

<p>CABINET MEETING – 18 JUNE 2019</p> <p>EXECUTIVE SUMMARY SHEET – PART I</p>	
Title of Report:	Revenue Budget Outturn 2018/2019
Author(s):	Executive Director of Corporate Services
Purpose of Report:	To report details of the outcome of the Revenue Budget Outturn for 2018/2019
Description of Decision:	<p>Cabinet is recommended to:</p> <ul style="list-style-type: none"> • note the budget transfers, contingency and reserve transfers proposed within Section 3, these having been agreed via delegated authority as approved by Cabinet in January 2019; • note the final account decisions as set out in the report, having been agreed by delegated authority as approved by Cabinet in January 2019.
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 report on the outturn position compared to the budget for 2018/2019
Alternative options to be considered and recommended to be rejected:	No alternative options are proposed
Impacts analysed;	
Equality	<input type="text" value="N/A"/>
Privacy	<input type="text" value="N/A"/>
Sustainability	<input type="text" value="N/A"/>
Crime and Disorder	<input type="text" value="N/A"/>
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

CABINET - 18 JUNE 2019

REVENUE BUDGET OUTTURN FOR 2018/2019

Executive Director of Corporate Services

1. Purpose of Report

1.1 This report advises Members of the overall Revenue Budget position for the 2018/2019 financial year. Set out in Section 3 below are details of the Revenue Budget Outturn for 2018/2019. The reporting format reflects the Portfolio Holder responsibilities in place during 2018/2019 and includes:

- contingency and budget transfers for the final quarter for 2018/2019;
- details of the outturn for service budgets for 2018/2019;
- the position in relation to the achievement of budget savings for 2018/2019.

Sections 4 and 5 detail the general fund balances and the major revenue reserves position and Section 6 details the collection fund position for business rates and council tax.

2. Description of Decision (Recommendations)

2.1 Cabinet is recommended to:

- note the budget transfers, contingency and reserve transfers proposed within Section 3, these having been agreed via delegated authority as approved by Cabinet in January 2019;
- note the final account decisions as set out in the report, having been agreed by delegated authority as approved by Cabinet in January 2019.

3. Revenue Budget Outturn 2018/2019

3.1 Statement of Accounts

The statutory deadline for the annual accounts production is 31st May 2019 for draft accounts and 31st July 2019 for audited accounts.

As agreed at the third review, in order to ensure no delays in the completion of the accounts, delegated approval was given to the Section 151 Officer in consultation with the Leader and Cabinet Secretary to approve all year end accounting and budget transfers for 2018/2019, with the final outturn position reported retrospectively to Cabinet in June 2019 for information.

In line with the statutory deadline, the Statement of Accounts, subject to audit, were made available on the internet on 31st May 2019. The Accounts are available for public inspection from 3rd June 2019 until 12th July 2019. The audited Statement of Accounts will be presented to the Audit and Governance Committee on the 26th July for final approval.

3.2 Overall Position

The final revenue outturn overall position is a net under spend of £0.682m. This takes into account service pressures and transitional costs arising in 2018/2019 which have been contained within the overall outturn position, and the provision for service pressures anticipated to arise in 2019/2020. The remaining underspend will be transferred to the Strategic Investment Reserve.

The outturn position is summarised in the table below, with further detail provided within Appendix A, Appendix B, and Section 3 below.

Area of Variance	Paragraph reference	Variance £m
Delegated Outturn	3.4	3.797
Contingencies Transfers and Other Corporate Underspends		
- Contingency Transfers	3.5.1	(4.404)
- Transitional Costs	3.5.2	2.436
- Other Variations	3.5.3	(2.188)
Capital Debt Charges	3.6	(7.309)
Grants	3.7	(3.639)
Reserves set aside	3.8	10.625
Final Outturn position (Transferred to SIR)		0.682

3.3 Budget Transfers

Budget transfers have been undertaken at year end, principally to ensure that budgets are correctly allocated to services for final 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 Health and Social Care portfolio. In addition, budget transfers undertaken ensure that corporate underspends or pressures, as detailed in paragraph 3.5.3, are budget matched and do not distort service outturn lines.

3.4 Delegated Budgets – Overall Summary

Details of major variations for each service, which have led to the outturn position, are set out at Appendix A. In overall terms there was a net service pressure of £3.797m, which has been contained within the overall position.

