

CABINET MEETING – 20 JUNE 2024

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Revenue Budget Outturn 2023/2024

Author(s):

Director of Finance

Purpose of Report:

The report advises Cabinet of the overall outcome of the Revenue Budget Outturn position for 2023/2024 including the budget transfers, contingency and proposed reserves transfers.

Description of Decision:

Cabinet is recommended to:

- Approve the budget transfers and the proposed contingency and reserves transfers set out within section 3 of the report; and
- Note the overall outturn position of the Council.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To respond to variations in expenditure and income which have arisen in 2023/2024 and enable effective budgetary control to be exercised. This report sets out the revenue outturn position compared to the budget for 2023/2024.

Alternative options to be considered and recommended to be rejected:

No alternative options are proposed.

Impacts analysed;

Equality Privacy Sustainability Crime and Disorder

Is the Decision consistent with the Council’s co-operative values? Yes

Is this a “Key Decision” as defined in the Constitution? Yes

Is it included in the 28 day Notice of Decisions? Yes

REVENUE BUDGET OUTTURN 2023/2024**Director of Finance****1. Purpose of Report**

1.1 The report advises Cabinet of the overall outcome of the Revenue Budget Outturn position for 2023/2024 including the budget transfers, contingency and proposed reserves transfers.

2. Description of Decision (Recommendations)

2.1 Cabinet is recommended to:

- Approve the budget transfers and the proposed contingency and reserves transfers set out within section 3 of the report; and
- Note the overall outturn position of the Council.

3. Revenue Budget Monitoring 2023/2024

3.1 Statement of Accounts

3.1.1 The deadline for the draft Statement of Accounts for 2023/2024 to be published is 31st May 2024 and the audited Statement of Accounts 30th September 2024. The Council published its draft Statement of Accounts on 31st May 2024.

3.2 Overall Position

3.2.1 The final outturn position is summarised in the table below, with further detail provided within Appendix A, Appendix B, and below. The budget for 2023/2024 was approved by Council in February 2023. A full review has been undertaken for each Portfolio, together with contingency allocations for the fourth quarter.

Area of Variance	Para reference	Variance Underspend / (Overspend) £m
Delegated Forecast Outturn	3.4	(4.911)
Pay Pressure (Contingencies)	3.2.4	(2.159)
Energy (Contingencies)	3.2.6	3.375
Contingencies	3.5	5.608
Capital Financing & Treasury Management	3.6	5.271
Government Grant and Other Adjustments	3.7	(1.252)
MTFP Smoothing Reserve	3.8.2	(4.432)
Outturn position		1.500
Transfer to General Fund Balances		(1.500)
Outturn position (after transfers to reserve)		0.000

3.2.2 As reported through the quarterly reviews during 2023/2024, the Council's financial position is being adversely impacted by cost pressures arising through high levels of inflation which is compounding the cost-of-living crisis. The Council's social care services continue to experience both demand pressures, challenges around complex

cases and cost increases from providers looking to mitigate inflationary pressures they are experiencing. Average fee increases in the region of 12% were agreed with adult social care providers for 2023/2024, with the shortfall beyond the amount included within the base budget being drawn from the contingency provision. Within Children's services alongside external placement cost pressures, home to school transport cost increases and unfunded costs relating to unaccompanied asylum seeker children adversely impacted the financial position.

- 3.2.3 Other council services continued to experience inflationary pressures through service contracts and the costs of acquiring goods and materials.

Pay Pressures

- 3.2.4 All pay awards for the 2023/2024 financial year have been agreed. The Local Government pay award was an increase of £1,925 on all NJC pay points which equates to a minimum 3.88% increase for all staff on the NJC pay spine and significantly higher increases for staff on lower points in the NJC pay spine. The agreed pay award for JNC Chief Officer employees and Chief Executives was 3.5%.
- 3.2.5 Provision for a 5% pay award was factored in to the 2023/2024 approved budget. In addition to this provision, the agreed pay awards have created an additional cost pressure of £2.159m for the Council and its wholly owned companies.

Energy

- 3.2.6 The Russian invasion of the Ukraine created significant uncertainty in the global economy, particularly in the energy markets. Higher than expected global energy and goods prices have already led to an unavoidable increase in the cost of living in the UK through significant rises in inflation levels.
- 3.2.7 During the preparation of the 2023/2024 budget, significant inflationary increases were provided for in respect of the Council's energy requirements, based on the forecast prices at that time. Wholesale prices have since reduced, leading to a revised, lower, cost for 2023/2024 albeit this is still significantly beyond the cost incurred by the Council prior to the conflict.

