

# **Money Matters**

## **Update on the County Council's Reserves**

### **Position as at 31<sup>st</sup> December 2016**

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# Money Matters – Update on the County Council's Reserves Position for 2016/17

## 1. Executive Summary

### 1.1 Introduction

As at 1<sup>st</sup> April 2016 the County Council had total reserves of £400.669m. Of this, £86.022m was held for schools and its use is restricted.

This report sets out the reserves position in line with the current budget monitoring report.

### 1.2 Summary

As part of the process of redesigning its services the County Council has previously explicitly recognised that it will need to significantly utilise its reserves over the next 2 financial years.

At Full Council in February 2016 the revenue budget included an approved commitment from the Transitional Reserve of £46.518m in 2017/18 to support the reported financial gap at that time. However, following a review of the Medium Term Financial Strategy (MTFS) for Cabinet in December 2016 (as at 30<sup>th</sup> September 2016) it was identified that a revised value of £60.350m was required in 2017/18 which resulted in an additional £13.832m added into the MTFS in total.

A further quarterly review of the MTFS has taken place as at 31<sup>st</sup> December 2016 (Appendix B) it is now identified that £54.045m is required in 2017/18 (a reduction of £6.305m compared to the figures reported to Cabinet in December). The reduction **has been included within the reserves forecast detailed within this report.**

The budget monitoring position for the financial year 2016/17 (Appendix A) is reporting a forecast underspend of £15.298m. **Please note that this is not currently included within the forecast reserves position in this report.**

In summary, by 31<sup>st</sup> March 2018 it is expected that there will only be the £36.000m County Fund and a residual £91.699m of service reserves which includes £8.354m school PFI expenditure and £4.944m which is not LCC money, meaning in effect the available balance of £78.401m. All other reserves will have been spent. If the additional contribution from revenue is available of £15.298m (budget monitoring forecast underspend), this will result in a revised balance of service reserves being available as at 31<sup>st</sup> March 2018 of £93.699m.

When reviewing the County Council's reserves in conjunction with the Medium Term Financial Strategy (Appendix B) the funding requirement to bridge the financial gap in 2018/19 would total £85.162m. Although there are reserves available at 31<sup>st</sup> March 2018 of £93.699m (if the currently forecast underspend is achieved) there are commitments in 2018/19 of £10.450m (excluding non LCC commitments) therefore the available balance to support the 2018/19 budget is £83.249m resulting in there not being sufficient funds within reserves to support the 2018/19 budget. The table in Section 2 clearly

demonstrates that there are not sufficient funds to support the budget gap in 2018/19. In order to set a legal budget therefore further savings will need to be made.

In summary, this report indicates that there are sufficient funds within the Transitional Reserve to deliver a balanced budget in 2017/18 as per the agreed financial strategy. However this is dependent upon a number of key factors and risks which are as follows:

- All values within reserves that are currently reported to be available funds are transferred into the transitional reserves with no further commitments emerging in these areas now that the transfer has taken place.
- There is limited slippage on the agreed savings programme for 2017/18 and 2018/19. Any slippage will result in a requirement for funding from reserves.

## 2. Reserves

The table below illustrates the summary forecast position in respect of the Council's reserves:

Reserve Name	Opening Balance as at 1 April 2016	2016-17 Forecast Spend	2016-17 Transfers to / from other reserves	2016-17 Forecast Closing Balance	2017-18 Forecast Spend	2018-19 Forecast Spend	2019-20 Forecast Spend	Total as at 31 March 2020
	£m	£m	£m	£m	£m	£m	£m	£m
County Fund (3.1)	-36.000	0.000	0.000	-36.000	0.000	0.000	0.000	-36.000
Strategic Investment Reserve (3.2)	-10.971	2.351	5.194	-3.426	1.543	0.883	0.060	-0.940
Downsizing Reserve (3.3.1)	-64.841	14.171	28.062	-22.608	13.548	9.060	0.000	0.000
Risk Management Reserve (3.3.2)	-15.784	3.155	4.872	-7.757	7.757	0.000	0.000	0.000
Transitional Reserve (3.4.1)	-141.837	59.863	-54.712	-136.685	74.125	0.530	0.000	-62.031
To facilitate the transition of services (3.4.2)	0.000	0.000	-3.000	-3.000	0.000	0.000	0.000	-3.000
Service Reserves (3.5)	-45.214	8.893	10.800	-25.521	10.325	-0.340	-0.683	-16.219
<b>TOTAL</b>	<b>-314.647</b>	<b>88.434</b>	<b>-8.784</b>	<b>-234.997</b>	<b>107.298</b>	<b>10.133</b>	<b>-0.623</b>	<b>-118.189</b>
Forecast underspend 2016/17	0.000	0.000	-15.298	-15.298	0.000	0.000	0.000	-15.298
<i>MTFS Funding Gap (for information)</i>						85.162	115.392	200.554
Available reserves to support financial gap	0.000	0.000	0.000	0.000	0.000	83.249	0.000	83.249
<b>TOTAL (not including MTFS Funding Gap included above for information)</b>	<b>-314.648</b>	<b>88.434</b>	<b>-24.082</b>	<b>-250.295</b>	<b>107.298</b>	<b>93.382</b>	<b>-0.623</b>	<b>-50.238</b>

