

Appendix 1 – Reserves descriptions and opening balance 2024/25

		1st April 2024 £000
<u>Council Revenue Reserves</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 normally be funded by this reserve.	(10,277)
Adult Social Care	These are Health resources rolled forward through the Better Care Fund pooled budget and Mental Health pooled budget. These resources are managed through the Adult Joint Commissioning Group.	(19,636)
Financial Risk Contingency	Budget set aside during 2023/24 Outturn report to provide resilience against an future financial shocks.	(8,479)
Early Retirement and Voluntary Redundancy	Funding for early retirement and voluntary redundancy established as part of Staffing Reductions Consultation Report – in 2015 and further contribution agreed as part of the 2018/19 Outturn Report to Cabinet.	(7,242)
Private Finance Initiatives	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.	(6,730)
Management of Capital	Resources earmarked to support approved corporate Capital Programme and transformation projects including Very Light Rail (£3m), Woodlands School (£1m), Public Realm funding (£0.2m) and Coventry's Superfast Broadband (£0.1m)	(5,803)
Reset and Recovery	Revenue budgetary underspend at 2019/20 outturn earmarked to support the Council's reset and recovery following Covid. The budgetary position in the short term may require this reserve to be utilised to underpin the Council's financial position.	(5,467)
Business Rates Income Reserve	Budgeted contributions set aside as future protection against Business Rates volatility. Recent significant appeals continue to justify a significant balance being maintained.	(5,025)
Innovation and Development Fund	Approved by Council in February 2021 as a fund to sustain the Council's future financial resilience. This could include internal transformation activity and strategic infrastructure in particular where these generate future quantifiable financial benefits.	(4,264)
Public Health	Public Health Reserves made up a number of ringfenced government grants and balances held on behalf of partners.	(4,026)
Corporate Priorities (2020/21 Outturn Underspend)	Approved as part of the 2020/21 Outturn Report to Cabinet in July 2021 and set aside to fund corporate priorities including Very Light Rail.	(2,995)

Covid 19 Government Funding	The unused amount of Covid resources set aside and held to manage medium term Covid legacy issues. This reserve has been called on during both 2022/23 (£6.7m) and 2023/24 (£1.8m) to balance the Council bottom line overspend at year end, which has enabled us to retain the balance within our general fund.	(2,504)
Commercial Developments	Agreed as part of the 2018/19 Financial Outturn Report to support the Council's commercial development projects.	(2,473)
Air Quality Early Measures	Grant received for implementation of the air quality action plan. Earmarked for the Moat St Car Park loss.	(2,374)
Refugee Resettlement Programme	Funding to deliver the requirements of the grant conditions for the Syrian Vulnerable Persons Resettlement Scheme and the Resettlement of Vulnerable Children's Scheme.	(2,341)
Friargate Lifecycle	A property fund to ensure maintenance costs expected to increase in years 5-10 are not a burden on annual budgets.	(1,594)
IT Replacement Programme	This represents the smoothing reserve used to manage the rolling corporate programme of laptop & PC replacement. The international impact of the pandemic has led to longer lead in times for IT equipment purchases necessitating a roll-over of resources from the programme to manage orders still to be fulfilled.	(1,526)
Homes for Ukraine	Funding to deliver the requirements of the grant conditions for the Home for Ukraine programme	(1,274)
Adult Education Income	This reserve is made up of 16-19 Bursary & Adult Skills. Due to the Adult Ed year ending 31 st July, this can be subject to clawback following the ESFA delivery review. This is held in reserves until the review is complete and the risk of grant clawback is eliminated.	(1,191)
Housing Enforcement	Penalties and fines to landlord, fund held to either pay back to Govt (future) or ringfenced for enforcement activities	(1,167)
City of Culture & Commonwealth Games Readiness Legacy	This is the legacy funding from the Cabinet approved allocations to support the 2021 UK City of Culture, also includes CCCG partner contributions towards the running costs of the facility once opened.	(1,124)
Corporate Property Management	Slippage on large value repairs and maintenance projects.	(1,019)
Insurance Fund	The reserve has traditionally provided financial security for insurance claims arising out of incidents that may have occurred but for which claims have not yet been received. However, in recent years it has been utilised to fund insurance budget pressures including income loss caused by the move of some LEA schools to the Department of Education Risk Protection Arrangement and increased premiums.	(922)
Other Directorate	Includes multiple smaller reserves including Home care, Mandatory Licensing, SEND & Disability, Electoral Registration, FDAC, Rough Sleepers grant, Asylum dispersal scheme, Connect2, Commercial	(13,962)

	property life-cycle balance, West Midlands Teaching partnership, Early Years registration, Housing First grant, car parks, Family Hubs.	
Other Corporate	Smaller reserves & technical adjustments including residual Emergency Covid Funds and Finance Lease smoothing reserve to support annual IFRS16 transactions.	(4,649)
Total Council Revenue Reserves		(118,064)
Council Capital Reserves		
Useable Capital Receipts Reserve	Receipts generated over recent years formerly set aside for future Capital Programme investments within current and future capital programmes. Current commitments include Woodlands School (£10m); City Centre South (£4m); and Public Realm 6, including Palmer Lane (£1.9m).	(21,733)
Capital Grant Unapplied Account	Grant funding received in advance of spend, whereby there are no specific grant conditions to spend in the year. The funding reflects the decisions made as part of the Council's Corporate Capital Programme.	(4,195)
Total Council Capital Reserves		(25,928)
School Reserves		
Schools (specific to individual schools)	Dedicated Schools Grant Reserves owned and controlled by individual schools. Subject to existing legal framework for schools. Reported to Schools Forum.	(23,539)
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.	(14,290)
Total Schools Reserves		(37,829)
Total Reserves		(181,820)