

RESERVES AND BALANCES ANALYSIS

	£m	Notes
Opening Balance of Reserves at 01/04/15	46.004	
Reserves Earmarked for Specific Purposes - not available to support general services at 01/04/15		
Highways PFI contract cashflow reserve	-11.978	1
NHS Section 256 Reserves	-3.192	2
Section 106 Reserves	-2.066	3
Local Tax Collection Reserve	-1.976	4
My Life A Full Life Reserves	-1.030	5
Redundancy Reserve	-0.707	6
Waste Project Procurement	-0.554	7
Teachers Redundancy Reserve	-0.481	8
Other Services Earmarked Reserves	-8.612	9
Sub Total	-30.595	
General Reserves Balance - available to support general services at 01/04/15	15.409	
Estimated movements in 2015-16		
Budget Strategy 2014-15 and 2015-16 withdrawals	-4.367	
Carry Forward amount from 2014-15 to 2015-16	-0.835	
Forecast movement on repairs and renewals funds in 15-16	-0.075	
Forecast movement on insurance and risk reserve in 15-16	-0.098	
Forecast Balance of Reserves available to support general services at 31/03/16	10.034	

Notes

1. This reserve is held to provide funding in future years of the Highways PFI contract when costs will exceed the funding in line with the agreed scheme profile.

This is funded from an excess of funding (Government grant and Council's budget) compared to costs in the early years of the contract period.

A further £6.5m is to be transferred in 15/16, which will increase the reserve balance at 31/03/16 to £18.5m.

2. This represents funds transferred to the Council from the Isle of Wight Clinical Commissioning Group (CCG) under "Section 256" legislation.

This money is to be used to fund specific services, as agreed in the memorandum of agreement between the Council and the CCG.

3. This reserve represents contributions paid to the Council by Developers under Section 106 of the Town and Country Planning Act 1990 (as amended).

4. This reserve is being held to mitigate against the increased risk and volatility arising from the introduction of the business rates retention and Council Tax Support schemes.

5. This reserve is specifically earmarked for the integration of health and social care services under the My Life A Full Life programme.

6. This reserve is to be used to fund the costs of redundancy, as this is not provided for as part of the revenue budget.

7. This money is being held to cover the new waste contract procurement costs and will be fully utilised in 15-16.

8. This reserve is held to fund the costs of redundancy in schools.

9. This amount represents various funds held by Services relating to committed expenditure for specific purposes.

10. The £8m in 'other services' reserves at 31/03/15 includes:-

£2.7m being linked to external funding which is earmarked for specific projects;

£1.8m which was committed to fund adult social care services expenditure in 2015-16;

£0.8m which was set aside for transformation related projects (property reviews, income generating, business improvement);

£0.4m for Children's services improvements

£0.2m for Housing improvement initiatives.