3.3 Budget Transfers

- 3.3.1 Budget transfers have been undertaken at year end, principally to ensure that budgets are correctly allocated to services for Statement of Accounts presentation purposes and to ensure that technical entries are correctly recorded. These have included the allocation of the Improved Better Care Fund and other Adult Social Care grants to the Healthy City portfolio.

3.4 Portfolio Budgets – Overall Summary

- 3.4.1 Details of the forecast major variations for each portfolio, are set out at Appendix A. In overall terms there was a delegated overspend of £4.911m, inclusive of the savings plan position detailed at Section 3.4.2 below.
- 3.4.2 The implementation of the £13.379m approved savings plans for 2023/2024 has continued and overall shows positive progress. The position is positive given the demands and pressures services are experiencing. Portfolio holders and Directors

have continued to take the necessary action to mitigate any delays in implementation throughout the year and this has supported the Council's achieved outturn.

- £11.869m (89%) of the savings have been fully realised to date;
- £0.167m (1%) of reductions where good progress has been made, with a good prospect that full savings will be achieved in 2024/25; and
- £1.343m (10%) is in respect of areas where delays and issues have been encountered, hence where corrective actions or alternative options continue to be considered.

3.4.3 Transitional reserves continue to be held to meet any profiling delays in the implementation of the savings plans and any additional pressures arising.

3.4.4 The accounts for the Local Authority Trading Companies are included within the Council's Statement of Accounts. The outturn position for each is reflected within the delegated budget outturn within the relevant portfolio, and, where appropriate, reported as such in Appendix A.

3.5 General Contingency Transfers

3.5.1 Transfers to / from the general contingency fund take place on a quarterly basis to reflect expenditure actually incurred in respect of approved provisions. Final quarter contingency transfers, totalling a net £0.433m drawdown have been made as noted below, leaving an overall underspend of £6.824m on the Council's contingency budget. The transfers in the final quarter are:

- Utilities £2.875m
Transfer of the underspend relating to the reduced energy costs as described in 3.2.7 above.
- Business Rates £1.024m
Return to a specific contingency to reflect the final business rates cost for Council Buildings during 2023/2024.
- Doubtful Debt Provision (£2.607m)
In light of the continued economic uncertainties and associated increased risk to debtor payments, an assessment of the current level of debt has been undertaken and an increase to the doubtful debt impairment allowance has been made.
- Economic Downturn (£1.598m)
Specific contingency drawdown to support reduced levels of rental income reflecting timescales for regeneration properties to be let.
- Other miscellaneous drawdowns (£0.127m).

3.6 Capital Financing and Treasury Management

3.6.1 Net one-off savings on debt charges of £4.257m have been accrued during 2023/2024. This reflects the lower cost of borrowing achieved earlier in the year and the reprofiling of the Capital Programme expenditure which is reported elsewhere on today's agenda. This saving is one-off in nature as it is a consequence of slippage to later years of planned capital expenditure.

3.6.2 Additional investment income of £9.988m has also been accrued during 2023/2024.

The rates of return available in the investment market have been maintained during 2023/2024 compared with those anticipated at the time of setting the budget, generating interest returns significantly above the values originally anticipated for this financial year. This has also been aided by the slippage in capital investment which has increased the availability of cash for the Council to invest which alongside the higher investment rates has driven this improved position.

3.6.3 Due to the improved debt charges and treasury management position it has been possible to make an additional revenue contribution to capital expenditure of £8.974m. This will support the Council's capital financing requirement in future years and will have the impact of reducing the overall need to borrow to support the capital programme.

3.7 Government Grant and Other Adjustments

3.7.1 During quarter 4, the Government provided details of a one-off distribution of the national Business Rates Levy Account Surplus for 2023/24, Sunderland's allocation is £0.720m.

3.7.2 Amendments on other grants and levies totalling £0.532m, resulted in an overall £1.252m improvement in the position.

3.8 Reserve Transfers

3.8.1 Earmarking and use of specific reserves totalling £1.533m are proposed, to meet expected pressures:

- Collection Fund Surplus Reserve (£1.533m)
Use of reserve to offset part of the COVID-19 Additional Relief Fund (CARF) Grant repayment as described in section 5.1.2.

