

TRAFFORD COUNCIL

Report to: Accounts & Audit Committee
Date: 25 March 2014
Report for: Information
Report of: Director of Finance

Report Title

Reserves and Provisions

Summary

Total Council reserves and provisions at 1st April 2013 were £(86.108)m of which £(11.390)m belongs to Schools. There are planned commitments between 2013/14 and 2015/16 of £48.608m, leaving an estimated balance of £(37.5)m as at 31st March 2016 of which £(26.065)m relates to Council reserves and provisions and £(11.435)m belongs to schools.

Reserves and provisions are reviewed throughout the year, but particularly at the time of establishing a budget and closing down the accounts at the end of the year. The revenue budget for 2014/15 included for £2.3m of expenditure to be financed from reserves. In addition, after taking into account all other reserves and provisions, a minimum reserve level of £6m of the General Reserve was maintained and agreed by the Council in February 2014.

The remaining balance is committed to known or potential liabilities, in many cases mitigating the impact on the base budget should certain eventualities happen, such as insurance claims and the anticipated cost of employment rationalisation.

Recommendation(s)

The report is noted.

Contact person for access to background papers and further information:

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Papers for further reference:

Account 2013, published October 2013
Budget Report 2014/15, 19 February 2014
2013/14 Revenue Monitoring Reports

Background Information

Implications:

| | |
|---|-------------------------------|
| Relationship to Corporate Priorities | Not applicable to this report |
| Financial | Not applicable to this report |
| Legal Implications | Not applicable to this report |
| Equality/Diversity Implications | Not applicable to this report |
| Sustainability Implications | Not applicable to this report |
| Staffing/E-Government/Asset Management Implications | Not applicable to this report |
| Risk Management Implications | Not applicable to this report |
| Health and Safety Implications | Not applicable to this report |

1. Definitions

- 1.1 The Council has both cash-backed and non cash-backed reserves. Non cash-backed reserves are for the purposes of accounting adjustments required to state the statutory accounts according to format universally applied to both private sector and public sector bodies without actually affecting the Council's budget and therefore the amount of Council Tax that needs to be raised. For example, increases or decreases in pension fund valuations are adjusted to a non cash-backed reserve, or accounting reserve, rather than the £millions in annual variation impacting on the Council's operations. This report will deal only with cash-backed reserves and provisions.
- 1.2 The following 'layman' definitions are provided as reference to describe and place in context provisions and reserves:

Reserve; an amount set aside for a possible future event that is either planned or dependent upon potential future circumstances so that the additional expense would not impact on base budget.

Provision; a liability is certain, however the value and/or timing of payment is not known and has to be professionally estimated.

2. Governorship, Reporting & Management

- 2.1 Provisions are established for a specific legal liability and monies released only to discharge that liability. Increases and decreases to provisions are charged to the revenue account in the year that change is identified. Equally, should a provision be estimated to be excessive or fully discharge the liability with funds remaining, the excess will be transferred back to the revenue account. The Director of Finance manages all but the provision for the return of charges made under section 117 of the Mental Health Act 1993 which is determined and discharged by the Corporate Director for C&WB.
- 2.2 The Council's Constitution specifies that the Director of Finance executes accounting transactions, such as the creation and use of provisions, and creates and utilises reserves:
- Up to £0.5m per transaction without consultation;
- Between £0.5m and £1.5m in consultation with the Executive Portfolio Holder for Finance;
- Over £1.5m in consultation with the Leader, Deputy Leader and Executive Member for Finance.
- 2.3 Once a reserve has been established, authorisation to call upon the reserve can be delegated to an appropriate officer. The Director of Finance reviews all reserves regularly during the year, and specifically when closing the annual accounts and establishing the budget. Many reserves are directly managed by the Director of Finance, and all reserve transfers are handled through the accountancy function.
- 2.4 The General Reserve, Collection Fund, and Directorate Service Balance Reserves are specifically featured in the 10 monthly revenue budget monitoring reports. The overall reserve position is commented upon in the Robustness &

Reserves section of the budget report, and is specified within the statutory accounts. Capital reserves are detailed in the quarterly capital monitoring reports. Allocation of the General Reserve is by Council or Executive decision, the Collection Fund is released according to professional estimates made by the Director of Finance, and service reserves are determined by the relevant Corporate Director.

