



## SPECIAL CABINET – 27<sup>th</sup> FEBRUARY 2024

**SUBJECT: UPDATE ON RESERVES**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

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### 1. PURPOSE OF REPORT

- 1.1 To present Cabinet with details of the usable reserves held by the Authority and for Cabinet to endorse or approve recommended movements on reserves as appropriate.

### 2. SUMMARY

- 2.1 The report provides details of the usable reserves held by the Authority. Details are provided of balances held as at the 31<sup>st</sup> of March 2023, along with updates to reflect in-year movements and recommended movements on reserves.

### 3. RECOMMENDATIONS

- 3.1 It is recommended that Cabinet: -
1. Endorses the release of the following uncommitted reserves to the General Fund to support the 2024/25 Budget: -
    - a. £3.719m from Other Earmarked Service Reserves
    - b. £0.017m from Over/Under Reserves
    - c. £2m from the Insurance Reserve.
  2. Endorses a proposal to transfer 100% of the Net 2023/24 underspend position, forecast at £4.898m as at December 2023 to the General Fund.
  3. Agrees a proposal to allocate £0.791m from the Education Over/Underspend Reserve to a specific Earmarked Reserve for the 2023/24 Schools Additional Teachers Pay Award.
  4. Agrees a proposal to repurpose £0.108m from Private Sector Housing Staff Capacity Reserve to Empty Homes Teams Reserve to increase funding so that the team can be extended for two years.

#### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Cabinet is provided with details of the usable reserves held by the Authority and can endorse or approve recommended movements on reserves as appropriate.

#### 5. THE REPORT

- 5.1 Local Authorities have a corporate responsibility to operate within available resources and to remain financially sound over the short, medium, and longer-term.

- 5.2 One of the key tools available to Authorities in managing their financial affairs is the creation and use of both General and Earmarked reserves to assist them in delivering services over a period of longer than one financial year.

- 5.3 Reserves are an essential part of good financial management. They help Councils cope with unpredictable financial pressures, help them smooth the impact of known spending requirements over time, and help to fund any in-year overspending. The level, purpose, and planned use of reserves are important factors for Elected Members and Officers to consider in developing medium-term financial plans and setting annual budgets.

- 5.4 The definitions and related accounting treatment of reserves are governed by the requirements of accounting standards. In summary, reserves: -

- can be established for any purpose and at whatever point the Authority determines (although the purpose, usage and basis of transactions should be clearly established);
- can be held for both revenue and capital purposes; and
- can be used at the Authority's discretion (except that capital receipts and capital grants cannot be used to fund revenue expenditure. However, under the flexible use of capital receipts directive, expenditure can be funded through capital receipts flexibility if it is forecast to generate ongoing savings).

- 5.5 Reserves are classified in specific categories. These are generally accepted classifications used by Local Authorities as follows: -

**General Reserves** – These apply separately in respect of the Council Fund (General Fund) and Housing Revenue Account (HRA), and essentially represent a combination of a working balance to cushion the impact of uneven cash flows, to avoid unnecessary temporary borrowing and to provide a contingency to cushion the impact of unexpected events or emergencies.

**Earmarked and Specific Reserves** – These are established to meet known or predicted requirements or are established by statute.

**Ring-fenced Reserves** – These reserves are set-aside for specific service areas (e.g. schools) and are not available for general Council use.

**Unusable Reserves** – These arise out of the interaction of legislation and proper accounting practice either to store revaluation gains or as adjustment accounts to reconcile requirements driven by reporting standards to statutory requirements. These reserves are not backed by resources (i.e. not cash backed) and cannot be used for any other purpose.

