

**Special Reserve**

As at 31 March 2015 the balance of the reserve was £1.720million. Use of the special reserve will happen on a phased basis to prevent erratic movements in Council Tax increase. Members have agreed to maintain a balance in this reserve to fund invest to save projects and to support unavoidable fluctuations in contract prices as contracts are renewed.

**Housing & Planning Delivery Reserve**

This reserve incorporates both the Housing Planning Delivery Reserve and the Local Plan reserve. In previous years the Council has received Planning Delivery Grant (PDG) towards meeting the then Government's Communities Plan objectives. The original time period of the Planning Delivery Grant ceased and the Housing and Planning Delivery Grant (HPDG) which replaced it has also finished. In order to match the Council's expenditure to the grant received for the approved work programme a reserve was set up to be drawn on over the forthcoming years. The balance on the reserve at the 31st March 2015 was £65k This remaining balance has been allocated to projects and so investment bids have been made to continue to fund work which would have previously been funded from this source. The Local Plan reserve had a balance of £195k at the 31<sup>st</sup> March 2015, the projected balance for 2015/16 is £323k. These funds have been fully committed in preparing the Local Plan ready for approval.

**I.T Reserve**

The projected balance on the fund is estimated to be £82k at the 31 March 2016. The IT reserve was set up to ensure funding was available for IT capital projects as it was required. In the current economic climate, when there is less scope for any form of new investment, any new capital IT investment will need to be considered alongside other Council priorities. It is not thought appropriate to maintain a reserve specifically for IT investment. Therefore, no further contributions will be made into the reserve and the remaining balance will be used on a phased basis. The special reserve is available for invest to save projects.

**Environmental Warranty Reserve**

As part of the Stock Transfer agreement, the Authority was required to provide environmental warranties to North Hertfordshire Homes. A desktop environmental study indicated that the risk to the Council of the warranty being used was low and the Council took the decision to self insure the warranties from the post stock transfer reserve. In 2003/04 the Council agreed to transfer funds from the post stock transfer reserve to an earmarked Environmental Warranty, which under the agreement will be held for 30 years. At the commencement of this year the balance stood at £209k.

**Performance Reward Grant Reserve**

The Performance Reward Grant was awarded for success against targets in the Local Area Agreement; the grant is administered by the Authority, on behalf of its 'owner' the North Herts Local Strategic Partnership. This earmarked reserve represents the revenue element of the grant and is allocated to schemes in the District identified by the LSP partners. Spending of the final portion will take place by the end of the financial year 2015/16

**Insurance Reserve**

As at 31 March 2015 the Council's Insurance Fund stood at £38k. This reserve is maintained to cover the probability of a loss on self-insured assets and also to cover the possibility of future claims relating to the Municipal Mutual Scheme of arrangement.

**Mausoleum Reserve**

As part of the new extension to Wilbury Hills cemetery, Members agreed that receipts from the purchase of mausoleum spaces would be used to fund the extension of the number of mausoleum blocks. To date the Council has received deposits totalling £103k.

**S106 Monitoring**

In 2007/08 a reserve was created to cover the cost of monitoring S106 obligations in future years. The reserve is funded by S106 monitoring fees payable by Developers when they enter a S106 agreement. The balance on the reserve at the end of the year will be used to fund the cost of monitoring in future years. As at 31 March 2015 the balance on the reserve was £95K.

**Homelessness**

The £22k at 1 April 2015 is the unspent amount of Homelessness and Preventing Repossessions Grant, received from the DCLG, which is earmarked for homelessness prevention work.

**Building Control**

A new charging regime was implemented in October 2010. According to CIPFA guidance the Building Control Service should break even so there is no significant surplus or deficit at year end. However, the use of earmarked reserves is encouraged for the use of surpluses and funding of deficits if they occur, i.e. offsetting surpluses or deficits against future fees and charges or reinvesting surpluses in improving the quality of the Building Control Service.

