

**APPENDIX B Movement in Reserves**

| <b>RESERVES SUMMARY</b>                      | <b>Balance as at<br/>31/03/2012<br/>£'000</b> | <b>Transfers to<br/>Reserves<br/>£'000</b> | <b>Transfers<br/>from<br/>Reserves<br/>£'000</b> | <b>Balance as at<br/>31/03/2013<br/>£'000</b> | <b>Transfers<br/>to<br/>Reserves<br/>£'000</b> | <b>Transfers<br/>from<br/>Reserves<br/>£'000</b> | <b>Balance as at<br/>31/03/2014<br/>£'000</b> | <b>Purpose of reserve</b>  |
|--|---|--|--|---|--|--|---|--|
| <b>Off Street Parking</b>                    | <b>(100)</b>                                  | (454)                                      | 554  | <b>0</b>                                      | (450)  | 450  | <b>0</b>                                      | Represents Accumulated trading position. Used to support spending priorities in department.  |
| <b>On Street Parking</b>                     | 0   | (2,122)                                    | 2,122  | <b>0</b>                                      | (2,100)  | 2,100  | <b>0</b>                                      | Represents Accumulated trading position. Used to support spending priorities in department related to transport  |
| <b>City Market</b>                           | <b>(32)</b>                                   | (9)  | 0  | <b>(41)</b>                                   | 0  | 0  | <b>(41)</b>                                   | Represents Accumulated trading position.   |
| <b>Taxis</b>                                 | <b>(132)</b>                                  | (62)                                       | 0  | <b>(194)</b>                                  | 0  | 0  | <b>(194)</b>                                  | Represents Accumulated trading position. Forecasts for 13/14 movement will be known once fee review is considered by Licensing Committee although the target is for a reduction  |
| <b>Street Trading</b>                        | <b>(89)</b>                                   | 0  | 0  | <b>(89)</b>                                   | 0  | 0  | <b>(89)</b>                                   | Represents Accumulated trading position, for reinvestment in street trading activities   |
| <b>Land Charges Development Fund</b>         | <b>(79)</b>                                   | 0  | 5  | <b>(74)</b>                                   | 0  | 5  | <b>(69)</b>                                   | To fund improvements in the LLC service  |
| <b>Education Carry Forwards</b>              | <b>(65)</b>                                   | 0  | 47   | <b>(18)</b>                                   | 0  | 0  | <b>(18)</b>                                   | Schools ringfenced resources mainly from grants.   |
| <b>School Budget Share</b>                   | <b>(4,449)</b>                                | 0  | 0  | <b>(4,449)</b>                                | 0  | 0  | <b>(4,449)</b>                                | Previously shown as a separate reserve. Represents schools balances under delegated budgets  |
| <b>PFI reserve</b>                           | <b>(1,185)</b>                                | 0  | 43   | <b>(1,142)</b>                                | 0  | 64   | <b>(1,078)</b>                                | PFI credits towards the schools PFI contract at Wood View are received in equal instalments over the course of the contract. This reserve enables the matching of the credits to actual expenditure incurred from year to year.  |
| <b>Commuted Maintenance</b>                  | <b>(975)</b>                                  | (25)                                       | 417  | <b>(583)</b>                                  | 0  | 0  | <b>(583)</b>                                  | Revenue contribution from developers /section 106 agreements to provide for future maintenance over a period of years  |
| <b>VAT Repayment reserve</b>                 | <b>(340)</b>                                  | 0  | 20   | <b>(320)</b>                                  | 0  | 0  | <b>(320)</b>                                  | To cover any unforeseen VAT assessments  |
| <b>Accommodation Reserve</b>                 | <b>(1,374)</b>                                | 0  | 655  | <b>(719)</b>                                  | 0  | 547  | <b>(172)</b>                                  | To meet costs of repairs to Office Accommodation. The fund will be used to support the wider accommodation strategy.   |
| <b>Planning LDF Reserve</b>                  | <b>(62)</b>                                   | 0  | 62   | <b>0</b>                                      | 0  | 0  | <b>0</b>                                      | Relates to the reprofiling of the LDF timetable and specifically to the costs of the Derriford & Seaton Area Action Plan Public Examination, which is now scheduled to take place in 2012/13.  |
| <b>Insurance and Risk Management Reserve</b> | <b>(1,184)</b>                                | (150)                                      | 50   | <b>(1,284)</b>                                | 0  | 0  | <b>(1,284)</b>                                | To meet any unforeseen/increased costs of insurance claims or works to minimise insurance risk. The fund is available to meet the costs of urgent health and safety works that cannot be contained within existing budgets.  |