*Note 1: the Service Reserves reflect the inclusion of the actual income and committed expenditure for the Growth Deal of £52.825m. This cannot be seen in the table above as these are funds that come into reserves and are spent during the year and therefore have a net nil impact.*

*Note 2: £0.415m has transferred from Service Reserves to Schools Reserves which are not included in this report.*

The above table demonstrates that following the application of the remaining available reserves of £83.249m to support the financial gap/shortfall within the 2018/19 budget the only remaining balance on reserves are County Fund (£36.000m), non LCC reserves (£13.898m) and 2019/20 commitments (-£0.340m). This draw down from reserves in 2018/19 is not sufficient to cover the whole financial gap in this financial year and provides confirmation that there are no reserves left to support the financial gap in future years.

## **2.1 County Fund Balance**

The County Fund is the balance set aside to cover the authority against a serious emergency situation (e.g. widespread flooding); a critical and unexpected loss of income to the authority and for general cash flow purposes. In considering these various factors the County Council holds a County Fund balance at £36.000m. It is proposed this balance is retained as a prudent safeguard against any unexpected financial pressures.

## **2.2 Strategic Investment Reserve**

This reserve is held to fund an agreed programme of investment in areas including economic development, increasing employment opportunities and green energy.

On 1<sup>st</sup> April 2016 this reserve held a balance of £10.971m. £2.351m is forecast to be spent in 2016/17, £5.194m is being transferred to the Transitional Reserve and another £2.486m is forecast to be spent by 2019/20 leaving a balance of £0.940m.

Details of the commitments are shown in Annex A.

## **2.3 Reserves held to deliver Organisational Change**

The County Council currently has two reserves to deliver organisational change: the Downsizing Reserve and the Risk Management Reserve.

### **2.3.1 Downsizing Reserve**

The Downsizing Reserve is predominantly used to fund voluntary redundancies arising from the reduction in the size of the organisation.

On 1<sup>st</sup> April 2016 this reserve held a balance of £64.841m. In 2016/17 spend against the reserve is forecast to be £14.171m of which £8.210m is committed for estimated redundancy costs. In the previous report to Cabinet in December 2016 the profile of redundancy payments was revised resulting in revised commitment estimates of £12.109m in 2017/18 and £9.060m in 2018/19, resulting in £21.470m being transferred to the Transitional Reserve as it was no longer required.

In addition, as part of the review of this reserve a further uncommitted amount of £6.992m has been transferred to the Transitional Reserve, with an additional £0.400m transferred to into the Downsizing Reserve. Expenditure of £1.439m is forecast to be spent in 2017/18 leaving a nil balance on the reserve.

Details of the commitments are shown in Annex B.

### **2.3.2 Risk Management Reserve**

The Risk Management Reserve was created as a result of extraordinary Treasury Management performance during 2014/15 and previous years. This reserve is available to help the authority manage risks to funding and service delivery going forward.

This reserve had a balance of £15.784m on 1<sup>st</sup> April 2016. It is forecast that £3.155m will be spent in 2016/17 in addition to £4.872m uncommitted reserves transferring to the Transitional Reserve. It is forecast that a further £7.757m is committed in 2017/18 leaving a nil balance at the end of 2019/20.

Details of the commitments are shown in Annex B.