**DWP Additional Grants**

This reserve is for various additional Housing Benefit Administration grants to help meet the additional burden of implementing changes to the Housing Benefit process from the Department of Work of Pensions (a total of £43k remained unspent at the 1 April 2015).

**Other DCLG Grants**

Central Government as part of the Autumn Statement announce business rate reliefs for certain businesses. For example the Small Business Rate Relief was introduced so that smaller businesses would pay less business rates. Some of these reliefs will be funded from Central Government and the council receives a S31 grant to compensate them for the loss of business rate income. The S31 grants are transferred to the Other DCLG Grants reserve and are used to offset any future deficits in the business rate collection fund account. The balance as at the 31<sup>st</sup> March 2015 is £1.045m and the projected balance for 2015/16 is £622k.

**Climate Change Grant**

A total of £49k remains unspent at 1 April 2015 but it is committed to projects; the fund is used where there is evidence that its use will reduce ongoing expenditure, i.e. energy or water saving measures, including both council buildings and open spaces.

**Museums Exhibits and Hitchin Museum Donations**

The Council has previously received donations towards the purchase of exhibits. These donations are put into the reserve until an item for purchase is identified.

**Property Maintenance & Leisure Management Maintenance**

Both of these reserves have been created in order to provide an ability to offset future unexpected maintenance costs which cannot be funded from regular general fund budgets. The total expected balance at a 31 March 2016 is £142k.

**Paintings Conservation**

The paintings conservation reserve consists of receipts from the sale of the Radcliffe Book and other monies which have been earmarked for future art conservation.

**Children's Services**

This reserve is for play schemes and sports development grants from County Councillor's locality budgets. The £12k brought forward from 2014/15 is expected to be fully spent in 2015/16.

**Town Wide Review / Town Centre Maintenance / Street Furniture / Street Name Plates / Office Move**

These reserves are to reflect the fact that budgets were continually being carried forward from one year to the next. By maintaining an earmarked reserve, funds can be drawn down as required.

**Community Right to BID**

The time limited grant funding received to recognize the additional burden of the new legislation.

**Local Authority Mortgage Scheme**

This scheme was launched in 2012 in conjunction with Lloyds Bank and Leeds Building Society. The interest payable on the £1million investment in the scheme is transferred to this reserve to help provide a cushion should mortgage defaults result in the Council receiving less than the full £1million back at the end of the five years.

**Personal Search Fees**

A group of Property Search Companies who have been seeking to claim refunds of property search fees paid to local councils for access to land charges data, have now agreed upon a final settlement. Additional sums for interest and costs is yet to be confirmed and added. The Council has put aside funds of £186,000 as at 31 March 2015 in an earmarked reserve and has also made allowance in the general fund balance by identifying this issue as a financial risk.

**Electoral Services**

Grants had been received to help implement individual electoral registration and maximise electoral registration. There are no conditions in the grant criteria but the funds have been earmarked for this purpose.

**Taxi Licences**

The Licensing and Appeals Committee reviewed the Licensing fees and charges policy during 2013/14 and resolved that the Council should seek to fully recover the lawful costs associated with licensing activity and any over/under recovery of costs should be rectified where legislation allows. This earmarked reserve will be used to hold any surplus until this action is taken.

**Waste & Recycling**

Discussions at the Hertfordshire Waste Partnership have suggested the funding the Council receives from the Alternative Financial Model (AFM) is less certain over the next 4 years. The Council has received a payment in 2014/15 in excess of budget, as a result of increased recycling levels. This excess will be transferred into this reserve to help cushion the impact of any reduction in the following years and also to be used for expenditure incurred in the development of a northern transfer station.

**Neighbourhood Planning Reserve**

DCLG gave funding to authorities who received neighbourhood plans, as funds will be needed in future years as plans are developed and public examinations and public referendums are required. The balance at 31<sup>st</sup> March 2015 is £40k and the projected balance for 2015/16 is £55k.