| <b>Budget Carry Forwards</b>                 | <b>(1,221)</b>                                | 0  | 463  | <b>(758)</b>                                  | 0  | 0  | <b>(758)</b>                                  | Reserve set up from end of year budget underspends to meet future Council priorities. The reserve is kept under review and balances no longer required transferred to revenue or another reserve as appropriate.   |
| <b>JE contingency</b>                        | <b>(52)</b>                                   | 0  | 0  | <b>(52)</b>                                   | 0  | 0  | <b>(52)</b>                                   | Utilised in 2010/11 budget to fund successful appeals  |
| <b>Pensions Fund</b>                         | <b>(1,088)</b>                                | 0  | 758  | <b>(330)</b>                                  | 0  | 330  | <b>0</b>                                      | Following the triennial pensions review the council's contribution rate has been held at current levels for the next three years. However, this is on the understanding that contributions into the fund remain at least at 10/11 levels. Any shortfall will require a one off lump sum payment in year 3. Given further outsourcing, transfer of schools to academies and the anticipated reduction in workforce, it is likely that a shortfall will be incurred. |
| <b>Redundancies</b>                          | <b>(2,625)</b>                                | 0  | 175  | <b>(2,450)</b>                                | 0  | 0  | <b>(2,450)</b>                                | To fund the 2012/13 VRS scheme and meet potential costs of redundancies for 2012/13 and 2013/14, including strain payments to the pension fund. The final position will need to be updated once the impact of staffing become clear.   |
| <b>C/F</b>                                   | <b>(15,052)</b>                               | <b>(2,822)</b>                             | <b>5,371</b>                                     | <b>(12,503)</b>                               | <b>(2,550)</b>                                 | <b>3,496</b>                                     | <b>(11,557)</b>                               |  |

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|---|---------------------------------|------------------------------|--------------------------------|---------------------------------|------------------------------|--------------------------------|---------------------------------|---|
| <b>B/F</b>  | <b>(15,052)</b>                 | <b>(2,822)</b>               | <b>5,371</b>                   | <b>(12,503)</b>                 | <b>(2,550)</b>               | <b>3,496</b>                   | <b>(11,557)</b>                 |   |
| <b>Urban Enterprise Fund</b>                                  | <b>(357)</b>                    | <b>0</b>                     | <b>150</b>                     | <b>(207)</b>                    | <b>0</b>                     | <b>207</b>                     | <b>0</b>                        | Match funding to ensure that Plymouth gains access to the European funding available to the region to support Urban Enterprise. Likely to be used by projects by the end of 13/14   |
| <b>Corporate Improvement Priorities</b>                       | <b>(48)</b>                     | <b>0</b>                     | <b>48</b>                      | <b>0</b>                        | <b>0</b>                     | <b>0</b>                       | <b>0</b>                        | Fund used to support the Councils Corporate Priorities. The commitments against this fund will be reviewed as part of the budget and performance monitoring process   |
| <b>Stock Transfer Residual Liabilities</b>                    | <b>(1,005)</b>                  | <b>0</b>                     | <b>0</b>                       | <b>(1,005)</b>                  | <b>0</b>                     | <b>0</b>                       | <b>(1,005)</b>                  | Reclassification from a provision. This reserve will meet the costs of any further refunds  |
| <b>Capital Reserve</b>  | <b>(975)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(975)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(975)</b>                    | To be used to support the capital programme and potential shortfall in capital receipts   |
| <b>Pay Issues</b>   | <b>(700)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(700)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(700)</b>                    | To meet the costs of any pay claims, subject to Tribunal hearings.  |
| <b>Invest to Save Reserve</b>                                 | <b>(1,300)</b>                  | <b>0</b>                     | <b>1,300</b>                   | <b>0</b>                        | <b>0</b>                     | <b>0</b>                       | <b>0</b>                        | Reserve set up using balances released from other reserves.   |
| <b>Recovery costs - Icelandic Banks</b>                       | <b>(564)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(564)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(564)</b>                    | Allowance for investment losses of the money invested in the Icelandic banks. Reserve currently meeting the ongoing legal costs and borrowing costs from utilising the capitalisation direction in 09/10.   |