## **2.4 Transitional Reserve**

The plans announced at 26<sup>th</sup> November Cabinet for the period 1<sup>st</sup> April 2016 until 31<sup>st</sup> March 2018 are heavily supported by reserves. A Transitional Reserve has been created to provide a source of funding for these plans and the balance at the 1<sup>st</sup> April 2016 was £141.837m. Cabinet plans have specifically identified £134.519m use of reserves during the period which includes the funding gap identified in the Medium Term Financial Strategy (MTFS) for 2016/17 and 2017/18 of £72.331m. Additional net transfers in from other reserves and transfer in of surplus balances on the 2015/16 council tax, business rates, new homes bonus, a Clayton Park Conference centre saving, a Prevention and Early Help underspend and a VAT repayment this totals £54.712m. The forecast balance on the reserve at the end of 2019/20 is a surplus of £62.031m. However this will not be available if the balance is utilised in 2018/19 to support the revenue budget gap.

Details of the commitments are shown in Annex C.

### **2.4.1 Reserve to facilitate the transition of services**

At Full Council on 11<sup>th</sup> February 2016 a budget amendment was approved that requested a £3.000m contingency be made available from reserves to facilitate the transition of services. This has been set aside from the Transitional Reserve because of this specific nature of the approval.

Details are shown in Annex C.

## **2.5 Service Reserves**

The County Council holds numerous reserves for specific service provision.

As at 1<sup>st</sup> April 2016 service reserves totalled £45.214m. There are forecast costs of £8.893m in 2016/17, transfers to the Transitional Reserve of £10.929m, and a transfer to the schools reserve of £0.415m, in addition to an offsetting transfer into a non- LCC reserve in relation to Health monies of £0.544m. There is forecast spend from these reserves of £9.303m in later years to leave a balance of £16.219m at the end of 2019/20. £9.064m of this balance relates to long term PFI programmes and £4.834m is not LCC money.

Details of the Service Reserves are shown in Annex D.

## **2.6 Schools**

Under statute schools have delegated budgets. It is the responsibility of the individual schools to maintain reserves to cover risks and meet future plans. As schools make their

own delegated decisions on when to use reserves, no forecast is made. School reserves cannot be used for any other purpose. The current status of schools' reserves is as follows

<b>Reserve Name</b>	<b>Opening Balance as at 1 April 2016</b>	<b>YTD actual 2016/17</b>	<b>Forecast Closing Balance as at 31<sup>st</sup> March 2017</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
School Reserves	-86.022	3.196	-82.826

### **3. Impact of 2016/17 Outturn Forecast**

The current monitoring report is showing an underspend of £15.298m. Any underspend at the year-end can be transferred to the Transitional Reserve.



#### 4. Transfers between Reserves

In the previous reports to Cabinet in September and December the transfers below were agreed between reserves:

