

MOVEMENT IN RESERVES

APPENDIX C

(extract from the draft statement of accounts 2014/15)

1. CORPORATE PROJECTS AND PRIORITIES

	Balances as at 31 March 2014	Net movement in reserves	Balances as at 31 March 2015
	£000	£000	£000
Modernisation, service & operational improvement	2,287	2,823	5,110
Fair and valued treatment of staff	-	3,707	3,707
Southwark emergency support scheme	-	3,100	3,100
Contract realignment (low paid staff)	1,052	-	1,052
Welfare hardship fund	1,401	(601)	800
Business support fund	952	(227)	725
Southwark scholarship scheme (including Youth Fund)	1,228	(763)	465
Community engagement & Links development	297	131	428
Voluntary sector transition fund	581	(190)	391
Internal audit & anti fraud	356	-	356
Artefacts replacement & security reserve	527	(344)	183
Revenue grants	100	64	164
Neighbourhood fund	-	149	149
Community safety schemes	750	(644)	106
DWP community budget	-	100	100
Community restoration fund	30	-	30
Employment support	1,206	(1,206)	-
London living wage	275	(275)	-
Cleaner Greener Safer	145	(145)	-
Other reserves individually less than £100k	32	(32)	-
Total	11,219	5,647	16,866

2. SERVICE REVIEWS AND IMPROVEMENTS RESERVES

	Balances as at 31 March 2014	Net movement in reserves	Balances as at 31 March 2015
	£000	£000	£000
Dedicated schools grant reserve	15,348	(1,921)	13,427
Learning disability & social care reform	3,748	(798)	2,950
Public Health	1,512	229	1,741
Childcare Provision for under 2 year olds	-	1,526	1,526
Organisational development	1,337	(185)	1,152
Cycling Safety	800	200	1,000
OT clients adaptations	886	-	886
Highways	-	746	746
Special Education Needs & Disabilities grants	-	739	739
Local flood risk	328	300	628
Highways winter maintenance	576	-	576
Children's Services restructure	440	-	440
HR transformation	517	(123)	394
Managed accounts	451	(100)	351
Children's & Families Bill	300	-	300
Workforce development (adults services)	222	-	222
School improvement	200	-	200
Member development	182	-	182
General litigation costs	172	-	172
Environmental health & community safety	142	-	142
Blackfriars trust allocation	138	-	138
SSF PFI equalisation St Michael's	60	60	120
Prevention of illegal tobacco distribution	120	(29)	91
Education Standards	156	(80)	76
Youth service	70	-	70
Early Years Review	300	(240)	60
Ofsted inspection	200	(150)	50
Interserve employment project	50	-	50
Street trading account	(635)	113	(522)
Other reserves individually less than £100k	15	-	15
Early intervention pilot	515	(515)	-
Management and administration of elections	409	(409)	-
Homelessness	403	(403)	-
Leisure Management	150	(150)	-
SEN/Learning difficulties	140	(140)	-
Schools condition survey	137	(137)	-
Street trading	110	(110)	-
Signage	108	(108)	-
SAP HR systems development	100	(100)	-
SALIX energy efficiency	61	(61)	-
SELHP closedown	48	(48)	-
Total	29,816	(1,894)	27,922

3. CAPITAL PROGRAMME AND OTHER CAPITAL INVESTMENT RESERVES

	Balances as at 31 March 2014	Net movement in reserves	Balances as at 31 March 2015
	£000	£000	£000
Modernisation, service & operational improvement	4,132	(2,349)	1,783
Aylesbury development	6,441	-	6,441
Planned preventative maintenance & building compliance	6,948	(1,036)	5,912
IT and customer service development	3,171	-	3,171
Regeneration & development	4,345	(1,510)	2,835
Capital contingency	2,204	165	2,369
Schools capital programme contribution	-	2,193	2,193
BSF PFI transition	1,349	517	1,866
Contracts realignment (capital)	1,396	-	1,396
Schools sprinkler systems	-	750	750
New homes bonus grant capital allocation	704	-	704
Exchequer services development	550	-	550
Legal case management system	300	-	300
Canada Water	-	75	75
Parking capital projects	152	(152)	-
Carefirst procurement	125	(125)	-
Resource centre	81	(81)	-
Total	31,898	(1,553)	30,345

4. STRATEGIC FINANCING, TECHNICAL LIABILITIES AND FUTURE FINANCIAL RISKS RESERVES

	Balances as at 31 March 2014	Net movement in reserves	Balances as at 31 March 2015
	£000	£000	£000
Planned contribution to support General Fund budget 2014/15	6,213	(6,213)	-
Planned contribution to support General Fund budget 2015/16	-	6,163	6,163
Insurance	9,086	(2,637)	6,449
Interest and debt equalisation	4,000	-	4,000
Waste PFI equalisation reserve	5,501	(1,609)	3,892
Business rate retention risk	2,500	-	2,500
Future Government funding risk reserve	1,900	-	1,900
Social care demand pressures	4,617	(2,813)	1,804
Financial risk & future liabilities	320	756	1,076
Council tax and housing benefits subsidy equalisation	1,000	-	1,000
Legal and contractual risks	1,804	(1,091)	713
Schools in financial difficulties, schools closures and academies	482	(150)	332
Auto enrolment	500	(500)	-
Queen's Road lease smoothing	(138)	(46)	(184)
Total	37,785	(8,140)	29,645

5. NOTES ON MAJOR RESERVES

- 5.1. Modernisation, service and operational improvement reserve. This reserve is for one-off expenditure that may be incurred over more than one year on projects that are designed to modernise and improve service levels and operational efficiency of the council's activities. By its nature it is not appropriate for the costs of these projects to be included within annual revenue budgets. Schemes will range across all council services but will be especially relevant for transformational priorities such as information technology, customer services and accommodation strategies. Schemes funded by this reserve may be of either a capital or revenue nature.
- 5.2. Regeneration and development reserve. This reserve is to fund one-off expenditure that may be incurred over more than one year and by its nature is not appropriate to be included within annual revenue budgets, to facilitate the significant regeneration and development taking place in the borough. Projects include the Elephant & Castle, Canada Water, Southwark Schools for the Future, land acquisitions and other significant one-off costs associated with these projects. Schemes funded by this reserve are predominantly of a capital nature.
- 5.3. Financial risk and future liabilities reserve. This reserve is set aside against future financial risks that may arise. For example, taxation risks, legislative and funding changes including actions involving the Greater London Authority and other government bodies, risks as a result of unavoidable changes in accounting practice, and circumstances in so much as they represent uninsured risks.

6. SCHOOLS BALANCES

	Balances as at 31 March 2014	Net movement in reserves	Balances as at 31 March 2015
	£000	£000	£000
Funds held by schools	16,811	1,688	18,499
Funds held by nursery schools	243	(101)	142
Funds held by pupil referral units	236	415	651
Total	17,290	2,002	19,292