The overall outturn represents a positive position when considered in the light of significant budget pressures experienced in year, and the need to deliver further significant savings. The position reflects the continued adoption of a whole organisational approach to financial management with the aim of releasing as much resource as possible to address in year cost pressures. This includes delivering on savings plans early to protect front line services and to maximise available funding to support the transition process into 2019/2020.

3.4.1 Savings Plans 2018/2019

In the majority of cases saving plans have been realised as originally envisaged. Where monitoring mechanisms identified that due to delays in implementation some initiatives would not be fully realised in 2018/2019, Executive Directors identified additional initiatives or one off resource to realise the required level of savings. Actions have been put in place to ensure the ongoing achievement of the savings into 2019/2020.

3.4.2 Local Authority Controlled Companies Outturn Position

The accounts for the Local Authority Trading Companies have been finalised and have been reflected in the Council's Statements 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.

3.4.3 Service Commitment Reserves

The outturn position reflects the establishment of a small number of one off reserves for known service commitments. The creation of these reserves reflect the fact that the commitment has already been established, but the goods or service have not been delivered during 2018/2019. These reserves will therefore meet the commitment when it arises.

3.5 Contingency Transfers and Other Corporate Underspends

3.5.1 Contingency Transfers

Transfers from the contingency fund take place on a quarterly basis to reflect expenditure actually incurred in respect of approved provisions. Final quarter contingency transfers, totalling £4.359m have been enacted as follows, leaving an overall underspend of £4.404m on the Council's contingency provision.

- Seaburn Centre Demolition £0.125m
General contingency drawdown to meet the costs of demolition of the Seaburn Centre to facilitate redevelopment of the wider Seaburn site.
- Savoy Bingo Fire Clean Up £0.070m
General contingency drawdown to enable works to progress on cleaning and remediating the Savoy Bingo Hall site in Southwick following the earlier fire, pending any recovery action from the landowner.
- Bridges Rent £0.353m
Specific contingency drawdown for the shortfall against budgeted income in relation to the ground rent receivable by the Council for the Bridges shopping centre in relation to unit turnover and costs incurred with lease renewals.
- Adult Services Contract Inflation £2.275m
Specific provision to meet the impact of Adults Residential and Nursing Homes, Home Care and Day Care inflationary increases for 2018/2019 as recently agreed with service providers.

- Tall Ships £2.000m
Drawdown of specific contingency to meet the costs of hosting the successful Tall Ships event.
- New Adoptions £0.050m
Specific provision to meet the impact of additional costs following housing and infrastructure developments within the city.
- Waste tonnage £0.250m
Specific provision to meet the shortfall in service budgets in respect of increased waste tonnage being disposed of through the waste partnership agreement.
- Utilities / Business Rates (£0.534m)
Return to contingencies of underspend in respect of utility costs as a result of savings in consumption and unit prices, and business rates amendments following revaluations.

3.5.2 Transitional costs

As set out as part of the budget setting process and reported during the year, transitional costs have arisen during 2018/2019 as the Council implements the continued improvement programmes with associated staff reductions. The potential need to utilise capital receipt flexibility to fund transitional costs arising in 2018/2019 was flagged as part of the budget setting process, with the final decision to be made at outturn in light of the overall position at that time.

Transitional costs of £2.436m in relation to the Council and its owned companies have been incurred during 2018/2019 which have been contained within the overall outturn position without the need to draw on capital receipts. This enables capital receipts generated during the year of £2.499m to be freed up to support the capital programme.

3.5.3 Other Corporate Variations

Other variations totaling £2.188m, have resulted in an underspend, including from a review of insurance provision and Carbon Reduction Commitment requirements, lower than anticipated pensions deficiency payments, and securing a one-off VAT refund. Where savings are ongoing these will be factored into budget planning for future years.

3.6 Treasury Management Savings

As reported during the year, debt charges and interest on investment savings of £7.309m are available to support the overall corporate position as a result of reprofiling on the capital programme, reported elsewhere on the agenda, and improved lending and borrowing rates.

3.7 Additional Grant Income

Additional grant income of £3.639m has been received during the year. This is primarily in respect of the Winter Pressures grant (£1.568m) and the Business Rates Levy Account Surplus distribution (£1.296m). In addition, finalisation of the business rates outturn position has confirmed additional Section 31 compensatory grant amounts are owed by government in respect of various business rates reliefs implemented.