TRANSFERS BETWEEN RESERVES	£m	Transfer from	Transfer To	Reason
Young Person's Travel	-0.194	Strategic Investment Reserve	Transitional Reserve	Additional spend needed
School Crossing Patrols	-1.500	Risk Management Reserve	Transitional Reserve	Not needed
Delay in Wellbeing & Prevention Service Offer	-3.000	Risk Management Reserve	Transitional Reserve	Additional spend needed
Unallocated surplus	-4.664	Dow nsizing Reserve	Transitional Reserve	Not needed
Schools Forum money	-0.415	Service Reserves	1093306 Schools DSG Reserve	Surplus transferred back to Schools
Schools Forum money	-0.884	Service Reserves	Transitional Reserve	Unused
Adult fee increases	-1.365	Service Reserves	Transitional Reserve	Uncommitted balance in Adult Social Care for work being funded from Transitional Reserve
To facilitate the transition of services	-3.000	Transitional Reserve	Facilitate of transition of services	To keep separate from Transitional Reserve
Green Energy Fund	-5.000	Strategic Investment Reserve	Transitional Reserve	Capital expenditure to be funded from borrow ing
Transitional costs associated w ith Transformation Programme	-2.328	Dow nsizing Reserve	Transitional Reserve	Not needed
Redundancy Provision	-21.470	Dow nsizing Reserve	Transitional Reserve	Not needed
Occupational Health	0.003	Risk Management Reserve	Transitional Reserve	Not needed
Liquid Logic - Children's Services	-0.125	Risk Management Reserve	Transitional Reserve	Not needed
Liquid Logic - Adult Social Care	-0.250	Risk Management Reserve	Transitional Reserve	Not needed
Children's Services Reserve	-2.143	Service Reserves	Transitional Reserve	Troubled families reserve not needed
Mrs Acc Purcexh Fund	-0.002	Service Reserves	Transitional Reserve	Not needed
Lancashire Adult Learning Reserve	-0.350	Service Reserves	Transitional Reserve	Not needed - includes some capital expenditure that w ill be funded from borrow ing
Former Adults Directorate Grant Fund	-0.072	Service Reserves	Transitional Reserve	Not needed
UK & Ireland Civinet Netw ork	-0.013	Service Reserves	Transitional Reserve	Not needed
Waste PFI Comp Payments Reserve	-0.312	Service Reserves	Transitional Reserve	Not needed
Equipment Renew al Reserve	-0.271	Service Reserves	Transitional Reserve	Not needed
Parking Reserve Fund	-0.144	Service Reserves	Transitional Reserve	Not needed
Building Design & Construction Reserve	-0.020	Service Reserves	Transitional Reserve	Not needed
Energy Surveys Reserve	-0.066	Service Reserves	Transitional Reserve	Not needed
Priorities Contingencies Reserve	-0.010	Service Reserves	Transitional Reserve	Not needed
Waste Plant Rectification	-5.000	Service Reserves	Transitional Reserve	Not needed - capital expenditure that w ill be funded from borrow ing
Finance & Information Dfm	-0.060	Service Reserves	Transitional Reserve	Not needed
Cap Funding Reserve - Resou	-0.147	Service Reserves	Transitional Reserve	Not needed
NoWCard Renew al Reserve	-0.100	Service Reserves	Transitional Reserve	Not needed

A further review of reserves held has identified additional transfer between reserves has been included in this report:

TRANSFERS BETWEEN RESERVES	£m	Transfer from	Transfer To	Reason
Repayment of funds held for East Lancs CCG	0.544	Transitional Reserve	1293756 Health Services - Earmarked	Balance not LCC money
Adults - New tons	0.400	Transitional Reserve	Dow nsizing Reserve	Additional commitment
Farrington Fund Commitments	0.031	Transitional Reserve	Waste PFI Comp Payments Reserve	Commitments made - funds transferred in error

## Annex A – Strategic Investment Reserve

STRATEGIC INVESTMENT RESERVE	Opening Balance as at 1 April 2016	2016-17 Forecast Spend	2016-17 Transfers to / from other reserves	2016-17 Forecast Closing Balance	2017-18 Forecast Spend	2018-19 Forecast Spend	2019-20 Forecast Spend	Total as at 31 March 2020
	£m	£m	£m	£m	£m	£m	£m	£m
Promoting Sustainable Employment for Young People	-0.304	0.304	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Young Person's Travel	-0.194	0.000	0.194	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Economic Development - GAMMA	-0.017	0.017	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Economic Enterprise Zone Strategic Development	-0.500	0.500	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Economic Development - Exertis	-0.500	0.500	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Economic Development - Boost Continuation	-1.929	0.643	0.000	<b>-1.286</b>	0.643	0.643	0.000	<b>0.000</b>
Armed Forces Apprentice Costs	-1.770	0.287	0.000	<b>-1.483</b>	0.243	0.240	0.060	<b>-0.940</b>
Early Action /Early Response	-0.100	0.100	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Green Energy Fund	-5.000	0.000	5.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Core Systems Transformation	-0.657	0.000	0.000	<b>-0.657</b>	0.657	0.000	0.000	<b>0.000</b>
<b>Total on Strategic Investment Reserve</b>	<b>-10.971</b>	<b>2.351</b>	<b>5.194</b>	<b>-3.426</b>	<b>1.543</b>	<b>0.883</b>	<b>0.060</b>	<b>-0.940</b>