3.8.2 The 2023/2024 budget included utilising £9.000m of Medium-Term Financial Planning (MTFP) reserve. Due to the improved position the full utilisation of the MTFP reserve has not been necessary. Of the planned drawdown £4.567m has been needed to support the Council's outturn position. The residual balance of £4.433m will remain in the MTFP reserve with the use of this funding being reprofiled to be used to continue to support the Council's financial position in future years.

4. General Fund Balances

4.1.1 As part of the budget setting process for 2023/2024 the Council's General Fund balance was set at £12m for the year. Following a review of the risks and taking into account the revenue outturn position, the Medium-Term Financial Plan and the overall level of reserves, an increase to the General Fund balance of £1.500m is proposed. The level of General Fund balance is set out at Appendix C and will represent 5.33% of the Council's net budget requirement for 2024/2025 (and at this level is forecast to remain above 5% across the medium term), which taken alongside other reserves is at a level considered appropriate for a large unitary council by the Director of Finance.

5. Collection Fund

5.1.1 Business Rates

The budget sets out a Local Business Rate requirement of £46.925m. As reported when setting the budget, a further Retail, Hospitality and Leisure reliefs scheme was

announced by Government for 2023/2024, this has reduced the collectable business rates for this year. However, the Council was fully compensated for this reduction through Section 31 grant.

5.1.2 Due to the required technical treatment of the previously received (CARF) the Council was required to make a repayment to the Government of £2.8m in 2023/2024. The Council had already made provision for part of this payment at the end of the 2022/2023 financial year. The Collection Fund surplus reserve has been utilised to manage the residual balance of £1.533m.

5.1.3 The final business rates position at 31st March 2024 is an overall closing surplus balance of £1.250m, of which £0.613m relates to the Council's 49% share.

5.1.4 Council Tax

An adjustment to the amount of Council Tax receivable coupled with a prudent increase in the impairment allowance for non-collection, in recognition of the cost-of-living impact, has resulted in the Council Tax element of the collection fund generating a surplus against budget in 2023/2024. An in-year surplus of £0.092m was recorded as at 31st March 2024, of which the Council's share is £0.073m. This represents an improvement from the forecast deficit of £0.770m (£0.663m Council's share) reported to Cabinet in January 2024. This will be considered as part of the 2025/2026 budget.

6. Reasons for Decision

6.1 As included in the Council's constitution, Cabinet is required to exercise control over the Council's revenue budget and resources and receives quarterly reports to support this. This report sets out the revenue outturn position compared to the budget for 2023/2024.

7. Alternative Options

7.1 No alternative options are proposed.

8. Impact Analysis

8.1 Impact assessments of Directorate actions to ensure the achievement of savings targets and a balanced budget position will be undertaken within Directorates as each action is developed.

9. Other Relevant Considerations / Consultations

9.1 None

10. List of Appendices

Appendix A - Major Variations 2023/2024
Appendix B - Overall Position 2023/2024
Appendix C - Statement of General Balances
Appendix D - Earmarked Reserves

11. Background Papers

[Revenue Budget Third Review 2023/2024](#)

(18th January 2024 – Cabinet)

**Cabinet Meeting 20 June 2024
Major Variations 2023/2024**

Portfolio	Revised Budget £m	Contingency Transfers £m	Budget Adjustments £m	Revised Budget £m	Outturn £m	Variation Under / (Over) Spend £m	Reason for Variation
Leader	0.346	0.082	(0.152)	0.276	0.429	(0.153)	<ul style="list-style-type: none"> • (£0.180m) overspend due to a small number of variations offset by savings on staffing.
Deputy Leader and Clean Green City Portfolio Holder	49.344	(0.085)	(0.099)	46.160	43.967	2.193	<ul style="list-style-type: none"> • Business and Investment - £0.168m underspend primarily linked to improved Business Centres income and staffing underspend. • Local Services - £0.370m underspend primarily linked to underspends on training, parks, achievement of additional investment income on reserves and equipment. This is partially offset against unachieved vacancy turnover and holiday/overtime enhancements. • Waste Collection and Recycling - forecast overspend of (£0.095m) primarily due to undeliverable staff turnover savings and expenditure on agency services. • Waste disposal – underspend of £0.949m through the Materials Recovery Facility contract and reduced tonnages through the Waste Disposal Partnership facility and reconciliation of prior year PFI contract payments. • Bereavement – overspend of (£0.425m) due to the cost of implementing Digital Cemetery Mapping (£0.021m) and the emergency relining of cremators (£0.060m). Further cost pressures of (£0.294m) have also been incurred for waste, transport, supplies and services and underachievement of income. • Public Protection and Regulatory Services - £0.237m forecast salary underspend partially reduced by income shortfalls. • Fleet - (£0.272m) overspend primarily due to cost mitigation measures relating to fuel leak repairs at South Hylton House and undeliverable staff turnover savings. • Port of Sunderland - £1.159m underspend primarily due to improved trading performance. • Minor under and overspends across a number of service areas totalling a net £0.102m underspend.

