

CANNOCK CHASE COUNCIL

CABINET

21 FEBRUARY 2008

PORTFOLIO HOLDER: LEADER OF THE COUNCIL

REPORT OF DIRECTOR OF GOVERNANCE

GENERAL FUND REVENUE BUDGET 2008-09 - RESERVES AND BALANCES

1. Purpose of Report

- 1.1 To determine the level of reserves and balances to be used as part of the 2008-09 budget strategy.

2. Recommendations

That the assumptions as used in the budget strategy be approved relating to the level of reserves and balances as follows :

- a) Balances to be maintained at £820,000 above the approved minimum benchmark for 2008-09, i.e. 5.5% of net operating expenditure , to reflect the risk analysis undertaken as part of the 2008-09 budget strategy , and
- b) That the Actuarial Valuation reserve is initially earmarked to increase the provision for working balances as previously identified in 2.1.a).
- c) Surplus reserves as identified as part of the 2007-08 budget process continue to be utilised to finance the Budget Requirement with the 2008-09 review identifying an additional contribution from earmarked reserves of £6,000.

- 2.2 That the level of balances for 2008-09 and subsequent years be reviewed following the outcome of the sale of the stadium process.

3. Key Issues

- 3.1 A local authority is required by law to set a balanced budget but at the same time ensure its financial standing by maintaining adequate reserves and balances
- 3.2 Balances represent both working balances to help cushion the impact of uneven cashflows and the need for temporary borrowing, and a contingency to meet unexpected events or emergencies whereas reserves are a means of building up funds to meet known or predicted liabilities of essentially a non recurring nature
- 3.3 The Council is now formally required to report on its level of reserves and balances and the adequacy of such reserves as determined by the Section 151 Officer. The level of balances is effectively determined by assessing the strategic, operational and financial risks facing the

authority and currently stands at 5.5% of net operating expenditure (the minimum as recommended by the Audit commission).

- 3.4 The risk analysis has now been updated as part of the review of the budget and is contained in Annex A. The risk analysis primarily relates to 2008-09, the budget setting year, where it is essential that adequate level of reserves and balances exist. Future years' details are provided to ensure that the medium term strategy is financially sound but also to highlight that a high level of uncertainty exists relating to Government Funding – LABGI, cost pressures, legislation and inflation etc that may impact upon future years' budgets.
- 3.5 The risk analysis for 2008-09, based upon the standstill budget, identifies a potential risk of £1.626m with a general contingency of £0.270m resulting in a total requirement of £1.896m.
- 3.6 The risk is £820,000 above the minimum required and is some £509,000 higher than last year and reflects the requirement to provide sufficient balances to offset the investment interest on the capital receipt arising from the disposal of the stadium in line with the latest disposal timetable.
- 3.7 The assumptions as used in the budget for 2008-09 for the stadium are based upon professional advice nevertheless there are a number of external factors that prevent the precise forecast of both timing and valuation of the receipt. In light of the magnitude of the receipt and its impact upon the budget it is essential that the Council provides sufficient reserves and balances for 2008-09 to set and maintain a balanced budget.
- 3.8 A comprehensive review of earmarked reserves has also been undertaken enabling £843,000 of reserves to be released to support the budget. Details of the reserves are contained in Annex B to the main report.
- 3.9 A review of the reserves highlights that the Actuarial Valuation Reserve that was created to offset implications and mitigate risk arising from 2004 and 2007 actuarial valuation of Pension Fund is no longer required.
- 3.10 Agreement has been reached across Staffordshire that increases or reductions arising from the triennial valuation will in future be limited to 1.5% per annum enabling stability to be applied in the budget setting process.
- 3.11 The General Fund Revenue Budget 2008-09 to 2010-11 report reflects this agreement with the impact of the 2004 Valuation being fully reflected in the budget with the 2007 Valuation being reflected by 2011-12.
- 3.12 The total to be released from the reserve over the three years is approximately £1.1 million with £837,000 in 2008-09.
- 3.13 Cabinet are recommended that the reserve is initially earmarked to increase the provision for working balances as previously identified in 3.6.

