

Movements on Earmarked Reserves Incorporated in Budget Proposals

Contributions to Earmarked Reserves

Reserve	£	Reason
Delapre Abbey Reserve	75,000	As agreed by Council in February 2011 as part of the 2011/12 budget
LGFR Impact/Future Budget Pressures Reserve	406,348	Risks to future funding arising from Local Government Finance Reform and specific short to medium term budget risks.
Car Parking Income Reserve	200,000	Earmarked Reserve against risks to future car parking income receipts
Asset Management Income Shortfall	21,760	To bring the reserve against risks to property income arising from the economic downturn.
Salix Reserve	14,675	Ring fenced Salix savings paid into Salix earmarked reserve.
Insurance Reserve	195,708	To increase the insurance reserve to the actuarial assessed level for 2013/14
New Homes Bonus	2,042,408	To pay in the allocation for 2013/14 once received
	2,955,899	

Creation of New Earmarked Reserves

Reserve	£	Reason
Domestic Homicide Reviews	50,000	NBC contribution for Domestic Homicide Reviews
HIMO Licensing Spend to Save	100,000	Reserve for spend to save scheme for issuing licences for private rented housing as HIMOs
Equal Pay Costs	300,000	Reserve against the risk of incurring equal pay costs
PES Risks	517,000	Reserve against risks arising from outsourcing of the PES contract
LGSS Set Up Costs	470,000	For the set up costs of LGSS
Licensing Risks	38,000	Risks of licensing enforcement
	1,475,000	

Reserves Recommended for Removal

Reserve	£	Reason
Pay and Grading Project Reserve	-396,206	Project fully concluded
Reserve for Market Testing ICT	-41,365	Superseded by LGSS project
Corporate Training Reserve	-36,160	Not used for several years
NAPS Reserve	-1,352	Project fully concluded
IFRS Risks Reserve	-150,372	IFRS regulations now bedded in and residual risks considered resolved
Carbon Tax	-33,000	Now Built into base budget
Food Waste Reserve	-161,701	Funding no longer required
Waste Partnership Reserve	-4,497	Funding no longer required
Leasing Reserve	-7,320	Funding no longer required
Big Society	-100,000	Reprioritisation of funding
	-931,973	

Contributions from Earmarked Reserves

Reserve	£	Reason
Utilities Price Risk	-50,000	Reduction in reserve reflecting new contract
Skate Park Maintenance	-1,400	To fund the 2013/14 cost of the maintenance of the Skate Park
Staffing, Restructuring, Redundancy Costs etc	-529,990	To fund the redundancy costs of the various restructures in the budget and the voluntary redundancy review incorporated in the Terms and Conditions budget option.
Prior Year CTB Claims Contingency	-344,211	To increase the reserve against the risks of high levels of back dated council tax benefits claims due to the demise of council tax subsidy from April 2013.
Recharges Shortfall	-74,755	To cover reduction in recharges to HRA due to impact on model of how the detail of the savings falls
Housing & Planning Delivery Grant	-247,209	To fund relevant planning costs identified in the plan for HPDG usage
New Homes Bonus	-40,000	Displacement Car Parking re Station Development
New Homes Bonus	-557,692	Enterprise Zone delivery costs
New Homes Bonus	-135,000	Funding for the Councillor Community Empowerment Fund
New Homes Bonus	-30,000	Funding for Neighbourhood Planning
	-2,010,257	

Net Contribution To/(From) Earmarked Reserves	1,488,669
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Schedule of Earmarked Reserves Held

