

Reserves Analysis 2019/20

Title	Description	Apr-18	Apr-19	Movement	Apr-20
<u>Non-Grant Funded Revenue</u>					
General Fund Balance	The General Fund is held to manage unforeseen risks to the Council's overall financial position. Any in-year overspend at the whole-Council level would be funded by this reserve.	(4,701,931)	(10,277,193)	0	(10,277,193)
Private Finance Initiative	Resources earmarked to support the Caludon Castle, New Homes For Old and Street Lighting PFI schemes over a 25 year period subject to the individual decisions to establish each of these schemes. The schemes' financial models show how these reserves will be utilised over time. 2016/17 Budget Setting approved the cash-flowed use of this reserve to support the Council's overall budget at £1m per year to be repaid from the mid 2020s which is reflected here.	(10,909,110)	(10,297,237)	709,612	(9,587,625)
Pension Strain	Funding for early retirement and voluntary redundancy established as part of Staffing Reductions Consultation Report - Council 9th September 2015 and further contribution agreed as part of the 2018/19 Outturn Report to Cabinet.	(8,260,627)	(10,070,111)	746,848	(9,323,263)
Corporate General Fund	Approved balance set aside for the Coventry & Warwickshire Growth Hub, supporting major project spend, funding the International Children's Games and repaying health contributions. Remaining balance of £6m not currently earmarked but will be expected to help fund a range of current known and potential Council commitments including City Centre South.	(5,593,820)	(8,804,316)	623,000	(8,181,316)
Business Rates	Budgeted contributions set aside as future protection against Business Rates volatility. Recent significant appeals continue to justify a significant balance being maintained whilst the economic uncertainty introduced by Covid may lead to the Council needing to draw on this reserve in 2021/22.	(3,414,396)	(7,735,088)	0	(7,735,088)
COVID-19	The unused amount of Tranche 1 of Covid emergency funding provided by Government in 2019/20. This is earmarked to support the 2020/21 budgetary position alongside subsequent tranches provided during the current year.		0	(7,558,000)	(7,558,000)
Corporate - Capital	Resources earmarked to support approved corporate Capital Programme and transformation projects including the ICT Capital Programme (£1.2m), Superfast Broadband (£1m), Woodlands School (£1m), Far Gosford Street/Canley/NDC regeneration (£0.8m) and Highways investment carry forward (£0.3m).	(6,332,568)	(5,399,035)	(164,801)	(5,563,836)
Reset Recovery	Revenue budgetary underspend at 2019/20 outturn earmarked to support the Council's reset and recovery following Covid. The budgetary position in either 2020/21 or 2021/22 may require this reserve to be utilised to underpin the Council's financial position.			(5,467,000)	(5,467,000)
City of Culture	Cabinet approved allocations to support the 2021 UK City of Culture, in addition £200k match funding for the Herbert Art Gallery and Museum.	(4,750,000)	(4,750,000)	550,000	(4,200,000)
Commercial Developments	Agreed as part of the 2018/19 Financial Outturn Report to support the Council's commercial development projects.	0	(4,000,000)	250,000	(3,750,000)
City of Culture Trust & Biggest Weekend	Resources rolled forward for City of Culture readiness spend.	0	(252,000)	(1,590,271)	(1,842,271)
Property Fund - Future Repairs and Maintenance	A property fund to ensure maintenance costs expected to increase in years 5-10 are not a burden on annual budgets		0	(1,377,507)	(1,377,507)
Commercial Property (exceptional items)	£500k general sinking fund, £320k slippage in major building and R&M work.	(312,000)	(820,000)	(246,850)	(1,066,850)
Insurance recharges	This reserve has traditionally provided financial security for insurance claims that may have occurred but have not yet known about. However, it is currently funding the pressure within the Insurance Service caused primarily by loss of income from schools (academies), increased premiums and greater successful claims levels. The balance will be exhausted in either 2020/21 or 2021/22.	(1,595,899)	(1,698,437)	976,657	(721,780)

Title	Description	Apr-18	Apr-19	Movement	Apr-20
