

EXISTING TEMPORARY RESERVES, RETAINED FUNDS and PROVISIONS

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Reserve	Balance 01/04/2011	Released to Date	Estimated Balance @ 31/03/2012	Reasons for Retention / Use
	£	£	£	
Future Capital Expenditure				
Major Repairs Reserve	0	0	0	The fund is statutorily ring fenced to finance capital works on council housing, the balance being included in future capital resource projections.
Housing Capital Reserve	-391,316	-1,454,988	-1,846,304	To finance capital works on council housing, the balance being included in future capital resource projections.
Capital Fund	-1,219,770	-21,000	-1,240,770	To finance general capital works, the balance being included in future capital resource projections.
	-1,611,086	-1,475,988	-3,087,074	
Retained Funds				
Hsg Property Insurance Excess	-103,910	0	-103,910	The level of excess held on the property policy has been increased to £10k this has provided significant savings in premium costs but the cover for future payments will need to be financed from internal funds. The savings achieved in the current year are to be transferred to a retained fund to cover potential costs. The Property policy carries a stop loss amount of £150k which represents our maximum exposure before external funds are available.
Housing Condition Survey	-20,500	0	-20,500	In line with the Housing retention strategy this budget will best serve if it is added to future years budgets to allow a full stock condition survey to be completed in 2010. Proposal will include holding similar amounts in 2009/10 in reserve to be expended as a single project in 2010/11
B31 Comm Hlth Scheme Grant	-147,547	89,091	-58,456	To ensure compliance with statutory responsibilities & finance unforeseen issues. Reserve to be retained to allow for any unforeseen health & safety enforcements or changes to legislation
Castle Accession Fund	-14,664	0	-14,664	To enable acquisition of specimens for the museum. Maintained through the transfer of underspends at the year end from the revenue budget plus the reserve attracts interest annually. Member approval required.
Insurance-Third Party Excess	-469,056	38,885	-430,171	Maintained through insurance budgets in order to finance claims below the excess level on current policies. Enquiries are currently underway into using this reserve to 'self fund' some insurance risks, which could result in savings on insurance premiums.
Grants To Local Organisation	-12,832	3,465	-9,367	To provide financial support to local organisations/groups. Member approval required. Additional Information: Made in accordance with S137 LG Act 1972 - although requirement to hold fund is not statutory.
4 Future Memorial Insp/Maint	-182,348	0	-182,348	Funding for ongoing inspection, testing & maintenance of memorials, to be made through the transfer of annual budget surpluses from burial fees and charges (as reported to Cabinet on 15th November 2005).
5 Comm. Safety Consultant Fees	-5,500	0	-5,500	Contribution from Staffordshire Police BCU for Community Safety and ASB projects
5 Castle Structure Repairs	-17,338	0	-17,338	This budget is required for ongoing maintenance required at the Castle
Lifecheck/Pct Fund	-31,797	10,000	-21,797	External funding provided by DOH for delivery of Sustainable Community Strategy & LAA. TBC is the accountable body on behalf of the LSP.
Lpsa Reward	-27,839	0	-27,839	External funding provided as LPSA grant for delivery of Sustainable Community Strategy & LAA. TBC is the accountable body on behalf of the LSP
Car Parks Maintenance	-20,466	0	-20,466	Funds retained to ensure ongoing maintenance programme for outside car parks can be funded appropriately year on year.
Tree Maintenance Turnberry	-18,222	0	-18,222	To provide funding for further felling, removal and replanting of trees at the rear of properties in Turnberry as agreed by Cabinet in March 2007.
Lsp Admin Support Charge	-101,301	0	-101,301	External funding provided by DOH for delivery of Sustainable Community Strategy & LAA. TBC is the accountable body on behalf of the LSP.
Return On Investment	-122,469	12,000	-110,469	To support projects with a 'return on investment' arising from the work-stream reviews and for other unforeseen costs arising during the budget process
Corporate Finance Support	-15,000	0	-15,000	A retained fund is required to meet potential costs of staff overtime/external support associated with year end closedown/final accounts and producing Statement of Accounts to increasing levels of complexity, plus possible additional costs associated with the implementation of IFRS. This will be funded from existing reserves.
Support For Town Centres	-57,632	21,700	-35,932	The existing reserve of PM1603 should be held as a retained fund and the funds allocated for the visual identity £10,000 (GY0202 35023) should be added to it. This will enable the Council and the Place Steering Group to support the commitment made to GDA for the branding work and to allocate funds to the Place Plan as appropriate. There is no time limit to the funds which were part of an external grant for town centre improvements.
Vat(Fleming&Car Parking)Claims	-30,000	0	-30,000	Retained from the VAT monies received to meet a future potential requirement to repay HMRC. In addition, there is an ongoing claim regarding VAT on current and past car parking income - potential costs associated with supporting the progression of this claim are in the region of £10k
Civil Parking Enforcement	-120,000	0	-120,000	Under the principles of Civil Parking Enforcement in Staffordshire, the funding must remain outside of the general fund of Tamworth Borough Council. Future surpluses will be shared in accordance with the model for CPE agreed by Cabinet
Lpsa2 Grant Asb	-159,088	17,825	-141,263	External grant funding of £159,088 was received in 2010 through the LPSA2 reward grant which is ring fenced for tackling anti social behaviour. Cabinet has previously approved that £119,088 be held as a retained and that £40k of this grant to be used fund an ASB Victim Champion for 2 years commencing April 2011. Approval is sought to add the balance of £40k to the retained fund. This fund is not time limited.
Gf Property Insurance Excess	-3,700	0	-3,700	The level of excess held on the property policy has been increased to £10k this has provided significant savings in premium costs but the cover for future payments will need to be financed from internal funds. The savings achieved in the current year are to be transferred to a retained fund to cover potential costs. The Property policy carries a stop loss amount of £150k which represents our maximum exposure before external funds are available.

