, scheduled for June 2008	Exec 12/08/08	-12,500			-12,500			-12,500
Elections Fund	£10k is set aside each year to smooth the costs of district council elections.	Not Known	-42,723			-42,723			-42,723
Human Resources Employment Tribunals	Created to meet the legal costs of industrial tribunals when needed.	Exec 20/12/11	0			0	-30,000	30,000	0
Asset Management Enabling Fund	To fund costs of property disposal e.g marketing, ground surveys These are classed as revenue and so cannot be funded from capital receipts. When set up this was to be maintained at £75k, to be topped up from deminimis receipts (less than £10k) which are classified as revenue.	Not known	-40,227			-40,227			-40,227
PFI Non Conformance Incidents	To meet costs of minor works and contract changes for the Copeland Centre. This for changes outside the scope of the PFI contract and so additional to the budget for the unitary payment. This reserve is built up from performance deductions against the unitary payment made to London & Regional.	Additional £39.4k agreed Exec 29/06/10	-17,586			-17,586			-17,586
Building Maintenance and energy conservation	To meet costs of maintenance not fulfilling definition of capital. From 2009/10 capital outturn + 2010/11 Q1 monitoring.	Exec 29/06/10 and 24/08/10	-2,000			-2,000			-2,000
Crematorium Chapel	From 2008-09 outturn, to enable completion of works at Crematorium, subject to outcome of evaluation. This was deferred because of debate with the user group about the scope of the work.Outturn report to Exec 30/06/09 App E.	Exec 30/06/09	-31,000			-31,000			-31,000
NCL Contract	To provide funds for repairs and maintenance 2012/13	Exec 20/12/11	0			0	-122,000	122,000	0
Vertex	This reserve was provided to provide support to Vertex. There has been no requirement to use any of the reserve since 2007/08. Discussions are ongoing in respect of the future use of this reserve.	Not Known - Balance at 31 March 2008 transferred from GF risk based reserve. Exec 20/12/11	-37,500			-37,500			-37,500
Environmental Insurance Reserve	Balance on the Environmental Insurance Reserve from GF risk-based reserve	Exec. 20/12/11	-90,000			-90,000			-90,000
Coastal Management	Created from the merger of 3 x GF risk based reserves - Sea Walls, North Shore, Environmental Warranty and part of the Environmental Insurance Reserve.	Exec. 20/12/11	-267,649			-267,649			-267,649
TOTAL			-909,056	0	252,291	-656,765	-152,000	152,000	-656,765

EARMARKED RESERVES

Appendix A (1)