Sports Organisations	Intially set up to provide cashflow support to Coventry Sport Trust (Fairfax Street), now earmarked for wider sports portfolio inc investment in Gym equipment at Moat House Leisure Centre, set up costs for CCDLF and opportunties to reduce Prudential Borrowing costs.	(1,598,814)	(1,278,689)	733,683	(545,006)
Sports and Leisure	Required to pay Warwick University for Athletics track works as legally required under a lease agreement between the 2 parties and funding for management arrangments at Moat house		0	(318,915)	(318,915)
Transformation Programme Office	This balance is held to fund the short term cost of external consultants or employ temporary posts to support transformational activity. The £313K comprises £126K from the original £300K reserve established at the end of 2015/16 following a budget reduction of £400k to the transformation team and £186K from professional fees not utilised during 2019/20, to be used to support delivery of the council's medium term financial strategy and transformation programme.	(267,415)	(193,934)	(118,998)	(312,932)
People Directorate Programme Team	This balance represents the Transition Fund established as part of the Connecting Communities Programme, with a clear process of applications and award to organisations.	(368,034)	(273,329)	10,828	(262,502)
External Funding and Business Development Team	Reserves earmarked together with core revenue as match funding to lever in new grant.	(158,870)	(278,404)	35,535	(242,869)
Corporate Property Management	Slippage on large value repairs and maintenance projects.	0	(253,825)	33,825	(220,000)
PC Replacement Programme	This represents the smoothing reserve used to manage the rolling corporate programme of laptop & PC replacement. The £164K specifically relates to laptops due to be received during 2019/20 but which were delayed to 2020/21 due to Covid-19. The related underspend in 2019/20 has been carried forwards to reduce the pressure in 2020/21. The drawdown of this reserve is included in the 2020/21 Quarter 1 forecast.	(450,000)	0	(219,124)	(219,124)
Coventry City Centre Regeneration	City Centre South Project resources. Original decision awarded £880k to deliver CCS Cabinet approval. There is potential to draw down future development costs from the CA allocation however this balance needed to de-risk any ineligible project development costs	(175,958)	(180,087)	(30,176)	(210,263)
Business Services	Balance has been committed to fund a number of projects: •Replacement Payment Kiosks in the Customer Service Centre •Replacement Print Room equipment •Transformational activity to support digitalisation of services in Customer Services Centre as part of transforming Customer & Business Services	(175,000)	(175,000)	0	(175,000)
COVID-19 Implications	To fund Covid19 Related pressures within Community Development Service and expected costs of employing subcontractors to cover staff holiday post COVID.		0	(133,338)	(133,338)
S4G - skills for growth programme	To be drawn down into revenue to support the programme.	(105,040)	(105,040)	0	(105,040)
General Events	Amount approved as part of 2015/16 Budget Setting to support capacity building in the cultural sector. Resources will be fully utilised in 18/19 as the city readies itself for the City of Culture and also against the cost of the rising cost of Godiva festival. Residual amount (£100k) to be paid back to corporate budgets.	(128,574)	(100,000)	0	(100,000)
Development Services	Funding set for Holy Trinity Roof Repairs	0	(100,000)	0	(100,000)
Community Small Grants	Community Small Grants Scheme:To fund grants scheduled for approval in 2019/20 but not formally approved until 2020/21 due to Covid and also award of Covid19 related grants.		0	(72,317)	(72,317)
Outdoor Education Centre	Contribution towards the 50th Anniversary capital redevelopment to reduce level of borrowing in future years.	(46,991)	(63,313)	(7,782)	(71,094)
Theatres and Public Entertainment	Funding for Albany Theatre review and Coventry Music proposed move to Drapers Hall		0	(57,091)	(57,091)
Central Family Hub	Troubled families funds available: Looking to use this to support one off pressures in recovery plan, so will be fully utilised in 2020/21.	0	(268,604)	212,610	(55,994)