Appendix A (continued)

Portfolio	Third Review Budget £m	Contingency Transfers £m	Budget Adjustments £m	Revised Budget £m	Outturn £m	Variation Under / (Over) Spend £m	Reason for Variation
Cabinet Secretary	27.583	(2.671)	0.876	25.788	23.417	2.371	<ul style="list-style-type: none"> • Building Cleaning £0.236m underspend due to additional income and underspending on salaries. • Civic Catering (£0.056m) overspend relating to inflationary cost pressures on food supplies. • Depots additional costs of fixtures and fittings for the new Parsons depot resulting in an overspend of (£0.127m). • Financial Management £0.185m underspend due to salary slippage and additional one-off income generated during the year. • Procurement £0.485m underspend due to salary slippage and additional income. • Benefits £0.788m underspend due to salary slippage, additional new burdens funding and higher levels of subsidy due to a reduced level of Housing Benefit overpayments. • Revenues £0.241m underspend due to salary slippage and additional income from new burdens funding. • Civic Buildings (£1.114m) overspend primarily relating to additional service charges for City Library, increased insurance premiums, a shortfall in income from Moorside and the planned use of the Sandhill View PFI smoothing reserve was not taken at year end. • Local Enterprise Partnership £1.231m reduced contribution against budget in relation to business rates income for designated areas. • Corporate Services Support £0.363m underspend due to salary slippage, transport underspend and additional income partially offset against additional expenditure relating to postage costs. • Information Governance (£0.066m) overspend relating to unachieved land charges income offset by an underspend on supplies and services. • Minor under and overspends across a number of service areas totalling a net £0.139m underspend.

Appendix A (continued)

Portfolio	Third Review Budget £m	Contingency Transfers £m	Budget Adjustments £m	Revised Budget £m	Outturn £m	Variation Under / (Over) Spend £m	Reason for Variation
Children, Learning and Skills	84.412	(0.099)	(0.029)	84.284	88.461	(4.177)	<ul style="list-style-type: none"> • Together for Children (TfC) - The TfC Board is responsible for monitoring the financial position of the company, with updates provided to the Council through the established contract performance monitoring arrangements. At outturn the a (£4.177m) pressure has materialised primarily linked to social care / external placement cost pressures, home to school transport cost increases and unfunded costs relating to unaccompanied asylum seeker children. • Derwent Hill projected deficit is (£0.283m) due to the cost impact of high inflation on supplies and services and reduced income compared to the budget. • Retained Activity – Schools and Learning £0.104m underspend linked to additional grant received and reduced historic teacher pension payments.
Dynamic City	27.838	(0.396)	(0.368)	27.074	28.105	(1.031)	<ul style="list-style-type: none"> • Building & Development Control forecast deficit of (£0.462m) income pressures in particular against site inspections and building applications. • Commercial Development £0.126m minor positive variations on sites, repairs, supplies budgets and additional income which is offset by other minor overspends on a number of projects. • Infrastructure and Transportation £0.215m underspend linked to increased forecast income of £0.012m from bus shelter advertising and £0.285m forecast staffing underspend from vacancies offset by reduced fee income recovery (£0.098m). • Parking Services – shortfall on income collection of (£0.105m). • Regeneration Properties (£0.253m) due to unrealised income and additional costs including additional security and repairs. • Access to Housing – forecast overspend of (£0.178m) from a lower level of Homelessness Prevention Grant (£0.080m) and (£0.077m) linked to Housing Strategy activity. • Capital adjustments of (£0.333m) • Other minor net overspends totalling (£0.041m).