## Annex B – Downsizing and Risk Management Reserves

<b>DOWNSIZING &amp; RISK MANAGEMENT RESERVES</b>	<b>Opening Balance as at 1 April 2016</b>	<b>2016-17 Forecast Spend</b>	<b>2016-17 Transfers to / from other reserves</b>	<b>2016-17 Forecast Closing Balance</b>	<b>2017-18 Forecast Spend</b>	<b>2018-19 Forecast Spend</b>	<b>2019-20 Forecast Spend</b>	<b>Total as at 31 March 2020</b>
<b>Downsizing Reserve</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Redundancy provision	-50.849	8.210	21.470	<b>-21.169</b>	12.109	9.060	0.000	<b>0.000</b>
Transitional costs associated with Transformation Programme	-2.328	0.000	2.328	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Review for Adult Social Care (Newtons)	-7.000	5.961	-0.400	<b>-1.439</b>	1.439	0.000	0.000	<b>0.000</b>
Unallocated surplus	-4.664	0.000	4.664	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
<b>Total on Downsizing Reserve</b>	<b>-64.841</b>	<b>14.171</b>	<b>28.062</b>	<b>-22.608</b>	<b>13.548</b>	<b>9.060</b>	<b>0.000</b>	<b>0.000</b>

<b>Risk Management Reserve</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Occupational Health	0.003	0.000	-0.003	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Adults LD Remodelling Reserve	-0.784	0.000	0.000	<b>-0.784</b>	0.784	0.000	0.000	<b>0.000</b>
Provision to mitigate against risk DoLS- Deprivation of Liberty Safeguards	-2.900	0.424	0.000	<b>-2.476</b>	2.476	0.000	0.000	<b>0.000</b>
Impact of Fairness Commission Report Council Welfare Provision and the Care and Urgent Needs	-3.000	0.000	0.000	<b>-3.000</b>	3.000	0.000	0.000	<b>0.000</b>
School Crossing Patrols	-1.500	0.000	1.500	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Social Work Dedicated Review Team	-2.653	1.156	0.000	<b>-1.497</b>	1.497	0.000	0.000	<b>0.000</b>
Liquid Logic - Children's Services	-0.400	0.275	0.125	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Liquid Logic - Adult Social Care	-0.250	0.000	0.250	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Payment of additional allowances when staff are on leave	-1.300	1.300	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Transfer to Transitional Reserve for Wellbeing	-3.000	0.000	3.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
<b>Total on Risk Management Reserve</b>	<b>-15.784</b>	<b>3.155</b>	<b>4.872</b>	<b>-7.757</b>	<b>7.757</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