Title	Description	Apr-18	Apr-19	Movement	Apr-20
SEN and Disability Information and Advice Support Service	This resource is ring-fenced as part of the contract with the Council for Disabled Children (CDC) to support the Information, Advice & Support Service (IASS) to enable it to fulfil its duties outlined in the Children & Families Act 2014. We have agreed with CDC that the resource will continue to fund the additional staffing costs currently in place for 2020/21.	(9,748)	(11,029)	(14,071)	(25,100)
Planning Policy	Remaining balance committed and will be fully used.	(75,000)	(17,397)	0	(17,397)
Resources Mgt Team & Overheads	Using this underspend, and some currently unused staff hours, we were able to secure the post in the short term for an additional year, whilst the LA agreed that it is an important post to continue in the longer term in light of the wider responsibilities brought about by the 2014 act towards children & young people.	(2,155)	(2,155)	0	(2,155)
Taxi Licensing	Ringfenced Account - legal requirement. Licenses are planned to increase to recoup this debit balance.	(32,557)	5,170	8,149	13,319
Coventry Sports Trust	Negative reserve, due to be repaid from Sports funding model at the rate of £65,000 pa - Cabinet 19th July 2011 refers	295,000	230,000	(65,000)	165,000
Elections	Smoothing Reserve to manage volatility of Elections costs which vary with fallow year and with timing of grant funded national elections. Previously separate reserves for PCC and European elections. All now merged into this reserve.	(400,715)	(183,611)	348,899	165,288
Kickstart Project	Majority transferred to corporate balances in 18/19. Balance of c£1.2m earmarked as sinking fund for periodic lifecycle costs of One Friargate following £250k annual lifecycle budget being taken as MTFS saving	(5,067,507)	(1,277,507)	1,277,507	0
Corporate Adult Social Care	Planned underspend of 2018/19 Adult Social Care resources applied as a contribution from reserves in 2019/20'	0	(1,000,000)	1,000,000	0
Sustainability & Low Carbon Team	Earmarked to pump prime the funding of staff costs which will be used as match funding for grant income generation and selling business sustain services, which will help achieve the service MTFS commercialisation targets	(127,658)	(117,413)	117,413	0
The Employment Support Service (TESS)	N/A - Nil Balance	(208,375)	(89,375)	89,375	0
Arts Development and Support	Commitment to undertake work in 18/19 and 19/20.	0	(25,000)	25,000	0
West Minister Road Car park	Funding set aside as part of the legal agreement to compensate loss of income while Coventry Station Masterplan Construction works are completed	0	(23,583)	23,583	0
Policy Contingency	Grant for the Coventry Jesus Centre	0	(15,000)	15,000	0
		(54,973,762)	(69,900,542)	(9,653,716)	(79,554,259)
<u>Capital</u>					
Useable Capital Receipts Reserve	Receipts generated over recent years plus projection for this year, held for future Capital Programme investments/acquisition including: purchase of income earning assets to deliver revenue budget targets (£24m); Friargate hotel site (£4.5m); City of Culture Readiness (£4.2m); revenue budget support (£3m); Duplex Loan Fund (£1.6m); and Charterhouse funding (£1.3m).	(23,977,836)	(21,467,391)	(9,631,949)	(31,099,340)
Capital Grants Unapplied Account	Grant funding received in advance of spend, whereby there are no specific grant conditons to spend in the year. The funding reflects the decision made as part of the Council's Corporate Capital Programme.	(7,179,261)	(1,893,788)	60,149	(1,833,639)
		(31,157,097)	(23,361,179)	(9,571,800)	(32,932,979)
<u>Grant Funded Revenue</u>					

Title	Description	Apr-18	Apr-19	Movement	Apr-20
Joint Social Care and Health schemes funded through s256, Care Act Grant and Better Care Fund	The majority of this balance represents the iBCF resources that were reprofiled based on the Cabinet Report on 1/8/17 as well as an in year underspend of the grant. The resources are being used to resource in year pressures within ASC and are managed through the Adult Joint Commissioning Board as part of the pooled budget	(5,612,282)	(4,177,786)	592,162	(3,585,624)