Appendix A (continued)

Portfolio	Third Review Budget £m	Contingency Transfers £m	Budget Adjustments £m	Revised Budget £m	Outturn £m	Variation Under / (Over) Spend £m	Reason for Variation
Healthy City	125.383	(0.019)	(0.141)	125.223	129.608	(4.385)	<ul style="list-style-type: none"> Adult Social Care - net overspend of (£4.238m) resulting from (£4.356m) demand related cost pressures, (£0.167m) delayed achievement of an efficiency saving relating to the Continuing Health Care Commissioning role with Health, partially offset by staffing underspends of £0.285m. Strategic Commissioning (£0.198m) staffing overspend due to additional allowances and delay in Fixed Mechanical Equipment implementation now planned for April 2024. Other minor variations of £0.051m
Vibrant City	15.475	(0.828)	(0.087)	14.560	14.289	0.271	<ul style="list-style-type: none"> Staffing underspends across a number of service areas including Area arrangements, Environmental Enforcement, Heritage and Arts and Creative Development. Additional grant income achieved from Community Local Led Development and UK Shared Prosperity Fund programmes.
Total Service (Delegated) Outturn	327.381	(4.016)	0.000	323.365	328.276	(4.911)	

Cabinet Meeting 20 June 2024
Overall Position 2023/2024

	Revised Budget £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Variance Under / (Over) Spend £m
Leader Portfolio	0.346	(0.070)	0.276	0.429	(0.153)
Deputy Leader and Clean Green City Portfolio Holder	46.344	(0.184)	46.160	43.967	2.193
Cabinet Secretary Portfolio	27.583	(1.795)	25.788	23.417	2.371
Children, Learning and Skills Portfolio	84.412	(0.128)	84.284	88.461	(4.177)
Dynamic City Portfolio	27.838	(0.764)	27.074	28.105	(1.031)
Healthy City Portfolio	125.383	(0.160)	125.223	129.608	(4.385)
Vibrant City Portfolio	15.475	(0.915)	14.560	14.289	0.271
Total Service (Delegated) Expenditure	327.381	(4.016)	323.365	328.276	(4.911)
Provision for General Contingencies	7.257	(0.433)	5.608	0.000	5.608
Unfunded Pay Pressure	0.000	0.000	(2.159)	0.000	(2.159)
Energy Saving	0.000	0.000	3.375	0.000	3.375
Provision for Doubtful Debts	0.000	2.607	2.607	2.607	0.000
Capital Financing Costs	26.821	1.596	28.417	23.145	5.272
Transfer to / from Reserves	(9.374)	0.000	(9.374)	(6.474)	(2.900)
Technical Adjustments	(40.156)	0.246	(39.910)	(39.910)	0.000
Levies	16.825	0.000	16.825	16.847	(0.022)
Hetton Town Council	0.072	0.000	0.072	0.072	0.000
Less Grants	(81.656)	0.000	(81.656)	(79.413)	(2.243)
Total Net Expenditure	247.170	0.000	247.170	245.150	2.020
Revenue Support Grant	(32.471)	0.000	(32.471)	(32.471)	0.000
National Non-Domestic Rates / Retained Business Rates	(46.925)	0.000	(46.925)	(46.183)	(0.742)
Top Up Grant	(47.190)	0.000	(47.190)	(47.412)	0.222
Council Tax Requirement	(120.584)	0.000	(120.584)	(120.584)	0.000
Final Outturn Position	0.000	0.000	0.000	(1.500)	1.500
Transfer to General Fund Balances	0.000	0.000	0.000	1.500	(1.500)
Forecast Outturn (after use of reserve)	0.000	0.000	0.000	0.000	0.000

Cabinet Meeting 20th June 2024

Statement of General Fund Balances

	£m
Balance as at 1st April 2023	12.000
- Contribution from Revenue Budget	1.500
Balance as at 31st March 2024	13.500
- Planned Contribution to Revenue Budget	0
Estimated Balance as at 31st March 2024	13.500