3.8 Reserves

Earmarking of specific reserves totaling £10.625m is proposed, to meet:

- Provision for anticipated future service pressures and potential delays in delivery of savings targets. Addition to existing reserves on the basis of the latest estimated requirement as at the outturn position (£6.429m).
- The earmarking of the Business Rates Levy Account Surplus distribution for one off spending pressures as required, and as set out in the March full Council budget papers (£1.296m).
- The establishment of a number of reserves to fund future one-off Adult Social Care costs in respect of Recovery at Home and Packages of Care (£1.750m).
- Earmarking of £0.750m for ICT refresh equipment and network replacement requirements to increase the robustness of ICT provision within the council.
- A reserve of £0.400m to provide for future initial revenue funding for the Football Hubs capital scheme, following a review of the funding package and discussions with the funding Partners. This is offset by an equivalent reduction in the capital funding contribution required from the Council.

4. General Fund Balances

4.1 The Council's General Fund balance was increased to £12m as part of the 2017/2018 outturn position. This increase recognised the increasing risk to local government financial stability inherent in the current financial climate, including the spending review, fair funding review and the move towards 75% retained business rates.

4.2 Following a review of these risks and taking into account the revenue outturn position, medium term financial plan and the overall level of reserves, no changes to the General Fund Balances are proposed. The level of general fund balance is set out at Appendix C, and will represent 5.6% of the Council's net budget requirement, which remains appropriate for a large unitary council.

5. Review of Existing Reserves

- 5.1 A full Statement of Reserves is set out at Appendix D. As part of the outturn a full review of reserves and provisions has been completed to ensure compliance with recommended accounting practice. As a result, reserves totalling £2.288m have been identified as no longer required for their original purpose. The released resources have been transferred to the Strategic Investment Reserve.
- 5.2 Overall the Council's reserves have decreased by £5.439m in 2018/2019 to £154.022m as reserves are utilised for their agreed purpose, including to support the capital programme.

With the exception of the General Fund, useable reserves are earmarked for specific purposes and commitments are subject to regular review.

6. Collection Fund

6.1 Business Rates

The NNDR1 return to Government for 2019/2020 set out a forecast surplus of £1.476m, consistent with the outturn position at 31 March 2018. The council's share of this forecast surplus, £0.723m has been factored into the 2019/2020 budget on a one off basis.

The final position at 31 March 2019 is an overall surplus of £3.935m. The improved position reflects improved collection rates and lower than anticipated appeal numbers following the 2017 revaluation exercise. The Council's share of the final overall surplus position is £1.928m i.e. an additional £1.205m. This sum is available to support the Council's budget on a one off basis in 2020/2021.

6.2 Council Tax

The council tax element of the collection fund has a surplus of £0.489m at 31st March 2019 of which the Council's share is £0.429m. This represents a slight improvement from the amount (£0.353m Sunderland Share) reported to Cabinet in February 2019.

The anticipated position was taken into account in setting the budget for 2019/2020.

7. Reasons for Decision

- 7.1 To report on the outturn position compared to the budget for 2018/2019.

8. Alternative Options

- 8.1 No alternative options are proposed.

9. Impact Analysis

- 9.1 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.

10. Other Relevant Considerations / Consultations

10.1 None

11. List of Appendices

- Appendix A - Major Variations 2018/2019
- Appendix B - Overall Outturn Position 2018/2019
- Appendix C - Statement of General Balances
- Appendix D - Major Earmarked Reserves

12. Background Papers

None

**Cabinet Meeting 18th June 2019
Major Variations 2018/2019**

Portfolio	Latest Revised Delegated Budget (Budget Book) £m	Contingency Transfers £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Leader	3.812	0.000	0.183	3.995	3.661	0.334	<ul style="list-style-type: none"> Minor variations of £0.334m underspend across a number of services, primarily as a result of the acceleration of savings plans for 2019/2020, salaries vacancy management and the achievement of additional income.
Deputy Leader	2.548	(0.008)	2.260	4.800	5.307	(0.507)	<ul style="list-style-type: none"> As reported in the 3rd Revenue Review, the Port experienced a downturn following a positive start to the financial year. The 2018/2019 surplus totalled £0.098m which is a £0.532m shortfall against a £0.630m full year budget surplus. The disruption during essential unplanned works to repair the Port's dock gates following adverse weather and the continued uncertainty around Brexit have affected profitability during the year.
Cabinet Secretary	14.092	(0.089)	0.845	14.848	13.447	1.401	<ul style="list-style-type: none"> Repairs and Renewals - An in year overspend of £0.216m has materialised as a result of the need to progress a number of one-off high priority maintenance works within the Council's buildings. Minor variations of £1.617m underspend across a number of services, primarily as a result of the acceleration of savings plans for 2019/2020, salaries vacancy management and the achievement of additional income.