Adult Ed Income including Grants/Fees	This reserve is made up of three elements, 16-19 Bursary (£137k), Innovation funding from WMCA (£108k) and Adult Skills (£800k). The year end for Adult Education is 31 July 2020. ESFA then undertake a review of delivery over the academic year and adjust resource accordingly. This can result in a clawback of resource, however it is anticipated that this will not take place this year due to Covid-19. The Bursary and Innovation elements are held for specific purposes and current budget plans for 2020/21 utilise £400K of the Adult Skills. It is recommended that the remaining is held in reserve to offset future funding risks.	(900,287)	(941,348)	(103,921)	(1,045,269)
Public Health Staffing & Overheads	The Public Health Reserves is made up of a number of different elements including balances held on behalf of the Clinical Commissioning Group, West Midlands Association of Directors of Public Health, MHCLG, NHSE and WMCA (£150k), match funding for other grants (£174k) and resources to fund specific areas of activity e.g. Lets Ride, Wellbeing for Life, Activity in Parks, HIV testing, Immunisations campaigns.	(604,933)	(787,616)	4,073	(783,543)
Air Quality Early Measures	Grant funding has been fully allocated, additional funds are being sought.	(551,472)	0	(641,115)	(641,115)
DFE - Troubled Families	£105k committed youth violence money to be carried forward. £470 troubled families reserved in response to grant risk is now available to draw down as grant is more secure. JG is looking to use this to support one off pressures in recovery plan, so will be fully utilised in 20/21 and 21/22 (added to 11107 reserve = £525k)	(485,724)	(871,212)	295,872	(575,340)
Connecting Communities	To continue funding specific Migration projects (EMAS & IGNITE). Grant received in advance so carried forward to when it will be needed.		0	(499,480)	(499,480)
Individual Electoral Registration	Additional costs of IER have been funded by the Cabinet Office, however it is unclear how long the additional funding will continue. A decision was made when IER was introduced to maintain a reserve to manage this uncertainty around future funding whilst additional costs are being incurred. If legislation is passed in the future that allows Coventry to reduce the costs, some of this reserve could be available for general reserves.	(341,542)	(466,230)	(28,361)	(494,591)
Our Future Workforce	This reserve contains the resources identified in the Cabinet Member for Strategic Finance and Resources report of 12th October 2017 to support the development and introduction of the workforce programme now detailed within the People Plan	0	(600,751)	150,000	(450,751)
CSW Sport - Management Costs	This balance is hosted account on behalf of 7 partners within Coventry Solihull and Warwickshire Sport. It is not City Council money.	(341,958)	(311,518)	8,439	(303,078)
Controlling Migration Fund	The Council was successful in a competitive funding bid to the Governments Controlling Migration Fund (CMF). 'Building Bridges' is a multi-agency project intended to support refugees and newly arrived communities and their integration into the City with a particular focus on employment support. Additionally the Council received £100,000 to support the appointment of two Local Authority Asylum Support Liaison Officers. The primary focus of these officers is to deliver a tailored support service for new refugees to facilitate their transition into mainstream society during their move on period by providing advice and information on essential services. Funds are required to be on hand to comply with the terms of the CMF grants and complete project delivery during 20/21.	(100,000)	(312,073)	18,063	(294,010)

Title	Description	Apr-18	Apr-19	Movement	Apr-20
Routes to Ambition	Surplus earned from programmes which is retained for the following reasons; transition from the closure of one grant programme to another without incurring additional closure / set up costs, required to support projects during start up and during full closure where ability to earn income is significantly curtailed, available to meet the costs of clawback - which may be substantial following Government or EU audit, required as levy funds for new investment where cash match must be provided, must be retained as a minimum until closure of current ESF round and all programmes are defrayed and audited	(30,023)	(190,023)	0	(190,023)