5.6 The balance on the Council's usable reserves at the 31<sup>st</sup> of March 2023 was £220.032m as per the table below: -

Description	Balance as at 31/03/2023 £m
General Fund	35.016
Housing Revenue Account (HRA)	28.179
Schools Earmarked Reserves	11.316
Capital Earmarked Reserves	48.806
Usable Capital Receipts	11.719
Capital Grants Unapplied	16.749
Insurance Earmarked Reserves	5.918
Service Over/Underspend Reserves	3.882
Direct Service Earmarked Reserves	0.086
Other Earmarked Reserves	58.361
<b>Total: -</b>	<b>220.032</b>

5.7 An update on reserves was presented to the Joint Scrutiny Committee on the 23<sup>rd</sup> of January 2024. The following updates have since been made to the report which in turn has changed the final figures being presented to Cabinet.

- A commitment of £0.075m for 2024/25 and 2025/26 for the Licence to Innovate reserve which was incorrectly recorded and was creating a negative reserve balance has been removed. The Licence to Innovate reserve balance is forecast to be zero as at the 31<sup>st</sup> of March 2024 after a commitment of £0.019m and releasing £0.150m to the General Fund.
- A £0.050m release to General Fund from the Rhymney High Street reserve has been removed as it was subsequently identified that works were due to complete in 2024/25 and the funds would be required, a commitment was added for 2024/25 instead. The Rhymney High Street reserve balance is forecast to be zero as at the 31<sup>st</sup> of March 2025.
- The 2023/24 forecast Revenue outturn position has been updated from October 2023 to December 2023. The December 2023 forecast is showing a total net underspend of £4.898m which is an additional £1.242m than that reported in October 2023 and increases the forecast General Fund balance.
- On the 7<sup>th</sup> of February 2024 Welsh Government advised how the consequential allocation for Wales of £25m, in relation to the UK Government announcement in January 2024 for increased funding to local authorities for 2024/25, would be allocated. £14.4m was allocated to the Revenue Support Grant, for Caerphilly County Borough Council this equated to an increase in funding of £0.835m. This has reduced the one-off contribution requirement from the General Fund to support the 2024/25 Budget.

5.8 The impact of these changes on reserves are reflected throughout the report. The following paragraphs provide a detailed commentary on the balances held.

## 5.9 General Fund

5.9.1 The General Fund balance as at the 31<sup>st</sup> of March 2023 was £35.016m. As approved by Council on the 23<sup>rd</sup> of February 2023, £15.345m of reserves will be released from the General Fund to support the 2023/24 budget. In addition, £1.050m was approved for release in lieu of Council tax surplus to also support the 2023/24 budget. At its meeting on the 26<sup>th</sup> of September 2023, Council also approved the use of General Fund balances totalling £3.455m to fund the

additional in-year cost of the 2023/24 NJC pay award, and to underwrite 2022/23 revenue budget outturn deficits for General Fund and Private Housing and the Economy & Environment Directorate. This takes the General Fund current balance to £15.166m.

- 5.9.2 Cabinet is asked to approve the transfer of 100% of the 2023/24 net projected service revenue budget underspend to the General Fund. Based on the December 2023 revenue budget monitoring report this is forecast to be £4.898m. Previously services retained 50% of any underspend in Service Under/Over Reserves, however due to the Council's challenging financial position it is recommended this is changed for the 2023/24 financial year.
- 5.9.3 A comprehensive review of reserves has been undertaken in 2023/24 and a total of £5.736m revenue reserves have been identified as uncommitted. Cabinet is asked to endorse a proposal to release these reserves to the General Fund. Earmarked Reserves have been profiled across the next three financial years and the details of this will be highlighted throughout the rest of this report.
- 5.9.4 The 2024/25 Budget Proposals include the proposed use of reserves totalling £10.624m as a one-off measure to balance the budget. In addition to this, as in previous years, a further budget strategy contribution of £1.050m will be made from the General Fund (in lieu of the Council Tax surplus that has previously supported the revenue budget).
- 5.9.5 These proposals will reduce the General Fund balance to £14.126m, which equates to just over 3% of the Council's draft 2024/25 net revenue budget. 3% is the minimum level recommended by the Section 151 Officer and is in line with best practise.
- 5.9.6 The table below summarises the current position in respect of the General Fund: -

