

RESERVES AND PROVISIONS

The forecast for Earmarked Reserves and Provisions at 31 March 2013 are summarised below.

Earmarked Reserves

	Estimated Balance at 31 March 2013 £000
Potential Major Claims – Former MGCC	521
Strategic Change Management Reserve	1,000
Severance Costs	1,200
Service Pressure Contingencies – e.g. Welfare Reform	900
Building Maintenance & Asset Management	600
Adult Social Care - health related projects	257
Insurance Reserve	672
Invest to Save (committed)	350
Non Recurring Expenditure 2013-14	490
Looked After Children	310
Connecting Families	176
Car Parking Strategy	253
ICT Finance & HR Systems	240
Capital Feasibility Studies	200
Porthcawl Regeneration	100
Local Election Costs	150
Other Minor Reserves	49
Total	7,468

Council Fund Balance

The estimated Council Fund balance at the 31st March 2013 is £7,140k, which supports principle number 8 in the MTFS. The Council Fund balance provides resources for purposes such as general contingencies and cash flow management. It acts as a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. It also acts as a contingency to cushion the impact of unexpected events or emergencies. This is in accordance with CIPFA's Guidance Note on Local Authority Reserves and Balances.

Delegated School Balances

These balances represent the cumulative effect of over and under-spending on school delegated budgets not available to the Council. Current projections suggest that these balances will be around £3,500k by 31 March 2013.

Specific Provisions £9,763k

These are provisions for unforeseen events and include the Insurance Reserve, potential treasury management liabilities and a major claims reserve to mitigate the deficit on the pension fund and other potential contractual claims.