ESF Ambition Project - Project management team, provider payments and internal projects	Surplus earned from programmes which is retained for the following reasons; transition from the closure of one grant programme to another without incurring additional closure / set up costs, required to support projects during start up and during full closure where ability to earn income is significantly curtailed, available to meet the costs of clawback - which may be substantial following Government or EU audit, required as levy funds for new investment where cash match must be provided, must be retained as a minimum until closure of current ESF round and all programmes are defrayed and audited	(141,618)	(141,618)	0	(141,618)
Lifelong Links	This reserve relates to the delayed start of the project in 2017. Will be fully utilised within 202/21 as the extended finish date of the project is March21. There may be a small underspend left after in-year transfer due to COVID activity drop (approx £10k).	(451,838)	(139,264)	0	(139,264)
DFE Early Adopters grant	National Assessment and Accreditation System for social workers. Coventry's phase 2 will use this money in full in 20/21. Already included in Q2 forecast.	0	(198,600)	66,543	(132,057)
Migration Project B	£126K is required to be carried forward to allow delivery of the requirements of the education grant conditions for the Syrian Vulnerable Persons Resettlement Scheme and the Resettlement of Vulnerable Children's Scheme, for children arriving in the City since November 2017	(171,000)	(173,960)	47,423	(126,538)
Connect Me	Surplus earned from programmes which is retained for the following reasons; transition from the closure of one grant programme to another without incurring additional closure / set up costs, required to support projects during start up and during full closure where ability to earn income is significantly curtailed, available to meet the costs of clawback - which may be substantial following Government or EU audit, required as levy funds for new investment where cash match must be provided, must be retained as a minimum until closure of current ESF round and all programmes are defrayed and audited	(54,276)	(54,276)	(71,143)	(125,419)
SEN Reforms Grant	This includes the monies for SEND Reforms, and the money is being used to part fund the structure in the SEN statutory team and associated services. It also includes the West Midlands Regional monies for SEND, the spending plan is agreed on a regional basis. It also includes resource to improve pathways to employment for young people with SEND. This is specifically focusing on the development of supported internships. These grants ended in 2018/19 and it is expected that the residual balance will be used in 2020/21.	(721,570)	(408,642)	330,519	(78,123)
London Road Cemetery	National Heritage Grant Funding Carried Forwad	0	(78,258)	(10,466)	(88,724)
Looked After Children	The Children and Social Work Act 2017 amended the Children Act 1989 to introduce a new duty on local authorities to promote the education of certain previously looked-after children, including appointing an officer (commonly known as a Virtual School Head) to discharge this duty through the provision of information and advice to relevant parties supporting the education of those children. This duty came into force on 1 September 2018. The grant will be used to fund a new post to carry out these duties for 2 years.	0	(30,000)	(46,902)	(76,902)
Home Office-Proceeds of Crime Scheme	Match funding for PCC Grant	(60,958)	(60,958)	12,379	(48,579)
Independent Living and Practice Development	This is made up of 3 elements of funding received to support development of Social Workers as well as funding for part of a post. Funding has come from Cov Uni, BCF and Skills for Care	(42,064)	(33,901)	(10,446)	(44,347)
West Midlands Teaching Partnership (DFE)	Coventry City Council is leading this partnership and therefore holds the grant funding on behalf of all partners. This reserve is due to slippage or cancellation of events already included on grant submission form.		(19,533)	(22,292)	(41,825)

