

RESERVES AND PROVISIONS- For Consideration by Cabinet 22 January 2008

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|------------------------------|---|---|---|-----------------------------|---------------------|
| Capital Reserves | | | | | |
| Major Repairs Reserve | Set up following the introduction of Resource Accounting in the HRA. Grant received from Government annually which must be credited to this reserve with the intention of funding major works to the Council's housing stock. | Can be applied to Capital improvements to HRA housing stock (specifically excluding demolition) and, additionally from 1 st April 2004, repayment of HRA debt and credit liabilities (including premia on early repayment of PWLB loans). The Council's thirty year HRA Business Plan has projected increasing levels of balances in early years to fund deficits in later years, and it is intended that these balances will be held in the Major Repairs Reserve. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|-------------------------|---|---------------------------------------|---|-----------------------------|---------------------|
| Revenue Reserves | | | | | |
| I T Replacement | Established to fund future major I T systems replacement. | To be applied to future replacements. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |

RESERVES AND PROVISIONS- For Consideration by Cabinet 22 January 2008

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|--|--|--|---|-----------------------------|---|
| Flats – Planned Maintenance Reserve | Established to smooth the costs of major revenue and capital works to flats funded from Service Charges. | Contributions from Service Charges made to this reserve, together with additional appropriations in lieu of interest. Reserve to be applied to major works to communal facilities in flats. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |
| Lifeline Equipment Reserve | Used to fund purchases of Lifeline Equipment | Contributions made equivalent to proceeds from sales of Lifeline units. Periodic purchases of units funded from this reserve | Council Housing Services/ Financial Services | - | Retain pending consideration of necessity of operating this reserve. |
| Central Control Equipment Reserve | Established to smooth the costs of major renewal or replacement of Central Control Equipment and systems | Funded from Central Control subscriptions with additional appropriations in lieu of interest. Reserve is to be applied to renewal or replacement of major items of equipment and systems for Central Control system. Also used for chargeable enhancements throughout the life of the system. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |
| Housing Office Improvements Reserve | Contributions made in previous years to fund major improvements to Housing offices | Contributions ceased in 2001/02. Use of £12K balance still to be determined. | Council Housing Services/ Financial Services | Budget & Outturn | Wind up following use of current balance. |

RESERVES AND PROVISIONS- For Consideration by Cabinet 22 January 2008

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|--------------------------------------|---|--|---|-----------------------------|---|
| Office Equipment Reserve | Established to fund purchases of minor I T and other office equipment. | Used to fund ad-hoc purchases of major office furnishings resultant from health & safety legislation and risk assessments (desk, chairs, cabinets etc) and minor office equipment items e.g. pc upgrades | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted, allowing for £1,000 growth proposal at Appendix B. |
| Welfare Equipment Reserve | Established to fund purchases of equipment for Sheltered schemes funded from Service Charges. | Contributions from Service Charges made to this reserve, together with additional appropriations in lieu of interest. Reserve to be applied to purchases of equipment for common area services for Sheltered schemes. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |
| Welfare – Planned Maintenance | Established to smooth the costs of major revenue and capital works to flats funded from Service Charges | Contributions from Service Charges made to this reserve, together with additional appropriations in lieu of interest. Reserve to be applied to major works to communal facilities in Sheltered schemes. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |

RESERVES AND PROVISIONS- For Consideration by Cabinet 22 January 2008

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|---------------------------------------|---|---|---|-----------------------------|--|
| Non-sheltered scheme equipment | Established to fund purchases of equipment for non-sheltered schemes funded from Service Charges. | Contributions from Service Charges made to this reserve, together with additional appropriations in lieu of interest. Reserve to be applied to purchases of equipment for non-sheltered schemes. | Council Housing Services/ Financial Services | Budget & Outturn | Retain as budgeted. |
| Vehicle Replacement Reserve | Established to fund replacement of Estates Stewards vans | To be applied to replacement of current vehicles when necessary | Council Housing Services/ Financial Services | Budget & Outturn | Retain pending consideration of alternative funding options for vehicle acquisitions. |

| | Reason for/purpose | How & when it be used | Management & control | Reviewed | Recommendations |
|-------------------|--|---|---|-----------------------------|--------------------------------------|
| Provisions | | | | | |
| Bad Debts | This provision is used to write off all Housing Revenue Account bad debts that have been approved. | The provision is funded by an annual contribution based on assessment of the level of debt outstanding. | Financial Services / Debt Management Group | Budget & Outturn | Retain as currently budgeted. |