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Section 1

1. Background

- 1.1 A local authority is required by law to set a balanced budget but at the same time ensure its financial standing by maintaining adequate reserves and balances.
- 1.2 Balances represent both working balances to help cushion the impact of uneven cash flows and the need for temporary borrowing, and a contingency to meet unexpected events or emergencies whereas reserves are a means of building up funds to meet known or predicted liabilities of essentially a non recurring nature.
- 1.3 The Council is, in accordance with best practice, now formally required to report on its levels of reserves and balances. The reporting requirements within the best practice guidance include:
- The budget report to the Council should include a statement showing the estimated opening general reserve fund balance for the year ahead, the addition to/withdrawal from balances, and the estimated end of year balance. Reference should be made as to the extent to which such reserves are to be used to finance recurrent expenditure.
 - This should be accompanied by a statement from the Section 151 Officer on the adequacy of the general reserves and provisions in respect of the forthcoming financial year and the authority's medium term financial strategy.
 - A statement reporting on the annual review of earmarked reserves should also be made at the same time to the Council. The review itself should be undertaken as part of the budget preparation process. The statement should list the various earmarked reserves, the purposes for which they are held and provide advice on the appropriate levels. It should also show the estimated opening balances for the year, planned additions/withdrawals and the estimated closing balances.

Section 2

2. Details of Matters to be Considered

2008-09 Budget Strategy – Balances

- 2.1 The 2008-09 Budget process relates to a three-year budget review process whereby the aims and objectives of the Council are reflected in the budget process via the Delivering Change mechanism. The process aims to achieve a balanced budget that meets the policy requirements of the Council by 2010-11 and the budget is sustainable whereby recurring net expenditure is financed by recurring Government funding and Council Tax and not the use of one off reserves.

The financial strategy as used in the budget consists of maintaining Balances at 5.5% of the net expenditure of the Council and the impact of achieving a balanced budget by savings is cushioned in 2008-09 and 2009-10 by the releasing of previously identified unrequired reserves.

The level of balances is effectively determined by an assessment of the strategic, operational and financial risks facing the authority and currently stands at 5.5% of net operating expenditure (the minimum as recommended by the Audit commission).

The risk analysis has now been updated as part of the review of the budget and is contained in Annex A. The risk analysis primarily relates to 2008-09, the budget setting year, where it is essential that adequate level of reserves and balances exist. Future years' details are provided to ensure that the medium term strategy is financially sound but also to highlight that a high level of uncertainty exists re Government funding- LABGI, cost pressures, legislation and inflation etc. in setting such budgets.

The risk analysis for 2008-09, based upon the standstill budget, identifies a potential risk of £1.626m with a general contingency of £0.270m resulting in a total requirement of £1.896m.

The risk is some £509,000 higher than last year and reflects the requirement to provide sufficient balances to offset the investment interest on the capital receipt arising from the disposal of the stadium in line with the latest disposal timetable

The assumptions as used in the budget for 2008-09 for the stadium are based upon professional advice nevertheless there are a number of external factors that prevent the precise forecast of both timing and valuation of the receipt. In light of the magnitude of the receipt and its impact upon the budget it is essential that the Council provides sufficient reserves and balances for 2008-09 to set and maintain a balanced budget.

Reserves

The General Fund reserves as at the 31 March 2007 amounted to £2.320 million. The reserves are reviewed as part of each year's budget process with the 2007-08 budget review identifying £0.056million of such reserves that were no longer required and hence could be utilised to support the implementation of the Delivering Change policy process for 2007-08 to 2008-09.

The balance on trading reserves increased by £0.006 million at outturn stage for 2006-07 enabling the release of such reserves to be increased as part of the budget process. The resultant approved utilisation of reserves being as follows:

	Balance 31.03.07 £m.	Utilised 2007-08 £m.	Utilised 2008-09 £m.	Utilised 2009-10 £m.	Utilised 2010-11 £m.	Balance 31.03.11 £m.
Trading	0.082	-0.076	-0.006			0
Earmarked	2.238					
Budget		-0.254	-1.427	0.301	0.239	
Specific		-0.134	0.422	-0.368	-0.066	0.949
Total	2.32	-0.464	-1.011	-0.067	0.173	0.949

2.10 The reserves represent specific earmarked funds to fund a specific project or offset a future liability and are utilised on an ongoing basis as the project reaches fruition. A full schedule of

the remaining earmarked reserves, their estimated balance as at the 31 March 2008, their purpose and utilisation of the three year budget process is attached as Annex B.

