

**RESERVES AND PROVISIONS**

The forecast for Earmarked Reserves and Provisions at 31 March 2014 are summarised below.

**Earmarked Reserves**

	<b>Estimated Balance at 31 March 2014</b>
	<b>£000</b>
Service Reconfiguration/Severance Costs	2,000
Insurance Reserve	1,690
Service Pressure Contingencies – e.g. Welfare Reform	900
Building Maintenance & Asset Management	1,800
Treasury Management Reserve	600
Looked After Children	1,000
Strategic Change Management Reserve	1,000
ICT & Finance Systems	700
Invest to Save (committed)	700
Adult Social Care - health related projects	520
Capital Feasibility Studies	300
Capital Disposals – revenue consequences	700
Porthcawl Regeneration	300
Connecting Families	150
Car Parking Strategy	175
Local Election Costs	175
<b>Total</b>	<b>12,710</b>

**Council Fund Balance**

The estimated Council Fund balance at the 31 March 2014 is £7.5 million (£7.3 million at 31 March 2013), 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 £3.5 million by 31 March 2014 (£3.7 million by 31 March 2013).

**Specific Provisions £15.1 million**

These are provisions for unforeseen events which include the mitigation of any potential Equal Pay claims arising from the Abdullah judgement, carbon reduction commitment and a major claims reserve to mitigate the deficit on the pension fund and other potential contractual claims.

**Insurance Provision £4.1 million**

This meets the total outstanding liability of Bridgend's self -insurance fund based on a professional analysis of the claims outstanding since 2000/2001.