Gf Motor Insurance Excess	-5,000	0	-5,000	The level of excess held on the Motor policy has been increased to £500 this has helped to minimise the effect of a poor claims history on levels of the external premiums paid for motor cover. The cover for future payments within the increased excess will need to be financed from internal funds. Part of the General fund insurance savings achieved from the re-tender are to be transferred to a retained fund to cover the potential costs.
Academy Efficiency Software	-17,170	0	-17,170	The Benefits and Revenues teams have signed up to the Efficiency Version of Academy. This project is subject to some delay, meaning that it will not be available until later in 2011 (exact date not yet known). The monies have been procured from within the Benefits budgets, from DWP grant monies given to combat the recession and improve processing times. A reserve for the £17,170 is requested as this will pay for the Efficiency Version for 2011/2012/2013 and 2014.
Spend To Save (Grant Funded)	-7,626	6,160	-1,466	Funding received via homelessness grant from CLG for the purpose of preventing and relieving homelessness. Budget line agreed for the purpose of running a Spend to Save scheme.
Rate Refunds	-63,755	0	-63,755	Established by Cabinet 4th April 2007 - retained for potential NDR creditor refunds.
Tamworth Bond Scheme Pvt Rent	-29,181	10,000	-19,181	Ring fenced - Provision for guarantee of Bonds
	-1,803,942	209,126	-1,594,816	
Temporary Reserves				
Morrisons 2010/11	-15,000	0	-15,000	The final account adjustments will be made at year end for 2010/11. The estimated summary of credits and defaults with MFS is £15,000. This reserve is required in case of an ongoing dispute around these costs into 2011/12. Monies owed will be deducted from the April 2011 invoice for March's works.
Morrisons 2009/10	-51,000	0	-51,000	Members agreed, via a members book, that the council would seek to recover the above amount in April's invoice for March's work based on the financial position for 2009/10. However the risks identified may mean that MFS Ltd challenge this decision and independent arbitration / adjudication decides that it should be repaid. It is therefore prudent to hold this money in reserves until the financial position is finally decided.
Thomas Hardy Court - Heating	-15,000	0	-15,000	This reserve was created in 2010/11, however the system replacement was funded from the existing repairs budget. It has been subsequently identified that the works undertaken were not fit for purpose and it is requested that this reserve is retained to fund the required upgrade/improvements.
Castle Hlf	-4,600	1,400	-3,200	Castle H.L.F Lotto Funding Post
Habitat Assessment	-23,117	0	-23,117	This is a Government Grant and has been identified for use to finalise the LDF Core Strategy, in particular further work on Sustainability Appraisal and Habitat Regs Assessment. The timetable for the Core Strategy has slipped into 2011/12 due to changes in Government and changes in Government Policy.
Support Services Review	-15,000	6,838	-8,162	Funding for potential external advice to support the task & finish group in the delivery of the review. Following discussions at CMT on 7/3/11, to be funded from unspent balance on Shared Waste Management Service reserve.
Lg/fees-Review Of Constitution	-6,000	0	-6,000	This sum is a balance from money retained to utilise legal expertise in amending the Constitution. Further amendment will be necessary in the autumn arising from the Localism Act and the West Midlands Councils' decision relating to the pensions and Constitution.
Internet	-6,800	0	-6,800	To fund the continuation of the extended service agreement with Unified or similar with any replacement service provider for the Council's web system.