- 2.5 External Audit also provide a high level assessment of the adequacy of reserves as part of their closedown work, and the Accounts & Audit Committee are presented with a listing and summary movement in reserves as part of the closedown and approval of statutory accounts process.

3. Balances, Characteristics & Summary of Commitments

- 3.1 Details of each reserve, its purpose, the controlling officer, value at the beginning of 2013/14 and estimated commitments until the end of 2015/16 and remaining balance is provided in the attached annex. The values in the following table provide a summary of balances by category of reserve.

Table 1 :- Cash Backed Reserves by Category

| | 1 April 2013 (£m) | Net Commitments 2013 to 2016 (£m) | Est 31 March 2016 (£m) |
|--|-------------------------|--|---------------------------------|
| Capital reserves: | | | |
| - Revenue resourced | (1.585) | 1.585 | (0.000) |
| - Capital resourced | (37.304) | 33.220 | (4.084) |
| Sub-total Capital Reserves | (38.889) | 34.805 | (4.084) |
| Revenue reserves: | | | |
| - Earmarked | (9.616) | 3.388 | (6.228) |
| - Smoothing | (5.500) | 2.416 | (3.084) |
| - Service carry forwards | (2.095) | 0.290 | (1.805) |
| - General | (10.644) | 3.952 | (6.692) |
| - Collection Fund | (0.05) | (0.287) | (0.292) |
| Sub-total Revenue Reserves | (27.860) | 9.759 | (18.101) |
| Provisions | (7.969) | 4.089 | (3.880) |
| Sub-Total Council Reserves and Provisions | (74.718) | 48.653 | (26.065) |
| Schools General | (11.285) | ? | (11.285) |
| Schools Synthetic Pitch | (0.105) | (0.045) | (0.150) |
| Sub-Total Schools Reserves | (11.390) | (0.045) | (11.435) |
| Total Reserves and Provisions | (86.108) | 48.608 | (37.500) |

3.2 The above table reflects planned use however, it is entirely possible that reserves and provisions may need to be accessed differently to the plan. In particular schools reserves are assessed as part of the closedown procedure for final accounts, schools may access or increase their reserves during the year according to their need and own plans.

3.3 Capital reserves - Opening balance £(38.889)m

Capital Reserves are so called as they are committed to support capital expenditure through the approved capital programme, however, it is the original source of the money that dictates the extent of its use:

Revenue resourced £(1.585)m; can be used to support both revenue or capital expenditure. Revenue resources have been fully allocated to support investment in new technology (CRM and Content Management) and the residue costs of the Long Term Accommodation Strategy.

Capital resourced £(37.304)m; can only be spent on capital projects. The Council develops the capital programme so that all known resources are committed against schemes over its 3 years and is reviewed on a quarterly basis and completely overhauled and reapproved each year. The balance of £(4.084)m needs to be adjusted by a further commitment of £3.399m as part of the agreed Capital Programme in 2016/2017 leaving a balance of £(0.685)m. This balance is set aside to cover the potential further costs of Equal Pay settlements, which as a result of a recent change in accounting practice can be settled against capital expenditure.

3.4 Revenue reserves - Opening Balance £(27.860)m

Earmarked £(9.616)m: ten individual reserves, of which six are expected to be fully committed by 2016. The main reserves are for insurance £(3.922)m, and the costs of reorganisation and change (Employment Rationalisation, Transformation and Training) which total £(4.486)m. As austerity budgets are expected to continue, the level of reserves associated with reorganisation may need further support, and/or the expenditure be catered for in the base budget.

Smoothing £(5.500)m: liabilities for normal operating expenditure are not always similar year-on-year, a good example being the local elections budget when there are elections only three of every four years. It has been the practice to even out this variable expenditure to recognise the underlying budgetary requirements of the base budget. The largest reserve relates to the Waste Levy £(3.365)m which aims to smooth the annual increases in the levy during the construction of the PFI facilities. The smoothing reserves, which are all fully committed, will grow and decline according to the characteristics of the relevant expenditure, and are reviewed and monitored carefully by the Director of Finance.