Cabinet Meeting 20 June 2024 Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.2023 £m	Use in 23/24 £m	Opening Balance 01.04.2024 £m	Forecast Movement in 24/25 £m	Opening Balance 1.04.2025 £m	Forecast Movement in 25/26 £m	Opening Balance 1.04.2026 £m	Forecast Movement in 26/27 £m	Opening Balance 1.04.2027 £m	Forecast Movement in 27/28 £m	Opening Balance 1.04.2028 £m
General Fund												
General Fund Balances	General Fund of the Council	12.000	1.500	13.500	0.000	13.500	0.000	13.500	0.000	13.500	0.000	13.500
School Balances	Balances held by schools under a scheme of delegation	7.188	0.570	7.758	(1.514)	6.244	(1.500)	4.744	(1.500)	3.244	(1.500)	1.744
Earmarked General Fund Reserves – Capital												
Section 106 Reserves	Under Section 106 of the Town and Country Planning Act 1990, developers make financial contributions to the Council relating to affordable housing, public open spaces including allotments and locally equipped play parks, educational facilities, highways and public transport improvements, sports and recreational facilities and environmental improvements.	11.672	2.039	13.711	(0.769)	12.942	(1.800)	11.142	(1.800)	9.342	(0.050)	9.292
Culture Development Reserve	To support a range of cultural developments in the city centre, utilising smart cities technology and immersive technologies.	3.000	0.000	3.000	0.000	3.000	(3.000)	0.000	0.000	0.000	0.000	0.000
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	5.642	(2.835)	2.807	(0.013)	2.794	(0.050)	2.744	(2.744)	0.000	0.000	0.000
HIF HE Recycling Strategy Reserve	A reserve established to manage the recycled Homes England grant relating to Housing Infrastructure Fund investment.	0.889	1.385	2.274	(0.437)	1.837	0.000	1.837	0.000	1.837	(1.837)	0.000
Strategic Investment Reserve (Capital)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	1.437	(0.273)	1.164	(1.164)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Riverside Transfer Reserve	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.033	(8.549)	0.484	(0.385)	0.099	0.000	0.099	0.000	0.099	0.000	0.099
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.918	(0.255)	1.663	(0.486)	1.177	0.188	1.365	0.211	1.576	0.216	1.792

Appendix D (continued)

Earmarked General Fund Reserves – Revenue												
Medium-Term Planning Smoothing Reserve	This reserve has been established to address any potential impact arising from increased risk and uncertainty with the Business Rate Retention Scheme. It is being used to smooth the impact of government funding uncertainties.	34.601	(4.567)	30.034	(9.000)	21.034	(9.000)	12.034	(9.000)	3.034	(3.034)	0.000
Strategic Regeneration Reserve	A reserve to support the Council's regeneration ambitions, specifically to smooth any revenue impact of projects until they become self-sustaining.	10.557	0.000	10.557	(1.000)	9.557	(0.800)	8.757	(0.500)	8.257	(0.500)	7.757
Health and Social Care Reserve	Additional external income from in-year Health funding to support health and social care services in Sunderland in the short to medium term.	10.520	(0.929)	9.591	(7.252)	2.339	(2.295)	0.044	(0.044)	(0.000)	0.000	(0.000)
General Inflation and Risk Reserve	Reserve established in response to significant inflationary and trading pressures and risks that may impact council services in the short to medium-term.	9.371	0.000	9.371	(4.500)	4.871	(4.871)	0.000	0.000	0.000	0.000	0.000
Streetscene and Open Space Reserve	A reserve to enhance the city's recovery from the covid pandemic and ensure that the full benefit can be made of the regeneration activities across the city. This reserve will fund a range of streetscene and open space projects.	6.762	(1.112)	5.650	(2.542)	3.108	(2.338)	0.770	(0.770)	0.000	0.000	0.000
Public Health Reserve	Ringfenced Public Health grant funding, to deliver future public health initiatives.	5.321	0.000	5.321	(0.500)	4.821	(2.000)	2.821	(2.500)	0.321	(0.321)	0.000
Strategic Investment Reserve (Revenue)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	5.558	(0.273)	5.285	(2.979)	2.306	(1.045)	1.261	0.000	1.261	0.000	1.261
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	6.236	(1.074)	5.162	0.000	5.162	0.000	5.162	0.000	5.162	0.000	5.162
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	4.499	(0.121)	4.378	(1.000)	3.378	(1.000)	2.378	(1.000)	1.378	(1.000)	0.378
Street Lighting and Highway Signs PFI Smoothing Reserve	The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.	4.120	0.000	4.120	(0.737)	3.383	(0.685)	2.698	(0.759)	1.939	(0.711)	1.228
Smart Cities Reserve	This reserve was established to set aside revenue funding to cover 8-10 years, to support 5G and Wireless technology within the City.	3.894	(0.085)	3.809	(0.400)	3.409	(0.400)	3.009	(0.400)	2.609	(0.400)	2.209
HCA Stadium Park Reserve	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	3.109	0.000	3.109	0.000	3.109	0.000	3.109	0.000	3.109	0.000	3.109
Low Level Family Support Reserve	Reserve to support activities with families and individuals to address the challenges of recovering from the pandemic.	3.496	(0.613)	2.883	(1.169)	1.714	(0.568)	1.146	(0.573)	0.573	(0.573)	0.000