Appendix A (continued)

Portfolio	Latest Revised Delegated Budget (Budget Book) £m	Contingency Transfers £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Children, Learning and Skills	70.346	0.033	(1.867)	68.512	73.114	(4.602)	<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. <p>As part of the first review, Cabinet agreed to provide an additional £3.5m ongoing contribution to TfC in recognition of the pressures being experienced by the company. Additionally, a further £3m of one-off reserves to support the in-year position, was agreed to be released to TfC at the second review, following satisfactory evidence of ongoing management improvement actions being implemented.</p> <p>The final outturn position for TfC, after taking into account the release of the funding agreed at the first and second review stages, is a remaining net pressure of £4.360m, an improvement of circa £2m from that forecast at third review. This pressure is primarily as a result of increases in Looked after Children numbers and the costs of this provision.</p> <p>The ongoing position was taken into account within the Medium Term Planning previously reported to Cabinet.</p> <ul style="list-style-type: none"> • As reported at third review, a pressure of £0.239m in relation to Derwent Hill has materialised as a result of non-delivery of income generation targets and the impact of a major company reducing their use of the training facility. The budget was realigned as part of the 2019/2020 budget setting process to address this position and the Executive Director of Neighbourhoods and the Director of Derwent Hill continue to look to maximise all income opportunities at the centre.

Appendix A (continued)

Portfolio	Latest Revised Delegated Budget (Budget Book) £m	Contingency Transfers £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Community and Culture	11.738	1.973	(0.059)	13.652	13.905	(0.253)	<ul style="list-style-type: none"> • Sport and Leisure Management Limited (SLM), trading as Everyone Active manage and operate the Council's leisure facilities under a Joint Venture arrangement with the Council. Following notification of an in year deficit, the Council has agreed to contribute an additional £0.240m pending a review of the business plan during 2019/2020 and the introduction of measures to bring the financial position back in line.
Environment and Transport Portfolio	43.832	(0.091)	(3.593)	40.148	39.391	0.757	<ul style="list-style-type: none"> • Bereavement – underachievement of income totalling £0.289m due to delayed price increase and reduced service demand. • Fleet – one-off savings of £0.351m as a result of leasing and capital charge savings pending the replacement of a number of vehicles, and additional income from insurance and vehicle auctions. • Highways trading – An underspend of £0.462m has arisen as a result of an increase in the profitability of various highways schemes. • Minor variations of £0.233m underspend across a number of services, primarily as a result of the acceleration of savings plans for 2019/2020, salaries vacancy management and the achievement of additional income.

Appendix A (continued)

Portfolio	Latest Revised Delegated Budget (Budget Book) £m	Contingency Transfers £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Health and Social Care	78.817	2.275	(16.699)	64.393	64.579	(0.186)	<ul style="list-style-type: none"> <li data-bbox="1294 408 2112 807">• Members were informed as part of the third review that there was a significant financial pressure in Adult Social Care attributable to increasing demand and the tapering of the IBCF funding allocated by Government as part of the March 2017 budget announcement which is reducing year on year. As part of the outturn this position improved due to the delivery of savings plans, the receipt of 'Winter Pressures' funding from Central Government and the receipt of one-off transitional support funding from Health Partners. In addition, a series of initiatives were progressed, which had a positive impact. These initiatives will continue to reduce cost whilst still meeting client need, including through the use of assistive technology, behavioural management and the management of demand. <li data-bbox="1294 839 2112 1086">• Sunderland Care and Support As previously reported, one-off provision was included within the 2018/2019 budget to address the ongoing impact of workforce transformation on Sunderland Care and Support pending the continued implementation of remedial actions. The use of this funding resulted in a breakeven position at outturn. Plans have now been implemented which address this position on an ongoing basis.