Service carry forwards £(2.095)m: this is the total of service accumulated over and under spends carried forward from outturns since 2005. Technically these reserves form part of the General Reserve, but it is an internal accounting convention in line with the policy of the Medium Term Financial Strategy. This flexibility was introduced for service directorates to remove the incentive to 'spend up' to budget levels and reward good financial management. Any overspends are to be made good in the next financial year, and as part of the budget process Corporate Directors are

required to include in their plans adequate action to recover their balanced position.

General £(10.644)m: the General Reserve is made up of previous budget underspends, and is primarily increased by Council-Wide budget outturns as Directorate Service Balance Reserves now accommodate service under and over spends in accordance with the Medium Term Financial Strategy policies. The largest planned movements are a £2.9m contribution to support the Council's revenue budget in 2013/2014 and 2014/2015 and a £2.4m drawdown as a result of a shortfall in business rates baseline income under the new Business Rates Retention Scheme. There is a legal requirement (section 26 of the LG Act 2003) for the Council to have minimum available reserves to deal with unexpected or emergency expenditure. The Director of Finance makes an assessment of a minimum General Reserve level having taken into account other reserves and potential areas of risk in each Budget. The current minimum level is £6.0m (the details that support the calculation can be found in the 2014/15 Budget Report of 19th February 2014, Annex N).

Collection Fund (£0.05)m: The Collection Fund is the local taxation pool for Council Tax and business rates upon which the Government, GM Police and Crime Commission, GM Fire & Rescue Authority, Partington Town Council and the Council all precept upon. The Fund is managed on behalf of these stakeholders by the Council. Any year-end balance on the Collection Fund is transferred to this reserve. A deficit must be corrected in the following year, which in itself could cause a Council Tax rise. Any surplus arising is shared between the stakeholders and they utilise this within their budget estimates. The Council has anticipated a contribution of £0.300m in 2014/15 from the Collection Fund surplus.

3.5 Provisions - Opening Balance £(7.969)m:

All provisions have been deemed by the relevant expert to be required.

The main movement that is expected are the costs in discharging the remaining outstanding Equal Pay claims during 2013/14 and 2014/15 of £3.594m

There are also projected movements in insurance provisions (Third Party and Employers Liability) based on the assessment of outstanding liabilities as assessed by our actuary and also actual claims settled.

A movement of £0.419m will take place in 2013/14 regarding the payment to the creditors of the Council's former insurer Municipal Mutual Insurance which went into administration in January 1994. Under the winding up agreement, claims are paid out in full, however are clawed back if on final winding up there are insufficient assets to meet all liabilities (further details can be found in the Accounts 2013, Note 23). A claw back was triggered in 2013.

3.6 Schools Reserves £(11.390)m

Schools : these balances relate to the net underspends in individual schools' budgets accumulated over the years under the general policy of

delegated responsibility. These monies are the sole responsibilities of the Governors and Head Teachers, to be used at their discretion. Supportive action is provided to schools should they be in deficit, and the overall surplus provides for a loan support scheme. Excessive funds are a matter of Government policy. Should schools move to academy status any reserves are also transferred.

4. Conclusions

- 4.1 Total Council reserves and provisions at 1st April 2013 were £(86.108)m of which £(11.390)m belongs to Schools. There are planned commitments between 2013/14 and 2015/16 of £48.608m, leaving an estimated balance of £(37.5)m as at 31st March 2016. This is subject to actual use of reserves and provisions for events that are not yet certain.
- 4.2 Of the projected balance of £(37.5)m, £(11.415)m belongs to schools and a further £(3.399)m is committed to the current capital programme relating to 2016/2017. The Council is required by law to maintain a minimum level of reserves to meet unexpected or emergency expenditure, which is currently established at £6m of the General Reserve after taking into account the existing earmarked reserves and their known commitments. A further £(3.084)m is set aside to smooth the volatility in base budget fluctuations, such as the increase in the Waste Levy and £(3.880)m for known provisions.
- 4.3 Much of the remaining balance £(2.853)m is set aside to meet known, estimated and/or expected future commitments largely associated with the costs of reorganisation as a result of continued austerity