Description	Purpose	Approval	Final Balance as at 31 March 2011	2011/12			2012/13		
				Contributions in year	Planned utilisation	Balance as at 31 March 2012	Contributions in year	Planned utilisation	Balance as at 31 March 2013
REGENERATION & COMMUNITIES									
Local Development Framework	To fund Local Delivery Framework. Revenue Budget report to Exec 17/02/09 App G. Further £20k carry forward from 09/10 to support LDF, planning enforcement and conservation planning advice. £120k over 3 years to fund contract with NECT.	Council 24/02/09 Exec 24/01/10 Exec 29/06/10	-440,078		300,000	-140,078		55,118	-84,960
Planning Policy- Habitat Evaluation	To meet duties to assess impact of developments on natural habitats. This is from un-ringfenced Habitat Directives grant	Exec 29/06/10	-33,670			-33,670			-33,670
Cleator Moor Business Centre	From 2008-09 outturn, for building work at Cleator Moor Business Centre, funded from previously generated income.	Exec 30/06/09	-3,886			-3,886			-3,886
Empty Shops	To complete Empty Shops programme initially agreed by Exec in September 2009. This is carry forward of non-ringfenced specific grant	Exec 31/05/11	-6,223			-6,223			-6,223
Dilapidated Buildings	From 2008-09 outturn, to address derelict and dilapidated buildings. This will provide 'seed' funding to recover costs of work in default.	Exec 30/06/09	-40,000			-40,000			-40,000
Dangerous Structures	Transferred from GF risk based reserve	Exec 20/12/11	-6,437			-6,437			-6,437
Development Strategy Consultants	From 2008-09 outturn, to meet commitments for consultants for housing improvements.	Exec 30/06/09	-30,536			-30,536			-30,536
Housing Strategy	To fund the 5-yearly Housing Stock Condition Survey	Exec 20/12/11	0			0	-10,000		-10,000
Homelessness Repossession Fund	For activity to reduce repossessions and homelessness	Exec 29/06/10	-22,589			-22,589			-22,589
Local Business Growth Initiative	To assist Local Business Growth Initiatives	Exec 21/04/09 Exec 29/06/10	-208,137		168,220	-39,917		25,000	-14,917
Whitehaven Regeneration Scheme	Carried forward from 2007-08 for Whitehaven Regeneration Scheme.	Exec 12/08/08	-9,800			-9,800			-9,800
Copeland Seaside Coastal Park	For coastal regeneration programme as outlined in Copeland Regeneration report to Exec on 29/06/10.	Exec 29/06/10	-200,000		50,000	-150,000		50,000	-100,000
Small Business Fund	Small Business Fund - Support for small businesses	Not Known	-197			-197			-197
Working Neighbourhoods	To support Copeland Regeneration Plan.	Exec 12/08/08 and 22/09/09	-801,727		753,000	-48,727			-48,727
Cultural Services - Ongoing Schemes	Carry forward of outside funding towards arts and cultural projects.	Not Known	-2,481			-2,481			-2,481
Regeneration Reserve	To provide funds for consultants dealing with Regeneration projects. Balance derived from savings in staff time dealing with external projects	Council 01/12/11	0	-158,551		-158,551			-158,551
Beacon Museum Exhibits	To use (often as match funding) to purchase items for the Beacon museum collection	Not Known	-21,014			-21,014			-21,014
TOTAL			-1,826,775	-158,551	1,271,220	-714,106	-10,000	130,118	-593,988
NEIGHBOURHOODS									
Dog Control Orders	Carried forward from 09/10 to meet costs of signage required if dog control orders are implemented.	Exec 29/06/10	-10,000		10,000	0			0
Crematorium Donations	Donations from the public made specifically for the purpose of maintaining the crematorium and are ringfenced for that purpose.	N/A	-4,659			-4,659			-4,659
Proceeds from CAMEO tax	Balance of proceeds from CAMEO tax to be used to fund replacement cremators & mercury abatement.	Not known	-10,255	-40,500		-50,755	-40,500		-91,255
Recycling	Balance from the Recycling Sinking Fund transferred to earmarked reserves. Used for equipment purchase	Exec 20/12/11	-43,784	-438		-44,222	-442		-44,664
Development Control - Enforcement	Provides funding for 2 years up to 2011-12 for an enforcement officer.	Not known	-40,000			-40,000		14,273	-25,727
Development Control - Application Support	To support costs of major planning applications, as required.	Not known	-25,758			-25,758			-25,758
Building Control - Service Improvement	This is the balance from £110k carried forward from 2007-08 from salaries underspend, for service improvements.	Exec 12/08/08	-58,885		11,000	-47,885		2,225	-45,660
TOTAL			-193,341	-40,938	21,000	-213,279	-40,942	16,498	-237,723
GRAND TOTAL			-4,777,551	-199,489	3,307,511	-1,669,529	-202,942	298,616	-1,573,855