Section 3

3. Contribution to CHASE

- 3.1 The revenue budget reflects the agreed priorities of the Council as determined by the Delivering Change process and hence directly contributes to CHASE. The reserves and balances report assesses the level of working balances required to ensure that such priorities can be delivered based upon an assessment of strategic, operational and financial risks.

Section 4

4. Section 17 (Crime Prevention) Implications

- 4.1 Not applicable.

Section 5

5. Human Rights Act Implications

- 5.1 There are no identified implications in respect of the Human Rights Act 1996

Section 6

6. Data Protection Implications

- 6.1 There are no identified implications in respect of the Data Protection Act.

Section 7

7. Risk Management Implications

- 7.1 The report attempts to ensure the financial standing of the authority is maintained by assessing the amount of balances that are required to meet unexpected events or emergencies. In addition the report assesses the strategic, operational and financial risks that face the authority and undertakes a sensitivity analysis to identify the overall level of balances required in setting budgets for future years.
- 7.2 The maintenance of balances ensures that the impact of any such variances on future year's budgets, services and achievement of objectives is pro-actively managed by the authority.

Section 8

8. Legal Implications

- 8.1 The legal implications are set out throughout the report including the fact that the Council is legally required to set a balanced budget.

Section 9

9. Financial Implications

- 9.1 The Financial implications have been referred to through out the report but can be summarised as follows:
- 9.2 Additional provision of £509,000 is required to ensure the 2008-09 working balances reflect the risk analysis undertaken for the standstill budget. The working balances being in line with the Financial Projection previously reported to Members.
- 9.3 Subject to the approval of the recommendations relating to working balances the Section 151 officer considers the assumptions and basis of the budget to be robust.

Section 10

10. Resource Implications

- 10.1 There are no direct resource implications arising from the report.

Section 11

11. Conclusion

- 11.1 That the assumptions as used in the preparation of the standstill budget are adequate and reflect the risks associated with the budget for 2008-09 to 2010-11.
- 11.2 The level of balances will need to be re-assessed following details relating to the proceeds of the sale of the stadium being confirmed.

Section 12

12. List of Background Papers

Section 13

Annexes

- .Annex A Reserves and Balances Risk analysis
- Annex B Schedule of Earmarked Reserves 2008-09 to 2010-11

Annex A

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
RESOURCES								
Level of RSG settlement								RSG increases now cover a 3 year period and hence risk will be considerably reduced. However, a three year settlement increases the likelihood and impact of all other risk factors of this council with any change in costs now being entirely borne by the Council
- Transferred Responsibilities	Med	+/- 0.050	+/- 0.051	+/- 0.052	0.025	0.025	0.025	The RSG settlement for 2008-09 through to 2010-11 includes the mainstreaming of previous special grants or transfer of responsibilities for which provision will need to be reflected in this Council's Budget. The adequacy of the provision reflected in the settlement for transferred responsibilities now entirely falls upon this Council.
- Ceiling and Floors	Low	- 0.206	- 0.123	- 0.063				The settlement for 2008-09 and future years has been scaled down as highlighted and although the potential existed in previous years for the Council to gain in future years, dependant upon both the settlement and methodology used, this no longer applies with a three year settlement. The Council will however continue to lobby to ensure it receives a fair and equitable RSG settlement.
Business Growth Incentive Scheme (BGIS)	Low	- 1.000			-	-	-	The BGIS enables councils to partly retain increases in Business Rates above a pre determined minimum target set for each authority for each year in question. Increase above the threshold are split 64/36 with the County Council but are not ongoing. In order to mitigate risk any proceeds were initially determined to be windfall receipts in the year of determination. The Council is currently in a judicial review process with the DCLG in relation to the 2007-08 grant (Year 2) whereas DCLG are reviewing the basis of year 3 payments