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|---|--|----------|--------------------------------|-------------------------------|---|--|
| Capital Reserves | | | | | | |
| Earmark - ICT Development | Investment in new ICT to improve efficiency Council-wide. | CD T&R | (911) | 911 | 0 | Expenditure relates to support new CRM and Content Management System as part of capital programme. |
| Capital - LTA Decant | To cover the cost of accommodation changes arising from the Long Term Accommodation Project | CD T&R | (674) | 674 | 0 | Reserve is fully committed to the LTA programme and to cover residual running costs on admin buildings to be disposed of. |
| Capital Reserves : Revenue Resourced | | | (1,585) | 1,585 | 0 | |
| Capital Receipts - VAT Shelter | Income received from THT under a VAT sharing agreement. VAT is recovered by THT on work undertaken and shared with the Council | DoF | (6,766) | 6,766 | 0 | Capital receipts are applied to support Capital Programme. A number of environmental warranties were given to THT when the housing stock was transferred. At this stage it is unlikely there will be any liabilities to THT in respect of these, hence the balance on this account has been used to support the Capital Programme. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|---|---|----------|--------------------------------|-------------------------------|---|--|
| Capital Receipts - Other | Income derived from sale of surplus assets to support the capital programme | DoF | (3,245) | (839) | (4,084) | Capital receipts are applied to support the Capital Programme. There is a further commitment of £3,399k in 16/17 (not shown in figures) leaving a balance of £(685)k. It is recommended that the remaining balance is set aside to cover the potential future increased costs of Equal Pay settlements (a recent change in accounting practice allows settlements to be charged to capital expenditure). |
| Capital Related Grants | Capital Grants to support the capital programme | DoF | (25,187) | 25,187 | 0 | Fully committed to support the capital programme. Grants mainly relate to those from DfE to support the schools capital programme eg primary capital strategy and basic need |
| Capital Reserve | Reserve to support the capital programme | DoF | (2,106) | 2,106 | 0 | Full balance used against the draft capital programme 2014/16 |
| Capital Reserves : Capital Resourced | | | (37,304) | 33,220 | (4,084) | |
| Sub-Total Capital Reserves | | | (38,889) | 34,805 | (4,084) | |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-----------------------------|---|----------|--------------------------------|-------------------------------|---|--|
| Earmarked Reserves | | | | | | |
| Insurance Reserve | Funds earmarked for future claims and to carry out risk management initiatives. | DoF | (3,922) | 562 | (3,360) | The Council is largely self-insured and the fund (reserve) has been created from premiums to cover future claims, including resilience to cope with major claims. The Council insurance policies contain a significant "excess" of £275k for public liability and buildings. In any year the Council has stop-loss cover so that the annual maximum exposure to claims is £1.5m. The reserve is also used to offset any increases in provision for liability claims identified by the actuary. |
| Library Book Fund | Funds earmarked for new library management system | CD T&R | (80) | 80 | 0 | Will be utilised on Self Service Machine upgrade (£27k), Upgrading PC's used for Peoples Network (£14k) balance (£39k) will be utilised on wider roll out of e-books/e-readers. |
| Training | To undertake corporate training across the Council. | DoHR | (512) | 512 | 0 | Committed in 13/14 to support the costs of the apprentice programme (£47k) and Members training (£50k). Remaining reserve should to be retained to fund training and development interventions identified in respect to the NOM activity. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|--|---|----------|--------------------------------|-------------------------------|---|---|
| Transformation | Money set aside to pump prime the achievement of the next stage of efficiencies through the Transformation Programme. | CD T&R | (1,821) | 1,814 | (7) | In order to maximise savings at the time of delivery, the costs of Transformation are now supported from the reserve rather than being charged to the saving. The balance will be used to support the New Operating Model work into the future. |
| Civic vehicle reserve | Replacement of mayoral vehicle | DoL | (16) | 8 | (8) | Annual sum set aside as depreciation from revenue budget |