RESERVES AND PROVISIONS- For Consideration by Cabinet 22 January 2008

| | HRA General Balances | Major Repairs Reserve | Total Earmarked Reserves | IT Replace ment | Flats - Plan'd Mnt'nc | Life- line Equip | Central Control Equip | Housing Office Imps | Office Equip Reserve | Welfar e Equip | Welfare Plan'd Mnt'nc | Welfare Support Grant Mnt'nc | Non- sheltered scheme equip | Vehicle Replcmnt |
|--|----------------------------|-----------------------------|--------------------------------|-----------------------|--------------------------------|------------------------|-----------------------------|---------------------------|----------------------------|----------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance 31st March 2007 | 759 | 3717 | 1598 | 134 | 577 | 75 | 102 | 12 | 35 | 187 | 218 | 80 | 143 | 35 |
| Estimates 2007/08 | | | | | | | | | | | | | | |
| Contributions to Reserves | | 2268 | | 57 | 120 | 36 | 10 | | 12 | 29 | 68 | 17 | 21 | 12 |
| Additional Contribution re Interest | | | | | 36 | | 4 | | | 11 | 13 | 5 | 9 | |
| Appropriations to Revenue | -409 | 409 | | -40 | -29 | -20 | -80 | -12 | -4 | -22 | | | -20 | |
| Appropriations to Capital | | -1096 | | | -24 | | | | | | -69 | | | |
| Projected Balance 31st March 2008 | 350 | 5298 | 1738 | 151 | 680 | 91 | 36 | 0 | 43 | 205 | 230 | 102 | 153 | 47 |
| Estimates 2008/09 | | | | | | | | | | | | | | |
| Contributions to Reserves | | 2278 | | 57 | 106 | 36 | 10 | | 12 | 28 | 60 | 18 | 21 | 12 |
| Additional Contribution re Interest | | | | | 42 | | 5 | | | 12 | 13 | | 9 | |
| Appropriations to Revenue | | | | | -20 | -20 | | | | -30 | -35 | | -20 | |
| Appropriations to Capital | | -1062 | | | -20 | | | | | | -33 | | | |
| Projected Balance 31st March 2009 | 350 | 6514 | 1998 | 208 | 788 | 107 | 48 | 0 | 55 | 215 | 235 | 120 | 163 | 59 |
| Estimates 2009/10 | | | | | | | | | | | | | | |
| Contributions to Reserves | | 2331 | | 57 | 123 | 36 | 10 | | 12 | 29 | 62 | 19 | 21 | 12 |
| Additional Contribution re Interest | | | | | 47 | | 3 | | | 12 | 14 | | 9 | |
| Appropriations to Revenue | | | | | -20 | -20 | | | | -30 | -25 | | -20 | |
| Appropriations to Capital | | -1220 | | | -20 | | | | | | -25 | | | |
| Projected Balance 31st March 2010 | 350 | 7625 | 2304 | 265 | 918 | 123 | 61 | 0 | 67 | 226 | 261 | 139 | 173 | 71 |
| Estimates 2010/11 | | | | | | | | | | | | | | |
| Contributions to Reserves | | 2390 | | 57 | 126 | 36 | 10 | | 12 | 30 | 64 | 20 | 21 | 12 |
| Additional Contribution re Interest | | | | | 55 | | 4 | | | 13 | 15 | | 10 | |
| Appropriations to Revenue | | | | | -20 | -20 | | | | -30 | -25 | | -20 | |
| Appropriations to Capital | | -1353 | | | -20 | | | | | | -25 | | | |
| Projected Balance 31st March 2011 | 350 | 8662 | 2629 | 322 | 1059 | 139 | 75 | 0 | 79 | 239 | 290 | 159 | 184 | 83 |

- Note that the Major Repairs Reserve incorporates support for the HRA Business Plan.
- Please note that further expenditure may be funded from the above reserves, but the timing is uncertain.