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
Business Growth Incentive Scheme (BGIS) ctd								Present funding arrangements exclude the Council from receiving grant in year 3 unless extraordinary business growth was achieved between January – December 2007 and year 3 payments are dependant upon the outcome of the Judicial review process. A new scheme is to be introduced and DCLG are yet to finalise the mechanics of the scheme – although available grants are considerably scaled down as compared to the current scheme.
Council Tax	Low							Council Tax increases are likely to be capped if considered excessive by the Government. The Council tax level determines the resource base for future years and any capping will impact upon the delivery of the Medium Term Plan. No provision exists for the additional administrative costs of rebilling. Current projections are maintained within the 5% threshold
INCOME AND EXPENDITURE								
<u>Realism of standstill budget</u>								The budget is based upon realistic estimates with the strategy assuming that all budgets will be controlled within agreed levels. Budgets being reflected in service plans / Business Plans. However a number of budgets are not within the control of the council or involve a risk element.
Concessionary Fares	Med/ High	+	+	+	+	+	+	The current budget is forecast to overspend by over £100,000 and reflects additional usage combined with higher than inflation fare increases. The increase has been mitigated in 2007-08 by use of the concessionary fares reserve and renegotiating the Generation Factor with bus operators. The budget for 2008-09 is based upon usage for the first six months of the year as extrapolated for the remainder of the year. Any additional travel above forecast will impact on the total cost of the scheme.

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
Concessionary Fares								<p>The overall risk is mitigated by negotiations with travel operators' over the overall resource base for reimbursements. Concern also exists in relation to any increase in fares (above inflation), as currently being experienced. Every 1% increase above inflation in fares amounts to £66,000 additional cost.</p> <p>A National Scheme is to be introduced in 2008-09 and if not fully funded by the Government will have major implications for this Council.</p> <p>Funding is being provided in the form of a specific grant and due to the uncertainty that exists over the impact upon this Council the scheme has been assumed to be cost neutral with expenditure equivalent to grant funding being reflected in the budget.</p> <p>In accordance with the Concessionary Bus Travel Act 2007 the government is reviewing the administration of the scheme on a regional or national basis. Proposal exist to transfer responsibilities to the County in 2010 and this may have major implications dependant upon how previous funding allocations are re-allocated</p>

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
Leisure Strategy	High	1.110	1.106	0.822	1.110	1.106	0.822	<p>Draft provision exists within the Approved Budget for the implementation of a Leisure Strategy Investment Programme. The new Swimming Pool (Rugeley) is due for completion in June , whereas the rationalisation of facilities at the Chase Leisure Centre (Cannock), refurbishment /redevelopment of the Prince of Wales and provision of additional facilities at Blake Valley Technological School is dependant upon the generation of capital receipts.</p> <p>The overall strategy is primarily funded by the proposed sale of the Sports stadium with a capital receipt programmed for April 2008. Although estimates for the receipt are based upon professional advice there is still a high risk element involved in both the timing and value of the stadium receipt.</p> <p>The risk in future years will be mitigated by capping the amount of Prudential Borrowing to be undertaken for the overall strategy with the magnitude of the Capital receipt effectively determining the specification for the Leisure Village and scope for other initiatives. No decision on the Leisure Village will be determined until details of the receipt are confirmed.</p> <p>Nevertheless it is necessary to provide specific provision in relation to any delay in the timing of the receipt from the stadium with each months delay having a one off £80,000 detrimental impact upon the revenue budget.</p> <p>A sensitivity analysis has been undertaken assuming that the receipt is delayed for 12 months with the result that subject to developments being similarly delayed the impact is financially neutral.</p>