| Voluntary Sector Grants Reserve | Carry forward of prior year spend due to slippage on projects | CD T&R | (121) | 121 | 0 | Committed over next three years to smooth the impact of reductions in Voluntary Sector revenue budget. |
| Community Safety | Investment in Community Safety initiatives. | CD T&R | (22) | 22 | 0 | Fully committed in 13/14 |
| Earmark Gen - Employment Rationalisation | To cover the cost of rationalising the employment of staff by the Council (i.e. severance pay) | DoF | (2,153) | (700) | (2,853) | Severance and related costs above revenue budget provision; in 2013/14 was £248k. Approximate annual contributions made towards cost of severance from this reserve over last three years is £1,081k, this could therefore cover approximately 3 more years of severance costs. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-------------------------------------|--|-------------------|--------------------------------|-------------------------------|---|--|
| LAA Performance Reward Grant | Grant awarded in 2010/11, to be utilised in conjunction with partners | CD T&R for Leader | (916) | 916 | 0 | Leader has delegated authority to approve, based on views of Trafford Partnership |
| Altrincham Forward | Residual balance on Olympic hosting reserve transferred to support Altrincham Forward | CD T&R | (53) | 53 | 0 | Fully committed in 13/14 (consultancy costs associated with developing strategy) |
| Sub-Total Earmarked Reserves | | | (9,616) | 3,388 | (6,228) | |
| Smoothing Reserves | | | | | | |
| Legal Expenses | Smoothing reserve for external legal expenses and also contingency for potential back claims regarding changes in land charges | DoL | (199) | 77 | (122) | Exact amount of commitment on land charges is unknown and is dependent on level of potential claims. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-----------------------------|---|----------|--------------------------------|-------------------------------|---|--|
| MIA Debt restructure | Smoothing of airport debt restructure costs over the medium term | DoF | (708) | (700). | (1,408) | The Council agreed to an unsecured loan of £8.7m with MIA in return for an annual yield of 12%. The loan is not due for repayment until 2055. As it is unsecured there is a risk of default. A proportion of the interest earned is used as a provision for default. The figure is the forecast level at the end of 16/17. |
| Waste Levy | To smooth the effects on the Council's budget of movements in the waste levy over the medium term | CD ETO | (3,365) | 2,134 | (1,231) | Annual increases in the levy are volatile during the construction phase of the PFI facilities. We have opted for a smoother levy to build the base budget gradually. The reserve has also been used to finance late adjustments in the levy. It should be fully utilised by 2018/19. |
| Winter Maintenance | To smooth the effects on the Council's maintenance budget as a result of adverse weather conditions | CD ETO | (120) | 0 | (120) | This reserve was established in 2013 to provide emergency funds to cover the costs of highways & footpath maintenance during periods of adverse weather conditions |
| Elections | To smooth the elections budget across the 4 year Municipal cycle. | DoL | (187) | 124 | (63) | Used to smooth the costs of Elections cycle. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-------------------------------------|---|----------|--------------------------------|-------------------------------|---|---|
| Interest Rates | To smooth the effect on the Council's budget of volatile movements in interest rates. | DoF | (1,108) | 968 | (140) | There are three main components: (i) a stepped interest loan will move into its secondary period in 2015 and will revert to a variable interest rate estimated a 6%, therefore this reserve will utilised as a cushion to cope if rates exceed the assumption : (ii) new borrowings have been postponed in the recent past and some of the financial benefit from this decision is being set aside to smooth the impact when borrowing does reoccur. (iii). for time when investment rates are lower than forecast (iv) provision for potential defaults on LAMS. Reserve adjusted to accommodate a 0.5% variation in interest rates on RBS loan of £100k and £40k set aside for potential default on LAMS cases. Balance (£700k) transferred to Employee Rationalisation Reserve. Remaining balance £(140)k retained in the event of further variations in RBS loan interest rate. |
| Sub-Total Smoothing Reserves | | | (5,500) | 2,416 | (3,084) | |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-----------------------------------|--|------------------------------|--------------------------------|-------------------------------|---|---|