Appendix 6b

Earmarked Reserve	Expected Balance 31/3/2013 £	Proposed Budget Movements 2013/14 £	Expected Balance 31/3/2014 £	Description
Reserves which must be used for the Purpose				
Grants and Conditional/Contractual Funds	-4,935,650	-1,032,507	-5,968,157	Reserve for Revenue Grants and Conditional/Contractual Funds
Insurance	-2,143,246	-195,708	-2,338,954	Reserve to reflect actuary valuation relating to self insurance.
Carbon Management (Salix)	-169,711	-14,675	-184,386	Ring fenced under the terms of the SALIX grant funding. Can only be used for carbon management schemes
Rent Deposit Scheme	-160,000	0	-160,000	Reserve held against the bonds given under the rent deposit scheme.
Arts	-19,145	0	-19,145	Ring fenced under the terms and conditions of the bequest. Can only be used for Arts and Culture and only in certain circumstances
Leasing	-7,320	7,320	0	Reserve for the management of lease phasing over year ends
Joint Planning Unit	-78,000	0	-78,000	Surplus JPU contributions
	-7,513,072	-1,235,570	-8,748,642	
Reserves Committed but Not Spent				
Supporting Business/Economic Growth	-106,345	0	-106,345	Reserve to support regeneration work and enable/encourage businesses to open and expand, enhancing the local economy
Central Area Action Plan	-113,562	0	-113,562	Reserve held against the costs of the Central Area Action Plan
Delapre Abbey	-572,096	-75,000	-647,096	Reserve for costs of restoring Delapre Abbey
Office Moves	-10,929	0	-10,929	Reserve for costs of office moves
Core Business Systems	-253,837	0	-253,837	Reserve for upgrading financial systems enabling the revenue efficiency savings offered in the budget to be made
Emergency Building Maintenance	-308,770	0	-308,770	Reserve held against unforeseen emergency building works
Performance and Change/Service Improvements	-637,878	0	-637,878	Reserve held against the Council's improvement agenda. Part allocated to specific projects currently in progress
St Johns/Grosvenor/Greyfriars Advice	-81,518	0	-81,518	Reserve for the costs of these projects that cannot be capitalised
Staffing, Restructuring, Redundancy Costs etc	-1,159,990	529,990	-630,000	Reserve for redundancy costs, pension strain and related costs arising from staffing issues and redundancies
LGSS Set Up Costs	0	-470,000	-470,000	Costs of going into LGSS
Equal Pay	0	-300,000	-300,000	Reserve against risk of equal pay claims and related issues
Market Testing ICT	-41,365	41,365	0	
Skate Park Maintenance	-36,942	1,400	-35,542	Reserve for the annual maintenance costs of the Skate Park
Hazelrigg House Dilapidations	-26,776	0	-26,776	Reserve for the cost of dilapidation rectifications at Hazelrigg House
Carbon Tax	-33,000	33,000	0	Reserve against the changes to the carbon trading scheme
Food Waste	-161,701	161,701	0	Reserve for the set up costs of Food Waste Collection
	-3,544,710	-77,544	-3,622,254	

Earmarked Reserve	Expected Balance 31/3/2013	Proposed Budget Movements 2013/14	Expected Balance 31/3/2014	Description
	£	£	£	
Reserves Relating to Specific Risks				
Debt Financing	-626,000	0	-626,000	Reserve against the market risks of Treasury management in line with best practice
Prior Year CTB Claims Contingency (Previously Subsidy Equalisation)	-544,211	344,211	-200,000	Reserve against the risks of council tax appeals relating to council tax benefit now that council tax subsidy has been replaced by a fixed grant.
Car Parks	0	-200,000	-200,000	Risks against shortfalls in car parking income
Utilities Contingency	-150,000	50,000	-100,000	Reserve against the rising costs of energy
PES Risks	0	-517,000	-517,000	Reserve against risks arising from outsourcing of the PES contract
Asset Management Income Shortfall Reserve	-78,240	-21,760	-100,000	Reserve against shortfalls in property income arising from the economic climate
HIMO Licensing Spend to Save	0	-100,000	-100,000	Reserve for spend to save scheme for issuing licences for private rented housing as HIMOs
Domestic Homicide Reviews	0	-50,000	-50,000	Reserve for any NBC contribution for Domestic Homicide Reviews
Licensing Risks	0	-38,000	-38,000	Reserve against the risks of licensing enforcement
Waste Partnership	-4,497	4,497	0	
NAPS	-1,352	1,352	0	
Corporate Training	-36,160	36,160	0	
Pay and Grading Project	-396,206	396,206	0	Reserve for the costs of the Pay and Grading Project now completed
Impact of LGFR/Future Budget Pressures	-1,452,166	-406,348	-1,858,514	Reserve against impacts of greater risk holding under business rates retention and future budget pressures with CSR unknowns, etc
Electoral Registration	-65,000	0	-65,000	Reserve against the cost of electoral registration changes - individual registration
Big Society	-100,000	100,000	0	Reserve for contribution to Big Society
CAB & Community Partnerships - Helping People Through Difficult Times	-100,000	0	-100,000	Reserve set up as part of 2011/12 budget
Brackmills BID - NNDR Costs	-16,000	0	-16,000	
Recharges Shortfall	-384,933	74,755	-310,178	Reserve against possible shortfall in allowable recharges to the HRA
IFRS Risks	-150,372	150,372	0	Reserve against unforeseen risks of new IFRS requirements
	-4,105,136	-175,556	-4,280,692	
Total Earmarked Reserves	-15,162,919	-1,488,669	-16,651,588	