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
Staff turnover	Med	+ 0.260	+ 0.260	+ 0.260	+ 0.200	+ 0.200	+ 0.150	<p>The budget contains annual savings of approximately £0.260m and reflects year on year savings on employee expenses.</p> <p>The authority has implemented the Single Status review and Gershon and Efficiency savings which have centred on employee budgets and this together with the need to maintain and improve performance has resulted in increased use of Agency staff to provide cover and hence potentially reduce staff turnover savings .Actual turnover has fallen from 6% to 4.8% and is expected to be 1.4% in the current year.</p> <p>Future year's budgets include turnover at 2% and requires the use of agency staff in particular to be subject to strict control. There is however a potential increase in turnover as a result of Leisure Developments in 2008-09 and the end of Single Status protections.</p>
Actuarial Valuation	Low							<p>Actuarial valuation of pension funds are undertaken every three years and due to both legislation and volatility in stock markets can have major implications for future years' budgets. The risk to the authority has been mitigated by actions taken by the authority together with county wide agreements. The valuation as at 31 March 2004 was implemented in two stages with the full contribution being implemented from 2009-10 and by the a creation of a reserve based upon a 6% contribution to offset any increases from the 2007 valuation whereas actual increases were actioned over a phased 6 year period. In order to provide stability for future years and valuations agreement has been reached across Staffordshire that increases or reductions arising from the triennial valuation will in future be limited to 1.5% per annum enabling stability to be applied in the budget setting process. Full provision now exists in the budget eradicating the need for a Pensions reserve</p>

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
<u>Customer & Client Receipts</u>								
Car Park Income	Med/ Low	+ 0.120	+ 0.120	+ 0.120	+ 0.040	+ 0.040	+ 0.040	Car parks have experienced a downturn in income in 2007-08 reflecting a higher than expected customer resistance. An interim car parking strategy has been approved for April 2008 to increase usage of council owned car parks. A revised charging policy will be undertaken between April and June 2008. Car Park Charges are due to increase in April 2008. Provision of £40,000 exists for consumer resistance
Chase & Rugeley Leisure Centre Income Targets	Med/ High	+ 0.150	+ 0.200	+ 0.250	+ 0.075	+ 0.100	+ 0.125	A national downturn in leisure usage as occurred in 2007-08 and is particularly noticeable at Chase Leisure Centre. The budget for 2008-09 assumes no further deterioration although the potential impact of the new swimming pool in Rugeley has been reflected in budgets. There is also a potential consumer switch in the medium term as new facilities are provided in other areas and the councils own facilities are developed and although it is hoped that Membership may be maintained there is the likelihood that clients will seek alternative local Membership until developments are complete.
Planning Fees	Med/ low	+ 0.085	+ 0.085	+ 0.085	+ 0.040	+ 0.040	+ 0.040	Planning fees experienced a temporary downward blip in 2006-07 but have continued to show an upward trend in 2007-08. Fee rates are due to have a material increase in 2008-09 however increased volatility could exist due to both the world economy and fluctuating interest rates.
Local Land Charges	Low	+ 0.010	+ 0.010	+ 0.010		+ 0.010	+ 0.010	Local Land Charges fees should not exceed the actual cost of providing the service over a predetermined period. Small surpluses are currently budgeted for although the impact of revised fees is difficult to forecast

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
<u>Inflation etc</u>	Low							Annual inflation has been assumed at 2.5% pay, 2% prices and 3% income and are currently considered adequate
Pay awards	Med	+/- 0.089	+/- 0.181	+/- 0.270	+ 0.044	+ 0.045	+ 0.046	The council is currently subject to annual pay deals and following a three year RSG settlement is now subject to the full risk of any variation in pay increases. Increments are automatically built into the budget and Single Status has been fully implemented by the Council. Any excess above the budgeted pay award will be managed via efficiency savings
Energy	Low/ Med	+/- 0.074	+/- 0.076	+/- 0.078	0.033	0.034	0.035	Energy costs are however currently subject to increased costs and although current increases are reflected in the 2008-09 budget, no provision exists for further increase above inflation.
Interest Rates	Med/ High	+/- 0.032	+/- 0.147	+/- 0.130	-0.016	+ 0.073	+ 0.065	Interest rates are in line with the Councils Treasury Strategy. However any reduction in Interest Rates would have a detrimental impact upon the General Fund in the medium term pending Leisure Strategy borrowing requirements A 0.25 % variation amounts to £21,000 for the General Fund and £50,000 to Leisure Strategy Any Variation is likely to impact upon 2008-09 in particular
Contracts	Low							The budgets for Street Scene (Grounds maintenance, Street Cleansing) and Refuse Collection are in accordance with the contracts as recently awarded by the Council.
National Insurance	Med/L ow		0.084	0.086		0.020	0.021	NI contributions are in accordance with existing rates and no provision exists for future increases.