| Delegated Service Budgets | LD Pool Reserve deficit carried forward Revenue budget under/overspends to be carried forward as part of the Council's Medium Term Financial Plans. | CD's | 1,472 (3,567) | (1,472) 1,762 | 0 (1,805) | Learning Disability Pool deficit will be addressed over a two year period. Commitments are updated monthly in budget monitoring report (£1,060k of balance is T&R, £596k CFW). |
| General Reserve | Collation of previous underspends on the General Fund | DoF for Council or Executive | (10,644) | 3,952 | (6,692) | Commitments are updated monthly in budget monitoring report |
| Collection Fund (TMBC share) | Collation of previous underspends on the Collection Fund (Trafford Council Share) | DoF | (5) | (287) | (292) | Used to support council tax. |
| Sub-Total Revenue Reserves | | | (27,860) | 9,759 | (18,101) | |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|-----------------------------|--|----------|--------------------------------|-------------------------------|---|--|
| Provisions | | | | | | |
| VAT on Car Parking | Monies held pending outcome of litigation affecting all LA's re VAT on off-street parking | DoF | (135) | 0 | (135) | If the VAT tribunal/ court decision is not in our favour this money will be paid over to HMRC. |
| MMI Claw Back | Provision held for clawback of claims paid out by MMI under scheme of administration | DoF | (419) | 419 | 0 | In January 1994 the Council's former insurer, Municipal Mutual Insurance, made a scheme of agreement with its creditors. Under this scheme, claims are initially paid out in full, however are clawed back if on winding up there are insufficient assets to meet all liabilities. A clawback was triggered in 2013 for £419k. |
| S117 Mental Health Act 1983 | Provision for charges which may have been unlawfully levied under S117 of the Mental Health Act 1983 | CD C&WB | (118) | 0 | (118) | Auditors required this provision to be made. We are expected to actively seek past service users to provide a refund of fees they have paid. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|--|---|-------------------|--------------------------------|-------------------------------|---|---|
| Employment Rationalisation | Severance agreements with staff which may or may not be taken up | DoF | (156) | 156 | 0 | An accounting requirement for redundancy payments to be made in 13/14. |
| Equal Pay | Liabilities under Equal Pay legislation. | DoF | (3,835) | 3,594 | (241) | The Council is actively trying to settle all remaining claims during 13/14 and 14/15. |
| Third Party Insurance | Provision for self-insurance for Public Liability claims | DoF | (2,551) | (194) | (2,745) | This provision represents the estimated value of outstanding insurance liability claims. It is assessed annual by an actuary and will be drawn down as and when claims are settled. |
| Employers Liability Insurance | Provision for self-insurance for Employers Liability claims | DoF | (755) | 114 | (641) | This is assessed annually by an actuary and represents the estimated value of outstanding insurance liability claims. |
| Total Provisions | | | (7,969) | 4,089 | (3,880) | |
| Sub-Total Council Reserves and Provisions | | | (74,718) | 48,653 | (26,065) | |
| Schools | Similar to the general reserve but for each specific school. Collation of previous under or over-spending against the school budget | Heads & Governors | (11,285) | 0 | (11,285) | The school will determine what to spend their reserves on within the confines of regulation. |

| Name of cash-backed reserve | Purpose | Officer* | Balance 31 March 2013 (£000's) | Net transfers in/out (£000's) | Expected Balance 31 March 2016 (£000's) | Note on commitment |
|--------------------------------------|--|----------|--------------------------------|-------------------------------|---|--|
| Timperley Synthetic Pitch | Contractual arrangement to support pitch replacement | CD ETO | (105) | (45) | (150) | Set aside to meet a future contractual liability |
| Sub-Total School Reserves | | | (11,390) | (45) | (11,435) | |
| Total Reserves and Provisions | | | (86,108) | 48,608 | (37,500) | |

Key: Responsible Officers

| | |
|---------|--|
| DoF | Director of Finance |
| DoHR | Director of Human Resources |
| DoL | Director of Legal & Democratic Services |
| CD C&WB | Corporate Director for Communities & Well-Being |
| CD T&R | Corporate Director for Transformation & Resources |
| CD ETO | Corporate Director for Environment, Transport & Operations |
| CD EGP | Corporate Director for Economic Growth & Prosperity |
| CD's | Each respective Corporate Director |