Title	Description	Apr-18	Apr-19	Movement	Apr-20
Homelessness	Grant carry forward to pay for Housing Advisor contract.		0	(39,200)	(39,200)
Pension Costs (Grants)	Funding to offset future years staff liability costs for old Coventry Polytechnic.	0	(35,104)	3,637	(31,467)
Fuel Poverty Grant & DECC Fuel Poverty Project	Switch & Save initiative. Further activity planned	(27,385)	(27,385)	0	(27,385)
Recover of overpaid Salaries	To fund repayments to schools for salary overpayments in future year or to fund write offs if never repaid. Only due to schools when/if overpaid person repays.		(29,704)	14,081	(15,622)
Apprentice Strategy	Financial assistance to support any apprentice or young person on new Work Experience programme for school leavers that might need it. Funding any additional apprenticeship development or marketing above £1K budget		0	(12,500)	(12,500)
Exceed in Coventry	Surplus earned from programmes which is retained for the following reasons; transition from the closure of one grant programme to another without incurring additional closure / set up costs, required to support projects during start up and during full closure where ability to earn income is significantly curtailed, available to meet the costs of clawback - which may be substantial following Government or EU audit, required as levy funds for new investment where cash match must be provided, must be retained as a minimum until closure of current ESF round and all programmes are defrayed and audited	(10,769)	(10,769)	0	(10,769)
Community Safety	Grant carry forward from WMPCC		0	(7,175)	(7,175)
Trading Standards & Consumer Protection	To be moved into revenue 2019/20	(5,394)	(5,394)	0	(5,394)
Libraries	Grant received from Libraries Connected to fund projects associated with "Novels that Shaped our World". Money will be used for day-long events including commissioning artists and performers to develop creative and fun responses to the novel.		0	(1,000)	(1,000)
SALIX Project	Not City Council resources. A revolving fund to provide small energy saving initiatives funding with paybacks	(166,755)	9,020	2,559	11,580
Ministry of Justice Funding	Journal raised in error - has been moved to Business Rates in 2019/20	0	(133,339)	133,339	0
DEFRA Recycling Champions	Balance to be used to fund Waste Education Team in 19/20	(413,175)	(150,549)	150,549	0
European City of Sports	Activities including grants to small organisations, sports festivals etc. agreed to by members that exceed the annual budget.	0	(55,000)	55,000	0
Preventing Homelessness	This reserve holds the preventing homelessness grant which is being used to implement changes to Housing & Homelessness legislation	(555,187)	(927,728)	927,728	0
Children in Need Targetted Support	This reserve is due to a mismatch in the timing of grant payments versus profiled spend and will be cleared by the end of 2019/20	64,257	22,370	(22,370)	0
		(11,725,954)	(11,341,149)	1,295,997	(10,045,153)
Schools and Extended Learning Centre					
Schools (specific to individual schools and ELCs)	Dedicated Schools Grant Reserves owned and controlled by individual schools. Subject to existing legal framework for schools. Reported to Schools Forum.	(19,583,519)	(20,308,786)	2,419,027	(17,889,759)
Schools (related to expenditure retained centrally)	Dedicated Schools Grant Reserve central expenditure reserve. Grant must be used to support the Schools Budget as defined in the School and Early Years Finance Regulations. Usage is reported to and monitored by the Schools Forum.	(4,852,318)	(6,154,452)	2,785,850	(3,368,603)
SEN Alternative Provision (APB) - moved to Schools balances on this analysis	SEN Alternative Provision - part of schools balances	(205,593)	0	0	0

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Extended Learning Centre	Dedicated Schools Grant Reserves owned and controlled by extended learning centres. Subject to existing legal framework for schools. Reported to Schools Forum.	0	(456,444)	205,848	(250,596)
Woodlands	Woodlands ongoing running costs of site		0	(118,785)	(118,785)
		(24,641,430)	(26,919,682)	5,291,940	(21,627,743)
		(122,498,242)	(131,522,553)	(12,637,580)	(144,160,133)