	£m	£m
<b>Opening Balance 01/04/2023</b>		<b>35.016</b>
2023-24 Budget Strategy Contribution		(1.050)
One-off Contribution to support 2023/24 Budget		(15.345)
<b>Use of Funds Previously Agreed by Council:</b>		
Funding of General Fund Housing Deficit	(0.802)	
Funding of Private Housing Deficit	(0.200)	
Funding of Economy & Environment Deficit	(0.494)	
In-year Impact of 2023/24 NJC Pay Awards	(1.959)	
		(3.455)
<b>Current General Fund Balance</b>		<b>15.166</b>
<b>Funds to be Transferred into General Fund :</b>		
2023/24 Forecast Outturn Position as at December 2023		4.898
<i>Release from Earmarked Reserves</i>		
Other Earmarked Reserves review	3.719	
Over/Underspend Reserves	0.017	
Insurance Reserve	2.000	
		5.736
<b>Use of Funds to be agreed:</b>		
One-off Contribution to support 2024/25 Budget		(10.624)
2024/25 Budget Strategy Contribution		(1.050)
<b>Forecast Balance 01/04/2024</b>		<b>14.126</b>

## 5.10 Housing Revenue Account (HRA)

5.10.1 £28.179m of the usable reserves are Housing Revenue Account (HRA) funds that must be ring-fenced and cannot be transferred into General Fund balances. This funding is available to help maintain the Welsh Housing Quality Standard (WHQS), to part fund the Post Asset Management Strategy (PAMS), and the new build programme moving forward.

## 5.11 Schools Earmarked Reserves

5.11.1 There is a total sum of £11.316m in reserves relating to net overall retained underspends ring-fenced to schools.

## 5.12 Capital Reserves

5.12.1 Capital Reserves totalling £77.274m are ring-fenced for the Authority's Capital Programme. Capital Earmarked Reserves have been reviewed and £5.320m has been identified as uncommitted, these budgets were originally funded through a revenue budget contribution to capital and so can be used for revenue purposes. It is recommended these remain in the Capital Programme as uncommitted so that they are available for future projects subject to approval.

5.12.2 The table below summarises the current position in respect of the Capital Earmarked Reserves by Directorate and a full breakdown by project is shown in Appendix 1: -

Directorate	Balance as at 31/03/2023 £m	New Approvals £m	Commitments £m	Forecast Balance 31/12/2023 £m
Corporate Services	22.509	0.058	(19.800)	2.767
Economy & Environment	7.527	6.943	(0.024)	14.446
Education	15.610	9.813	-	25.423
Social Services	2.945	-	-	2.945
Housing Revenue Account	0.215	-	-	0.215
<b>Total Capital Reserves</b>	<b>48.806</b>	<b>16.814</b>	<b>(19.824)</b>	<b>45.796</b>

5.12.3 A full review of the Capital Programme is currently being undertaken to profile projects and funding across financial years, to ensure a robust and deliverable Capital Strategy and Programme.

5.12.4 The Useable Capital Receipts balance as at the 31<sup>st</sup> of March 2023 is £11.719m, of which £4.051m relates to the HRA and is ringfenced for HRA purposes and programmed as part of the HRA Business Plan. £7.668m relates to General Fund disposals of which £4.206m is currently uncommitted. Capital Receipts cannot be used for Revenue purposes, the only exception to this is if they are used under the flexible capital receipts directive, which requires ongoing savings to be generated.

## 5.13 Insurance Earmarked Reserves

5.13.1 £5.918m is held in reserve for our self-insurance facility and risk management initiatives. The Authority's insurance excess for the majority of cover is £0.250m and claims below this level are funded through the reserve. The level of the reserve is reviewed by our Insurance Brokers (Marsh) to ensure that it is sufficient to meet potential liabilities and following the latest review it is proposed that £2m can be released to the General Fund to support the 2024/25 budget.