Customer Insight	-6,200	4,177	-2,023	To fund corporate consultation plan actions as part of the ongoing Corporate Consultation strategy and to fund any replacement for the Place Survey, as required by either Central Government or Tamworth Borough Council.
Internet Access & Security	-17,270	0	-17,270	Identified as no longer being required - to be written back to balances
Dwp Recession Busting Grant	-35,410	0	-35,410	Department for Work and Pensions grant monies received and held within the Benefits overtime budget and government grant income codes has been used for its intended purpose - to increase and sustain resources to enable the timely processing of HB/CTB claims, vastly inflated because of the recession that started in 2008. There is a possibility that no more monies will be received, yet caseloads remain inflated. The DWP grant monies should be used in 11/12 for its intended purpose. Also, with voluntary redundancies commencing in April 2011 for the Benefits Team, the need for extra hours for those left may arise, until Transforming Tamworth has concluded its observations and identified any waste processes that can be stripped out to enable more efficient working.
Tree Survey	-19,540	19,000	-540	Tamworth Borough Council has undertaken a survey of its trees. The work was tendered to a contractor and is due to be completed by September 2011, the inspection regime is currently underway but slightly behind schedule due to the bad weather and snow over the winter months, however the contractors have assured us that they will soon be back on target for a September completion.
Smoking Cessation	-15,000	0	-15,000	The PCT have provided funding to the council for delivery of activity relating to smoking cessation and control.
Arts Dev -Multicultural Wrkshp	-7,050	7,050	0	Fully released to revenue in year
Inward Investment	-13,500	0	-13,500	Identified as no longer being required - to be written back to balances
Icelandic Int/Imp 2010/11	-473,726	0	-473,726	Awaiting accounting treatment of Icelandic situation from CIPFA (LAPP notification)
	-724,213	38,465	-685,748	
Commutated Sums Reserves				
Commutated Sum Open Space S.9c	-669,154	0	-669,154	
Recreational Facilities	-122,414	-1,932	-124,346	A separate report has been provided for S106's being held. S106 monies to be reviewed for balances being held and use thereof. This also links to the new policy for S106 requests that John Gunn is leading on which will pick up on how much money developers will be asked for, purpose of spend, length of spend. The use of aged balances currently held will be considered in relation to Open Space holding and impact to service delivery which has never previously been considered.
Sec 106 Agreement C.S. C'Par	-102,293	19,000	-83,293	
Sec 106 Super'N Fee Highways	-424,594	0	-424,594	
Sec 106 C.S.- Highways	-173,053	-10,000	-183,053	
	-1,491,508	7,068	-1,484,440	
Repairs and Renewal Reserve				

Plant And Equipment	-255,720	-2,860	-258,580	The fund is retained to finance the future planned replacement of equipment and vehicles.
	-255,720	-2,860	-258,580	
Provisions (excl Bad Debts)				
Tpo Tree Root Claim 4 Hoylake	-85,000	26,500	-58,500	Provision for potential claim re tree root damage
Cost Associated With Vr	-583,470	514,189	-69,281	In accordance with Accounting concepts, the costs associated with the Voluntary Redundancy Scheme must be charged into the financial year in which they are identified, even though the actual payments will be made at a future date. The creation of a provision enables correct accounting entries for these costs.
	-668,470	540,689	-127,781	
Other Reserves				
Building Repairs Fund	-335,827	0	-335,827	Balance remaining within Building Repairs fund
	-335,827	0	-335,827	
Totals	-6,890,766	-683,500	-7,574,266	
NB - Does not include value of reserves available at 1st April 2011 which have been fully released to revenue within the financial year				

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