

Appropriations to and from General Fund Earmarked Reserves

Appropriations for 2017/8

Within the forecast outturn figure, there are a number of proposals for appropriations to and from earmarked reserves. The final value of these appropriations will be assessed at year-end and reported as part of the closedown reporting.

Appropriations to Reserves

1. £652,000 to the New Homes Bonus Reserve

The Council is again in receipt of New Homes Bonus Grant. Rather than rely on it to support the general base budget, it is proposed that a proportion of the monies be used to support one-off projects in future years.

2. £1,000,000 to the Interest Equalisation Reserve

The performance of the Council's property investment fund has exceeded expectations. It is proposed that the return over and above budget expectations be transferred to the interest equalisation reserve to fund future volatility in returns without impacting base line services.

3. £6,036,000 to the MRP Equalisation Reserve

Following the review of the Council's MRP policy, the amount of MRP that the Council needs to set aside in 2017/18 has dropped significantly below budget. Rather than take this saving to general reserves, it is proposed that it be transferred to the MRP equalisation reserve to fund future increases in MRP without impacting base line services.

4. £400,000 to the Rents Equalisation Reserve

The performance of the Council's property rental income has exceeded expectations, not least as the commercial property portfolio is expanded. It is proposed that the return over and above budget expectations be transferred to the rents equalisation reserve to fund future volatility in returns without impacting base line services.

5. £232,000 to the Elections Reserve

In line with the purpose that this reserve was set up, given that 2017/18 is a fallow year, £232,000 will be transferred into the reserve in support of the costs of the Borough elections in future years

6. £1,173,000 to the Adult Social Care Reserve

Given the ongoing transformation work that adult social care are undertaken, it is proposed that the in-year underspend be transferred to the adult social care reserve to fund future invest to save activity and demand pressures.

Appropriations to and from General Fund Earmarked Reserves

7. £125,000 to the Public Health Reserve

The public health grant remains ring fenced, and as such any underpend must be held in reserve for future spending commitments.

8. £250,000 to the Queensway Reserve

Council provided £250,000 revenue contingency towards the Queensway regeneration project. This has not yet been drawn upon so is being carried forward in the earmarked reserve for future use if required.

Total Appropriations to Reserves

£9,868,000

Appropriations to and from General Fund Earmarked Reserves

Appropriations from Reserves

9. £3,167,000 from the Business Transformation Reserve

To fund a number of one-off investments during 2017/18, plus the use of £1,559,000 to allow the spread of the savings requirement over the MTFs cycle. It also includes the use of £396,000 to allow the anticipated net overspend.

10. £2,222,000 from the Business Rates Retention Reserve

To compensate for the anticipated shortfall in business rate income in 2017/18

11. £75,000 from the Agresso Reserve

To continue the process of investment in the ERP system, so as to secure the basis for more efficient back office functions

12. £2,422,000 from the Capital Reserve

This is to fund the costs associated with a number of capital projects

13. £200,000 from the Schools Improvement Reserve

To fund investment into Schools Improvement

14. £60,000 from the Support People Reserve

To support the transition of the Support People service to a lower level of base budget, the reserve will underpin some of the contracts pending their renegotiation

15. £300,000 from the Welfare Reform Reserve

To fund on-going work around welfare reform and housing benefit subsidy

16. £350,000 from the Social Fund Reserve

To fund the on-going work of the Essential Living Fund Team

17. £595,000 from the Grants Reserve

In accordance with proper accounting practice, grants received in 2016/17, but not used, were carried forward into 2017/18 via the use of earmarked reserves. This appropriation represents the release of some of those funds to support the grant related expenditure.

Appropriations to and from General Fund Earmarked Reserves

18. £21,000 from the Public Health (DAAT) Reserves

In accordance with proper accounting practice, public health grant received in 2016/17, but not used, were carried forward into 2017/18 via the use of earmarked reserves. This appropriation represents the release of some of those funds to support public health (DAAT) expenditure.

19. £270,000 from the Waste Reserve

This is to equalise the impact of the saving being delivered from the new waste collection contract over its life

20. £1,500,000 from the Children's Social Care Reserve

To fund investment into Children's Social Care

21. £7,467,000 from the Pensions Reserve

To fund the prepayment of pension deficit contributions and thereby securing savings over the three year actuarial review period

22. £420,000 from the Special Projects Reserve

This relates to monies set aside in 2016/17 to fund a number of one-off projects, mostly capital in nature

Total Appropriations from Reserves

£19,069,000

Appropriations to and from General Fund Earmarked Reserves

Appropriations for 2018/19

The proposed appropriations to and from earmarked reserves included within the 2018/19 budget are:

Appropriations to Reserves

1. £1,445,000 to the New Homes Bonus Reserve

The Council is again in receipt of New Homes Bonus Grant. Rather than rely on it to support the general base budget, it is proposed that the monies be used to support one-off projects in future years.

2. £6,589,000 to the MRP Equalisation Reserve

Following the review of the Council's MRP policy, the amount of MRP that the Council needs to set aside in 2018/19 has dropped significantly below budget. Rather than take this saving to general reserves, it is proposed that it be transferred to the MRP equalisation reserve to fund future increases in MRP without impacting base line services.

3. £3,734,000 to the Pensions Reserve

The Pensions Reserve was used in 2017/18 to fund the pension deficit payment. This appropriation starts the process of rebuilding the Reserve to ensure the flexibility exists to be able to fund a similar arrangement at the next pension revaluation in 2020/21.

Total Appropriations to Reserves

£11,768,000

Appropriations to and from General Fund Earmarked Reserves**Appropriations from Reserves****4. £645,000 from the Business Transformation Reserve**

To fund a number of one-off investments during 2018/19.

5. £238,000 from the Agresso Reserve

To continue the process of investment in the ERP system, so as to secure the basis for more efficient back office functions

6. £4,676,000 from the Capital Reserve

This is to fund the costs associated with a number of capital projects

7. £35,000 from the Elections Reserve

In line with the purpose that this reserve was set up, £35,000 will be released in 2018/19 in support of the costs of the Borough elections.

8. £200,000 from the Schools Improvement Reserve

To fund investment into Schools Improvement

9. £400,000 from the Children's Social Care Reserve

To fund investment into Children's Social Care

10. £350,000 from the Social Fund Reserve

To fund the on-going work of the Essential Living Fund Team

11. £300,000 from the Welfare Reform Reserve

To fund on-going work around welfare reform and housing benefit subsidy

12. £50,000 from the Waste Reserve

This is to equalise the impact of the saving being delivered from the new waste collection contract over its life

Total Appropriations from Reserves**£6,894,000**