Appendix A (continued)

Portfolio	Latest Revised Delegated Budget (Budget Book) £m	Contingency Transfers £m	Budget Adjustments £m	Final Budget £m	Outturn £m	Final Variation Under / (Over) Spend £m	Reason for Variation
Housing and Regeneration Portfolio	3.956	0.446	2.159	6.561	7.302	(0.741)	<ul style="list-style-type: none"> Miscellaneous Land and Properties - As reported at the previous review, negotiations remain ongoing to acquire a number of properties identified as strategic opportunities that will support the Council's aspirations for the regeneration of the city centre. This has resulted in a delay in anticipated rental streams totalling £0.246m being realised. Sunderland Homes Limited Following a review, the initial pilot scheme, which focussed on the development and sale of new housing, has been discontinued. The company is currently focusing on bringing empty properties back into use within the City, with projects in the Hetton area commencing during 2018/2019. A review in to the future direction of the company is currently being undertaken. A loss of £0.055m has been incurred during 2018/2019 associated with the discontinued pilot scheme. This has been funded from within the relevant Council portfolio. The prior year loss of £0.130m reported in 2017/2018 has been met in 2018/2019 from Council reserves which were prudently earmarked as part of 2017/2018 outturn. As a result of the Council funding the prior year loss, and other company transactions during the year, the company recorded a profit of £0.120m in 2018/2019. Various overspends of £0.440m across a number of services including Building Services and Planning Implementation, as a result of reduced demand for the services.
Total Service (Delegated) Outturn	229.141	4.539	(16.771)	216.909	220.706	(3.797)	

**Cabinet Meeting 18th June 2019
Overall Position 2018/2019**

	Revised Budget	Budget Adjustments	Final Budget	Outturn	Variance Under / (Over) Spend
	£m	£m	£m	£m	£m
Leader Portfolio	3.812	0.183	3.995	3.661	0.334
Deputy Leader Portfolio	2.548	2.252	4.800	5.307	(0.507)
Cabinet Secretary Portfolio	14.092	0.756	14.848	13.447	1.401
Children, Learning and Skills Portfolio	70.346	(1.834)	68.512	73.114	(4.602)
Community and Culture Portfolio	11.738	1.914	13.652	13.905	(0.253)
Environment and Transport Portfolio	43.832	(3.684)	40.148	39.391	0.757
Health and Social Care Portfolio	78.817	(14.424)	64.393	64.579	(0.186)
Housing and Regeneration Portfolio	3.956	2.605	6.561	7.302	(0.741)
Total Service (Delegated) Expenditure	229.141	(12.232)	216.909	220.706	(3.797)
Provision for Contingencies and other Corporate Budgets	7.964	(3.808)	4.156	0.000	4.156
Capital Financing Costs	18.187	0.439	18.626	11.317	7.309
Transfer to/from Reserves	(4.129)	0.000	(4.129)	(4.129)	0.000
Technical Adjustments	(26.549)	0.112	(26.437)	(26.437)	0.000
Levies	15.506	0.003	15.509	15.509	0.000
Hetton Town Council	0.065	0.000	0.065	0.065	0.000
Less Grants	(21.765)	15.466	(6.299)	(9.938)	3.639
Total Net Expenditure	218.420	(0.020)	218.400	207.093	11.307
Revenue Support Grant	(36.157)	0.000	(36.157)	(36.157)	0.000
National Non-Domestic Rates/Retained Business Rates	(43.024)	0.020	(43.004)	(43.004)	0.000
Top Up Grant	(42.192)	0.000	(42.192)	(42.192)	0.000
Collection Fund Surplus	(1.845)	0.000	(1.845)	(1.845)	0.000
Council Tax Requirement	(95.202)	0.000	(95.202)	(95.202)	0.000
Draft Outturn	0.000	0.020	0.000	(11.307)	11.307
Establishment of / Transfer to Reserves	0.000	0.000	0.000	10.625	(10.625)
Final Outturn Position	0.000	0.000	0.000	(0.682)	0.682

Cabinet Meeting 18th June 2019
Statement of General Fund Balances

	£m
Revised Estimate of Balances as at 31st March 2018	12.000
Additions / Variations to Revised Estimate Balances	
Overall Council underspend	0.682
Transfer to Strategic Investment Reserve	(0.682)
Balances 31st March 2019	12.000
Use of / Addition to Balances 2019/2020	
Contribution to Revenue Budget	(1.250)
Additions to Balances 2019/2020	
Transfer from Medium Term Smoothing Reserve to support 2019/2020 Budget	1.250
Estimated Balances 31st March 2019	12.000