Appendix D (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2023 £m	Use in 23/24 £m	Opening Balance 01.04.2024 £m	Forecast Movement in 24/25 £m	Opening Balance 1.04.2025 £m	Forecast Movement in 25/26 £m	Opening Balance 1.04.2026 £m	Forecast Movement in 26/27 £m	Opening Balance 1.04.2027 £m	Forecast Movement in 27/28 £m	Opening Balance 1.04.2028 £m
Earmarked General Fund Reserves – Revenue												
House Sale Income Reserve	The reserve relates to the sale of client's homes that will be utilised to support future support needs of those clients.	1.390	0.922	2.312	(0.204)	2.108	(0.204)	1.904	(0.204)	1.700	(0.205)	1.495
Education Redundancy Reserve	The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.	2.353	(0.141)	2.212	(0.100)	2.112	(0.100)	2.012	(0.100)	1.912	(0.100)	1.812
Sandhill Centre PFI Smoothing Reserve	The reserve was established to smooth the financial impact to the Council across the 25 years of the contract life.	2.151	0.000	2.151	(0.749)	1.402	(0.638)	0.764	(0.506)	0.258	(0.258)	0.000
Carbon Reduction Project Reserve	This reserve has been established to deliver a range of activities that will support progress against carbon reduction targets	1.384	0.266	1.650	(0.825)	0.825	(0.825)	0.000	0.000	0.000	0.000	0.000
Airport Smoothing Reserve	Reserve established to smooth any delayed airport loan interest payment that may arise.	1.253	0.000	1.253	0.000	1.253	0.000	1.253	0.000	1.253	0.000	1.253
Housing Benefit Smoothing Reserve	This reserve has been established to smooth any potential impact of outstanding debtors as housing benefit is subsumed within universal credit.	1.296	(0.185)	1.111	(0.250)	0.861	(0.250)	0.611	(0.250)	0.361	(0.250)	0.111
Transformation Reserve	To support the changes that are likely to be required over the next 12-18 months to address financial pressures and MTFP challenges.	1.715	(0.675)	1.040	(0.513)	0.527	(0.527)	0.000	0.000	0.000	0.000	0.000
Member Recovery Fund Reserve	Members Covid Response fund	1.000	0.000	1.000	0.000	1.000	0.000	1.000	0.000	1.000	0.000	1.000
Events Reserve	Reserve established to support a bid to secure a multi-year arrangement with British Triathlon to host triathlon events in the City.	1.200	(0.500)	0.700	0.000	0.700	0.000	0.700	0.000	0.700	0.000	0.700
Collection Fund Surplus Reserve	Reserve established as part of 2018/19 budget setting to smooth the collection fund surplus benefit into future years.	1.533	(1.533)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Earmarked Revenue Reserves	Numerous small revenue reserves less than £1m which are set up for specific purposes.	21.133	(0.144)	20.989	(6.834)	14.155	(2.790)	11.365	(1.761)	9.604	(0.767)	8.837
Total General Fund Reserves		197.231	(17.182)	180.049	(45.322)	134.727	(36.498)	98.229	(24.200)	74.029	(11.290)	62.739
Capital Receipts Reserve	Balance of capital receipts held, pending use to fund the capital programme.	10.743	2.005	12.748	(1.735)	11.013	(2.484)	8.529	(8.528)	0.001	0.000	0.001
Capital Grants Unapplied Reserve	Balance of capital grants held pending expenditure on capital programme.	5.701	(2.981)	2.720	(2.720)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Usable Reserves		213.675	(18.158)	195.517	(49.777)	145.740	(38.982)	106.758	(32.728)	74.030	(11.290)	62.740