## Annex C – Transitional Reserve & Transition of Services Reserve

<b>TRANSITIONAL RESERVE</b>	<b>Approved at 1st April 2016</b>	<b>2016-17 Forecast Spend</b>	<b>2016-17 transfers to / from other reserves</b>	<b>2016-17 Forecast Closing Balance</b>	<b>2017-18 Forecast Spend</b>	<b>2018-19 Forecast Spend</b>	<b>2019-20 Forecast Spend</b>	<b>Total as at 31 March 2020</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>SPEND FROM THE TRANSITIONAL RESERVE</b>								
Use of reserves in future years as per 26th Nov Cabinet paper - revised in Feb 16 (BoP) 16/17 & 17/18 spend	-65.856	34.231	0.000	<b>-31.625</b>	16.331	0.000	0.000	<b>-15.294</b>
Use of reserves in future years to cover revenue shortfall	-64.804	18.286	0.000	<b>-46.518</b>	54.045	0.000	0.000	<b>7.527</b>
Delay in Wellbeing & Prevention Service Offer	-4.755	0.000	0.000	<b>-4.755</b>	0.000	0.000	0.000	<b>-4.755</b>
Children's New tons + Skylake	-0.200	0.200	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
To fund shortfall on domestic abuse contracts (C&D)	-0.238	0.238	0.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
To facilitate the transition of services	-3.000	0.000	3.000	<b>0.000</b>	0.000	0.000	0.000	<b>0.000</b>
Pw C Consultancy packages	0.000	1.033	0.000	<b>1.033</b>	0.000	0.000	0.000	<b>1.033</b>
Older People's Residential & Nursing Homes	0.000	1.700	0.000	<b>1.700</b>	0.000	0.000	0.000	<b>1.700</b>
Repayment of funds held for East Lancs CCG	0.000	0.000	0.544	<b>0.544</b>	0.000	0.000	0.000	<b>0.544</b>
Supported Living and Domiciliary Care Fees for 2016/17	0.000	3.500	0.000	<b>3.500</b>	0.000	0.000	0.000	<b>3.500</b>
Apprentices & Graduate salaries	0.000	0.177	0.000	<b>0.177</b>	2.248	0.530	0.000	<b>2.955</b>
Young Person's Travel	0.000	0.500	0.000	<b>0.500</b>	0.500	0.000	0.000	<b>1.000</b>
Prevention and Early Help Fund	0.000	0.000	0.000	<b>0.000</b>	1.000	0.000	0.000	<b>1.000</b>
New tons - Adults	0.000	0.000	0.400	<b>0.400</b>	0.000	0.000	0.000	<b>0.400</b>
Unallocated Balance on Transitional Reserve	-2.984	0.000	0.000	<b>-2.984</b>	0.000	0.000	0.000	<b>-2.984</b>
<b>TRANSFERS INTO THE TRANSITIONAL RESERVE</b>								
Council Tax Collection Fund surplus 2015-16	0.000	0.000	-7.037	<b>-7.037</b>	0.000	0.000	0.000	<b>-7.037</b>
Returned New Homes Bonus 2015-16	0.000	0.000	-0.399	<b>-0.399</b>	0.000	0.000	0.000	<b>-0.399</b>
Business Rates Collection Fund Deficit 2015-16	0.000	0.000	2.334	<b>2.334</b>	0.000	0.000	0.000	<b>2.334</b>
Clayton Park Conference Centre Limited	0.000	0.000	-0.542	<b>-0.542</b>	0.000	0.000	0.000	<b>-0.542</b>
VAT Repayment	0.000	0.000	-2.556	<b>-2.556</b>	0.000	0.000	0.000	<b>-2.556</b>
Prevention and Early Help Underspend	0.000	0.000	-1.000	<b>-1.000</b>	0.000	0.000	0.000	<b>-1.000</b>
Transfer to / from other Reserves	0.000	0.000	-49.457	<b>-49.457</b>	0.000	0.000	0.000	<b>-49.457</b>
<b>Total on Transitional Reserve</b>	<b>-141.837</b>	<b>59.863</b>	<b>-54.712</b>	<b>-136.685</b>	<b>74.125</b>	<b>0.530</b>	<b>0.000</b>	<b>-62.030</b>
<b>TRANSITION OF SERVICES RESERVE</b>								
	<b>Approved at 1st April 2016</b>	<b>2016-17 Forecast Spend</b>	<b>2016-17 transfers to / from other reserves</b>	<b>2016-17 Forecast Closing Balance</b>	<b>2017-18 Forecast Spend</b>	<b>2018-19 Forecast Spend</b>	<b>2019-20 Forecast Spend</b>	<b>Total as at 31 March 2020</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
To facilitate the transition of services	0.000	0.000	-3.000	<b>-3.000</b>	0.000	0.000	0.000	<b>-3.000</b>