EARMARKED RESERVES

Description	Final Balance as at 31 March 2011	2011/12			2012/13			2013/14			2014/15			2015/16		
		Contributions in year	Planned utilisation	Balance as at 31 March 2012	Contributions in year	Planned utilisation	Balance as at 31 March 2013	Contributions in year	Planned utilisation	Balance as at 31 March 2014	Contributions in year	Planned utilisation	Balance as at 31 March 2015	Contributions in year	Planned utilisation	Balance as at 31 March 2016
CHIEF EXECUTIVE																
Choosing to Change	-1,603,721		1,538,000	-65,721		-65,721			-65,721			-65,721			-65,721	
Assist in resourcing Nuclear activities	-219,658		200,000	-19,658		-19,658			-19,658			-19,658			-19,658	
TOTAL	-1,823,379	0	1,738,000	-85,379	0	0	-85,379	0	0	-85,379	0	0	-85,379	0	0	-85,379
POLICY & TRANSFORMATION																
IT Review	-25,000		25,000	0		0			0			0			0	
TOTAL	-25,000	0	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0
CORPORATE RESOURCES																
2010/11 Carry Forwards	-252,291		252,291	0		0			0			0			0	
Audit Shared Services	-27,000			-27,000		-27,000			-27,000			-27,000			-27,000	
Revenues & Benefits Shared Service	-40,722			-40,722		-40,722			-40,722			-40,722			-40,722	
DWP Grant Reserve.	-16,691			-16,691		-16,691			-16,691			-16,691			-16,691	
Revenues & Benefits Shared Service (Fraud)	-7,979			-7,979		-7,979			-7,979			-7,979			-7,979	
Legal Services - Taxi Ranks	-2,319			-2,319		-2,319			-2,319			-2,319			-2,319	
Mayors Charity Bequest	-12,967			-12,967		-12,967			-12,967			-12,967			-12,967	
Members IT Reserve	-7,902			-7,902		-7,902			-7,902			-7,902			-7,902	
Members Induction	-12,500			-12,500		-12,500			-12,500			-12,500			-12,500	
Elections Fund	-42,723			-42,723		-42,723			-42,723			-42,723			-42,723	
Human Resources Employment Tribunals	0			0	-30,000	30,000	0		0			0			0	
Asset Management Enabling Fund	-40,227			-40,227		-40,227			-40,227			-40,227			-40,227	
PFI Non Conformance Incidents	-17,586			-17,586		-17,586			-17,586			-17,586			-17,586	
Building Maintenance and energy conservation	-2,000			-2,000		-2,000			-2,000			-2,000			-2,000	
Crematorium Chapel	-31,000			-31,000		-31,000			-31,000			-31,000			-31,000	
NCL Contract	0			0	-122,000	122,000	0		0			0			0	
Vertex	-37,500			-37,500		-37,500			-37,500			-37,500			-37,500	
Environmental Insurance Reserve	-90,000			-90,000		-90,000			-90,000			-90,000			-90,000	
Coastal Management	-267,649			-267,649		-267,649			-267,649			-267,649			-267,649	
TOTAL	-909,056	0	252,291	-656,765	-152,000	152,000	-656,765	0	0	-656,765	0	0	-656,765	0	0	-656,765