| <b>Grants carryforward</b>                                    | <b>(1,192)</b>                  | <b>0</b>                     | <b>1,192</b>                   | <b>0</b>                        | <b>0</b>                     | <b>0</b>                       | <b>0</b>                        | Under IFRS all grant income must be released to revenue unless there are pay back conditions attached. This reserve therefore reflects unspent balances on ringfenced grant income at the year end, where there are continuing commitments. The amount c/f into 13/14 will become known during the 12/13 closedown process. |
| <b>Waste Reserve</b>  | <b>(1,600)</b>                  | <b>0</b>                     | <b>800</b>                     | <b>(800)</b>                    | <b>0</b>                     | <b>800</b>                     | <b>0</b>                        | Reserve set up to proactively provide and manage the future budget shortfall due to increasing landfill tax liability pending the new energy from waste plant becoming operational.   |
| <b>Life Centre Dowry</b>                                      | <b>(150)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(150)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(150)</b>                    | Creation of Life Centre Maintenance Dowry to release Sport England Grant Retention for capital scheme   |
| <b>Mortgage Rescue Scheme Reserve</b>                         | <b>(144)</b>                    | <b>0</b>                     | <b>144</b>                     | <b>0</b>                        | <b>0</b>                     | <b>0</b>                       | <b>0</b>                        | Part of the wider homelessness prevention strategies, this reserve holds government funding received in relation to the Preventing Repossessions Fund and the balance of funding for the Mortgage Rescue Fund   |
| <b>Tamar Bridge &amp; Torpoint Ferry</b>                      | <b>(1,495)</b>                  | <b>0</b>                     | <b>0</b>                       | <b>(1,495)</b>                  | <b>0</b>                     | <b>0</b>                       | <b>(1,495)</b>                  | This balance represents PCC's 50% share of the working balance under joint ownership with Cornwall Council  |
| <b>DRCP</b>   | <b>(241)</b>                    | <b>(217)</b>                 | <b>241</b>                     | <b>(217)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(217)</b>                    | Reserve set aside to meet future expenditure in Devonport, in lieu of grant funding in 2007/08. Fund set aside to meet ongoing liabilities.   |
| <b>Tamar House - Commercial rents sinking fund</b>            | <b>(287)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(287)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(287)</b>                    | RDA rents sinking fund Tamar House  |
| <b>Plymouth City Development Company (CDC) Legacy Reserve</b> | <b>(246)</b>                    | <b>0</b>                     | <b>126</b>                     | <b>(120)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(120)</b>                    | Reserve set up to continue the activities previously provided by the Company including branding of the city as part of Positively Plymouth. The reserve includes funds provided by RDA and HCA.   |
| <b>A386 Park &amp; Ride Leased Spaces</b>                     | <b>(534)</b>                    | <b>0</b>                     | <b>44</b>                      | <b>(490)</b>                    | <b>0</b>                     | <b>44</b>                      | <b>(446)</b>                    | Upfront payment from PCT for leased spaces at George Park & Ride site. Released to revenue annually in lieu of rental income.   |
| <b>Other Reserves</b>   | <b>(548)</b>                    | <b>(70)</b>                  | <b>63</b>                      | <b>(555)</b>                    | <b>0</b>                     | <b>0</b>                       | <b>(555)</b>                    | All reserves have been reviewed and confirmed as required to meet specific policy commitments   |
| <b>Sub Total Earmarked Reserves</b>                           | <b>(26,438)</b>                 | <b>(3,109)</b>               | <b>9,479</b>                   | <b>(20,068)</b>                 | <b>(2,550)</b>               | <b>4,547</b>                   | <b>(18,071)</b>                 |   |
| <b>General Fund Working Balance</b>                           | <b>(11,299)</b>                 | <b>0</b>                     | <b>0</b>                       | <b>(11,299)</b>                 | <b>0</b>                     | <b>0</b>                       | <b>(11,299)</b>                 | General Balance available to meet unforeseen expenditure. This balance represents 5.5% of net revenue expenditure for 12/13 and is in line with Unitary Council averages  |
| <b>Total Reserves</b>   | <b>(37,737)</b>                 | <b>(3,109)</b>               | <b>9,479</b>                   | <b>(31,367)</b>                 | <b>(2,550)</b>               | <b>4,547</b>                   | <b>(29,370)</b>                 |   |