## Annex D – Service Reserves

Reserve Name	Opening Balance as at 1 April 2016	2016-17 Forecast Spend	2016-17 transfers to / from other reserves	2016-17 Forecast Closing Balance	2017-18 Forecast Spend	2018-19 Forecast Spend	2019-20 Forecast Spend	Total as at 31 March 2020
	£m	£m	£m	£m	£m	£m	£m	£m
Children's Services Reserve	-5.902	0.914	3.442	-1.546	1.249	0.000	0.000	-0.297
SEN Reform/Implementation Grant	-1.852	0.049	0.000	-1.803	1.803	0.000	0.000	0.000
C&D Domestic Abuse	-0.714	0.714	0.000	0.000	0.000	0.000	0.000	0.000
Mvs Acc Purcexh Fund	-0.002	0.000	0.002	0.000	0.000	0.000	0.000	0.000
Lancashire Adult Learning Reserve	-0.429	0.042	0.350	-0.037	0.000	0.000	0.000	-0.037
Former Adults Directorate Grant Fund	-0.537	0.051	0.072	-0.415	0.415	0.000	0.000	0.000
Adult Social Care - Transitional Res	-4.004	0.050	1.365	-2.589	2.589	0.000	0.000	0.000
Better Care Fund Reserve	-1.368	0.000	0.000	-1.368	1.368	0.000	0.000	0.000
Bus Stations Reserve	0.000	-0.977	0.000	-0.977	0.600	0.377	0.000	0.000
Roundabout Sponsorship Inco	-0.048	0.048	0.000	0.000	0.000	0.000	0.000	0.000
Improved Outcomes Partnership	-0.057	0.057	0.000	0.000	0.000	0.000	0.000	0.000
UK & Ireland Civinet Network	-0.030	0.017	0.013	0.000	0.000	0.000	0.000	0.000
Waste PFI Comp Payments Reserve	-0.482	0.167	0.282	-0.033	0.033	0.000	0.000	0.000
Equipment Renewal Reserve	-0.331	0.055	0.271	-0.005	0.000	0.000	0.000	-0.005
Parking Reserve Fund	-0.144	0.000	0.144	0.000	0.000	0.000	0.000	0.000
Building Design & Construction Reserve	-0.020	0.000	0.020	0.000	0.000	0.000	0.000	0.000
Energy Surveys Reserve	-0.066	0.000	0.066	0.000	0.000	0.000	0.000	0.000
Priorities Contingencies Reserve	-0.010	0.000	0.010	0.000	0.000	0.000	0.000	0.000
Waste Plant Rectification	-7.500	1.071	5.000	-1.429	0.491	0.000	0.000	-0.938
Finance & Information Dfm	-0.060	0.000	0.060	0.000	0.000	0.000	0.000	0.000
R&M Planned Property Review Works	-0.727	0.727	0.000	0.000	0.000	0.000	0.000	0.000
Economic Development	-0.027	0.027	0.000	0.000	0.000	0.000	0.000	0.000
Growth Deal Reserve	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Champions Funds	-0.003	0.000	0.000	-0.003	0.003	0.000	0.000	0.000
Local Member & Gateway Grant	-0.083	0.000	0.000	-0.083	0.083	0.000	0.000	0.000
Cap Funding Reserve - Resou	-0.147	0.000	0.147	0.000	0.000	0.000	0.000	0.000
NoWCard Renewal Reserve	-0.400	0.000	0.100	-0.300	0.300	0.000	0.000	0.000
CC Election Reserve	-1.251	-0.400	0.000	-1.651	1.651	-0.400	-0.400	-0.800
Public Health Grant	-0.628	0.276	0.000	-0.352	0.108	0.000	0.000	-0.244
<b>School PFI</b>								
Schools - Fleetwood High School PFI Earmarked	-1.014	0.070	0.000	-0.944	0.060	0.070	0.080	-0.734
Schools – Private Finance Initiative - Building Schools for the Future Phases 1, 2, 2a & 3	-6.311	-0.560	0.000	-6.871	-0.600	-0.490	-0.370	-8.331
<b>Not LCC Reserves</b>								
Youth Offending Team Reserve	-1.024	0.131	0.000	-0.893	0.172	0.103	0.000	-0.618
Lancs Safeguarding Children Board Reserve	-0.449	0.089	0.000	-0.361	0.000	0.000	0.000	-0.361
Queen St Engine Repair Fund	-0.204	0.010	0.000	-0.194	0.000	0.000	0.000	-0.194
Lancaster City Gen Acqsts Fund	-0.008	0.001	0.000	-0.007	0.000	0.000	0.007	0.000
Health Services - Earmarked	-4.100	4.644	-0.544	0.000	0.000	0.000	0.000	0.000
LEP reserve	-1.553	0.000	0.000	-1.553	0.000	0.000	0.000	-1.553
DfT Funding for P/Ship (not LCC monies)	-1.830	1.830	0.000	0.000	0.000	0.000	0.000	0.000
School Catering Repair And	-1.743	-0.210	0.000	-1.953	0.000	0.000	0.000	-1.953
JSNA reserve	-0.104	0.000	0.000	-0.104	0.000	0.000	0.000	-0.104
MADE reserve	-0.051	0.000	0.000	-0.051	0.000	0.000	0.000	-0.051
<b>TOTALS</b>	<b>-45.214</b>	<b>8.893</b>	<b>10.800</b>	<b>-25.521</b>	<b>10.325</b>	<b>-0.340</b>	<b>-0.683</b>	<b>-16.219</b>

Note: included in the LCC Waste Plant Rectification reserve at 31<sup>st</sup> March 2017 is a forecast £0.491m held for Blackpool Borough Council.