EARMARKED RESERVES

Description	Final Balance as at 31 March 2011	2011/12			2012/13			2013/14			2014/15			2015/16		
		Contributions in year	Planned utilisation	Balance as at 31 March 2012	Contributions in year	Planned utilisation	Balance as at 31 March 2013	Contributions in year	Planned utilisation	Balance as at 31 March 2014	Contributions in year	Planned utilisation	Balance as at 31 March 2015	Contributions in year	Planned utilisation	Balance as at 31 March 2016
REGENERATION & COMMUNITIES																
Local Development Framework	-440,078		300,000	-140,078		55,118	-84,960			-84,960			-84,960			-84,960
Planning Policy- Habitat Evaluation	-33,670			-33,670			-33,670			-33,670			-33,670			-33,670
Cleator Moor Business Centre	-3,886			-3,886			-3,886			-3,886			-3,886			-3,886
Empty Shops	-6,223			-6,223			-6,223			-6,223			-6,223			-6,223
Dilapidated Buildings	-40,000			-40,000			-40,000			-40,000			-40,000			-40,000
Dangerous Structures	-6,437			-6,437			-6,437			-6,437			-6,437			-6,437
Development Strategy Consultants	-30,536			-30,536			-30,536			-30,536			-30,536			-30,536
Housing Strategy	0			0	-10,000		-10,000	-10,000		-20,000	-10,000		-30,000	-10,000		-40,000
Homelessness Repossession Fund	-22,589			-22,589			-22,589			-22,589			-22,589			-22,589
Local Business Growth Initiative	-208,137		168,220	-39,917		25,000	-14,917			-14,917			-14,917			-14,917
Whitehaven Regeneration Scheme	-9,800			-9,800			-9,800			-9,800			-9,800			-9,800
Copeland Seaside Coastal Park	-200,000		50,000	-150,000		50,000	-100,000		50,000	-50,000		50,000	0			0
Small Business Fund	-197			-197			-197			-197			-197			-197
Working Neighbourhoods	-801,727		753,000	-48,727			-48,727			-48,727			-48,727			-48,727
Cultural Services - Ongoing Schemes	-2,481			-2,481			-2,481			-2,481			-2,481			-2,481
Regeneration Reserve	0	-158,551		-158,551			-158,551			-158,551			-158,551			-158,551
Beacon Museum Exhibits	-21,014			-21,014			-21,014			-21,014			-21,014			-21,014
TOTAL	-1,826,775	-158,551	1,271,220	-714,106	-10,000	130,118	-593,988	-10,000	50,000	-553,988	-10,000	50,000	-513,988	-10,000	0	-523,988
NEIGHBOURHOODS																
Dog Control Orders	-10,000		10,000	0			0			0			0			0
Crematorium Donations	-4,659			-4,659			-4,659			-4,659			-4,659			-4,659
Proceeds from CAMEO tax	-10,255	-40,500		-50,755	-40,500		-91,255	-20,250		-111,505	-20,250		-131,755	-20,250		-152,005
Recycling	-43,784	-438		-44,222	-442		-44,664	-447		-45,111	-451		-45,562	-456		-46,017
Development Control - Enforcement	-40,000			-40,000		14,273	-25,727			-25,727			-25,727			-25,727
Development Control - Application	-25,758			-25,758			-25,758			-25,758			-25,758			-25,758
Building Control - Service Improvement	-58,885		11,000	-47,885		2,225	-45,660			-45,660			-45,660			-45,660
TOTAL	-193,341	-40,938	21,000	-213,279	-40,942	16,498	-237,723	-20,697	0	-258,420	-20,701	0	-279,121	-20,706	0	-299,826
GRAND TOTAL	-4,777,551	-199,489	3,307,511	-1,669,529	-202,942	298,616	-1,573,855	-30,697	50,000	-1,554,552	-30,701	50,000	-1,535,253	-30,706	0	-1,565,958

RESERVES - SINKING FUNDS

Appendix B

Description	Balance at 31 March 2011	2011/12				2012/13				2013/14				2014/15				2015/16			
		Estimated Internal Interest in Year	Contributions in Year	Utilised (+)	2011/12 Balance carried forward	Estimated Internal Interest in Year	Contributions in Year	Utilised (+)	2012/13 Balance carried forward	Estimated Internal Interest in Year	Contributions in Year	Utilised (+)	2013/14 Balance carried forward	Estimated Internal Interest in Year	Contributions in Year	Utilised (+)	2014/15 Balance carried forward	Estimated Internal Interest in Year	Contributions in Year	Utilised (+)	2015/16 Balance carried forward
Bin Replacement Sinking Fund	£ -168,440	£ -1,684	£	£ 35,000	£ -135,124	£ -1,351	£	£ 27,000	£ -109,476	£ -1,095	£	£ 27,000	£ -83,570	£ -836	£	£ 27,000	£ -57,406	£ -574	£	£ 27,000	£ -30,980
PFI Sinking Fund	-1,306,862	-13,069	-135,392		-1,455,323	-14,553	-146,392	7,000	-1,609,268	-16,093	-157,784	7,000	-1,776,144	-17,761	-169,517	7,000	-1,956,423	-19,564	-181,603	7,000	-2,150,590
Pheonix Court Sinking Fund	-4,289	-175			-4,464	-180			-4,644	-185			-4,829	-190			-5,019	-195			-5,214
Sea Walls Sinking Fund	-18,540	-185	-9,270		-27,995	-280	-9,270		-37,545	-375	-9,270		-47,191	-472	-9,270		-56,933	-569	-9,270		-66,772
Catherine Street Car Park	-71,085	-711	-5,150		-76,946	-769	-5,150	20,000	-62,865	-629	-5,150		-68,644	-686	-5,150		-74,480	-745	-5,150		-80,375
Crematorium Sinking Fund	-18,450	-185	-8,950		-27,585	-276	-9,000	7,000	-29,860	-299	-9,000		-39,159	-392	-9,000		-48,551	-486	-9,000		-58,036
Beacon Sinking Fund	-140,948	0	-40,000	105,000	-75,948			75,948	0				0				0				0
Total	-1,728,614	-16,009	-198,762	140,000	-1,803,385	-17,410	-169,812	136,948	-1,853,659	-18,675	-181,204	34,000	-2,019,538	-20,337	-192,937	34,000	-2,198,812	-22,133	-205,023	34,000	-2,391,968