RESERVES AND BALANCES RISK ANALYSIS

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		08-09	09-10	10-11	08-09	09-10	10-11	
Implementation of Policy option savings								
								All policy options are subject to a reality check with implementation dates subject to review. However certain options are subject to further reports to Members which may delay implementation
Growth options								
Saving Options								
<u>ITEMS NOT INCLUDED IN THE BUDGET</u>								
- Future legislative implications								No provision exists for any additional costs of the Governments future legislative programme
SUB – TOTAL					1.626	1.768	1.454	
Contingency					0.270	0.120	0.120	Future year's budgets reflect the ongoing aggregate implications of assumptions that have a high risk identified in 2008-09 unless separately identified.
TOTAL					1.896	1.888	1.574	

Annex B**SCHEDULE OF EARMARKED RESERVES 2008-09 TO 2010-11**

Estimated Balance 31 March 2008	Details	Forecast Outturn March 2008	Estimated Balance 31 March 2009	Estimated Balance 31 March 2010	Estimated Balance 31 March 2011
£m.		£m.	£m.	£m.	£m.
0.030	Mortuary Fridge Refurbishment Annual contribution from Staffordshire County Council to meet replacement of fridges and equipment	0.030	0.034	0.037	0.040
0.050	Central Training Reserve Fund to meet non recurring corporate training initiatives.	0.055	0.046	0.036	0.027
0.025	Communications Reserve to assist with the replacement and development of all communication systems	0.104	0.129	0.154	0.179
-	Capital Accounting Reserve Development of interface with Estates Asset management Database	0.015	-	-	-
0.005	Elections Reserve Fund for the replacement of IT equipment etc for Elections	0.015	0.005	0.005	0.005
0.100	Concessionary Fares Estimated Additional liability re reimbursement arising from take up of new scheme.	-	-	-	-
0.009	Cannock Fountain Fund to refurbish Town Centre fountain	0.009	0.009	0.009	0.009
0.173	IT – Internal Leasing Fund to enable procurement of new Information Technology hardware to be reimbursed by annual charge to revenue	0.221	0.048	0.097	0.231

Estimated Balance 31 March 2008	Details	Forecast Outturn 31 March 2008	Estimated Balance 31 March 2009	Estimated Balance 31 March 2010	Estimated Balance 31 March 2011
£m.		£m.	£m.	£m.	£m.
0.028	Crime & Disorder Fund to support Community Safety Initiatives within the District e.g. Beacon Status	0.058	-	-	-
0.113	External Inspections & Reviews Contingency to prepare for external inspection (including Gershon) and related fees in excess of budget provision.	0.037	0.030	0.030	0.030
0.319	Building Maintenance Reserve Landlord's contingency and refurbishment reserve utilisation to be reviewed as part of comprehensive Asset Management review and outcome of Leisure Strategy.	0.370	0.170	0.170	0.170
0.098	Insurance Estimated amount of further claims to be received re earlier years to be funded by CCDC as part of Excess Policy.	0.098	0.098	0.098	0.098
0.092	Trading Account Balances Reserve to meet any potential deficits on future years trading, including additional costs arising from efficiency and restructuring exercises, and to enable procurement of vehicles and equipment to be reimbursed by annual charge to trading account.	0.102	0.102	0.102	0.102
0.650	Actuarial Valuation Reserve to offset implications and mitigate risk arising from 2004 and 2007 actuarial valuation of Pension Fund.	0.742	0.154	-	-
-	CCTV Equipment Replacement	-	0.020	0.040	0.060
1.615	TOTAL	1.856	0.845	0.778	0.951