Cabinet Meeting 18th June 2019
Major Earmarked Reserves

Reserves	Purpose of the Reserve	Opening Balance 01.04.2018 £m	Movement in Year £m	Closing Balance 31.03.2019 £m
General Fund	General Fund of the Council	12.000	0.000	12.000
School Balances	Balances held by schools under a scheme of delegation	6.574	1.184	7.758
Earmarked General Fund Reserves – Capital				
Riverside Transfer	Reserve established to fund capital works associated with the Homes and Communities Agency land transferred to the Council.	9.439	(0.251)	9.188
Capital Priorities Reserve	A reserve established to address some of the Council's key capital developments and strategic priorities.	8.559	(1.380)	7.179
Section 106 Reserves	These reserves relate to monies paid over by the developers of new housing estates, under Section 106 of the Town and Country Planning Act 1990. The contributions are used to provide play equipment, pupil places and affordable housing on the housing developments.	5.207	1.047	6.254
Strategic Investment Reserve (Capital)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	0.000	5.422	5.422
Strategic Investment Plan Reserve	This reserve is necessary to fund part of the Council's contribution to its Strategic Investment Plan approved by Council in April 2008.	1.934	(0.278)	1.656
Commercial and Economic Development Activity	Reserve established to take advantage of commercial and economic development opportunities that will meet priorities of the Council.	1.452	0.000	1.452
Economic Strategy Reserve	Established to progress economic regeneration activity	7.100	(7.100)	0.000
Other Earmarked Capital Reserve	Funding set aside to fund future capital projects previously approved.	1.253	1.716	2.969
Earmarked General Fund Reserves – Revenue				
Strategic Investment Reserve (Revenue)	A reserve established to address some of the Council's key developments, strategic priorities and address other major liabilities.	29.575	(6.010)	23.565

Appendix D (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2018 £m	Movement in Year £m	Closing Balance 31.03.2019 £m
Service Reduction Reserve	This reserve is to provide temporary transitional funding relating to the implementation of planned service reductions.	2.555	7.098	9.653
Medium Term Planning Smoothing Reserve	This reserve was 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 austerity measures.	8.176	(2.574)	5.602
Insurance Reserve	This reserve has been established to provide for potential future claims or claim increases.	4.628	0.093	4.721
Street Lighting and Highway Signs PFI Smoothing Reserve	The reserve was established to smooth the financial impact of the contract across the 25 years of the contract life.	4.766	(0.290)	4.476
HCA Stadium Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	3.085	0.016	3.101
SIB Reserve	A reserve held to fund future allocations through the Strategic Initiatives Budget.	3.740	(0.857)	2.883
Service Pressures Reserve	A reserve established to meet known service pressures ongoing into future financial years.	3.161	(0.669)	2.492
Sandhill Centre PFI Smoothing Reserve	The reserve was established to smooth the financial impact of the contract across the 25 years of the contract life.	2.494	(0.166)	2.328
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.	1.943	(0.035)	1.908
Education Redundancy Reserve	The reserve was established to meet the anticipated costs of redundancies as a result of falling pupil rolls within maintained schools.	1.549	0.129	1.678
Riverside Transfer	Reserve established to fund ongoing maintenance of Homes and Communities Agency land transferred to the Council.	1.501	(0.082)	1.419
House Sale Income	The reserve relates to the sale of client's homes that will be utilised to support future support needs of those clients.	1.075	0.332	1.407
Collection Fund Surplus Reserve	Reserve established as part of 2018/19 budget setting to smooth the collection fund surplus benefit into future years.	0.000	1.345	1.345

Appendix D (continued)

Reserves	Purpose of the Reserve	Opening Balance 01.04.2018 £m	Movement in Year £m	Closing Balance 31.03.2019 £m
Levy Transitional Reserve	A reserve established from the redistribution of Business Rates Levy surpluses by Government. Earmarked for one off transitional costs.	0.000	1.296	1.296
DSG Surplus	This reserve is the underspend from the Dedicated Schools Grant that will be utilised to support schools funding in future years.	0.261	0.901	1.162
Improvement Priorities	A reserve established to enable improvement priorities to be implemented which enable ongoing savings to be delivered.	3.000	(3.000)	0.000
Other Earmarked Revenue Reserves	Numerous small revenue reserves set up for specific purposes.	22.092	(2.986)	19.106
Total General Fund Reserves		147.119	(5.099)	142.020
Capital Receipts Reserve		6.963	(0.436)	6.527
Capital Grants Unapplied		4.998	0.477	5.475
Total Useable Reserves		159.080	(5.058)	154.022