RESERVES - GENERAL FUND

APPENDIX C

	Balance reported to Council 22 Feb 2011	Changes arising from 2010/11 out-turn	Balance at 31 March 2011	2011/12			2012/13			2013/14			2014/15			2015/16		
				Additions in Year	Released in Year	Balance Carried forward	Additions in Year	Released in Year	Balance Carried forward	Additions in Year	Released in Year	Balance Carried forward	Additions in Year	Released in Year	Balance Carried forward	Additions in Year	Released in Year	Balance Carried forward
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Base Budget Risks																		
Sustainability of Base Budget	-111,870		-111,870			-111,870	-91,890		-203,760			-203,760			-203,760			-203,760
Medium Term Financial Plan	-123,230		-123,230			-123,230	-221,645		-344,875			-344,875			-344,875			-344,875
Grant Settlement	-590,500		-590,500			-590,500	-223,550		-814,050			-814,050			-814,050			-814,050
Vacancy Factor	-33,750		-33,750			-33,750	33,750		0			0			0			0
Reduced Fees and Charges	-60,586		-60,586			-60,586	-1,740		-62,326			-62,326			-62,326			-62,326
Actuarial Review	0		0			0	-33,050		-33,050			-33,050			-33,050			-33,050
Reduced Investment Income	-28,310		-28,310			-28,310	-29,190		-57,500			-57,500			-57,500			-57,500
Housing Benefits	-90,525		-90,525			-90,525	8,025		-82,500			-82,500			-82,500			-82,500
HGV Licence - Operators Fund	-74,200		-74,200			-74,200			-74,200			-74,200			-74,200			-74,200
Fuel Price	-28,850		-28,850			-28,850			-28,850			-28,850			-28,850			-28,850
Civil Emergencies	-58,449		-58,449			-58,449	-3,032		-61,481			-61,481			-61,481			-61,481
Insurance Excesses	-11,859		-11,859			-11,859	1,214		-10,645			-10,645			-10,645			-10,645
Assets and Property	-100,705		-100,705			-100,705	7,621		-93,084			-93,084			-93,084			-93,084
	-1,312,834	0	-1,312,834	0	0	-1,312,834	-553,487	0	-1,866,321	0	0	-1,866,321	0	0	-1,866,321	0	0	-1,866,321
General Fund Unallocated	-1,641,843	0	-1,641,843	-50,000	87,763	-1,604,080	553,487	390,456	-660,137	0	17,000	-643,137	0	17,000	-626,137	0	17,000	-609,137
Total General Fund	-2,954,677	0	-2,954,677	-50,000	87,763	-2,916,914	0	390,456	-2,526,458	0	17,000	-2,509,458	0	17,000	-2,492,458	0	17,000	-2,475,458