## 5.14 Service Over/Underspend Reserves

5.14.1 Cabinet has previously agreed a policy whereby service areas retain 50% of reported underspends at the financial year-end. Conversely, any service based overspends are carried forward by the service areas responsible for generating the overspend. This approach has worked well as there is full ownership and accountability by budget holders in respect of delivering a balanced budget. The December 2023 2023/24 revenue budget monitoring report forecast a net underspend position for the Council of £4.898m. Due to the Council's challenging financial position and setting a transitional budget for the second year, which will include the use of reserves to balance, it is recommended Cabinet endorses a proposal that 100% of the reported net underspend at the financial year-end is transferred to the General Fund.

5.14.2 £0.017m has been identified from the existing Over/Under Reserves as no longer required, it is proposed this is released to the General Fund to support the 2024/25 revenue budget.

5.14.3 The table below summarises the current position in respect of the retained underspend reserves held by each Directorate: -

Directorate	Balance as at 31/03/2023 £m	New Approvals £m	Release to General Fund £m	Forecast Balance 31/03/2024 £m	Forecast Balance 31/03/2025 £m	Forecast Balance 31/03/2026 £m
Corporate Services	0.161	0.097	-	0.258	0.258	0.258
Economy & Environment	(0.478)	0.495	(0.017)	-	-	-
Education	1.486	(0.626)	-	0.860	0.860	0.860
Social Services	2.713	-	-	2.713	2.713	2.713
<b>Total Service Over/Underspend Reserves</b>	<b>3.882</b>	<b>(0.034)</b>	<b>(0.017)</b>	<b>3.831</b>	<b>3.831</b>	<b>3.831</b>

5.14.4 As part of the reserves review some reserves have been allocated in year, in-line with specific approvals or using officer delegated powers. In addition to these, Cabinet is asked to approve the transfer of £0.791m from the Education Over/Underspend Earmarked Reserve to Education Other Earmarked Reserves to create a specific reserve to support the impact of the additional 1.5% teachers' pay award in schools from September 2023. This will reduce the forecast balance as at the 31<sup>st</sup> of March 2024 for the Education Over/Underspend Reserve to £0.069m and the total to £3.040m.

## 5.15 Direct Service Earmarked Reserves

5.15.1 £0.086m is held in reserves in respect of retained cash surpluses for Network Contracting Services (NCS) work arising from the Sirhowy Enterprise Way PFI contract.

## 5.16 Other Earmarked Reserves

5.16.1 The balance on Other Earmarked Reserves as at the 31<sup>st</sup> of March 2023 totalled £58.361m. A full review has been undertaken in 2023/24 and £3.719m has been identified as uncommitted and is proposed to be released to help balance the 2024/25 revenue budget.

5.16.2 The table below summarises the current position in respect of the Other Earmarked Reserves held by each Directorate and the full detail at reserve level is provided in Appendix 2: -

Directorate	Balance as at 31/03/2023 £m	New Approvals £m	Commitments £m	Release to General Fund £m	Forecast Balance 31/03/2024 £m	Forecast Balance 31/03/2025 £m	Forecast Balance 31/03/2026 £m
Corporate Services	36.549	2.237	(6.699)	(2.797)	29.290	24.399	21.656
Economy & Environment	5.503	3.474	(2.013)	(0.560)	6.404	4.991	3.862
Education	8.018	0.443	(2.295)	(0.362)	5.804	5.303	3.412
Social Services	8.291	0.095	(2.750)	-	5.636	3.733	3.287
<b>Total Other Earmarked Reserves</b>	<b>58.361</b>	<b>6.249</b>	<b>(13.757)</b>	<b>(3.719)</b>	<b>47.134</b>	<b>38.426</b>	<b>32.217</b>

5.16.3 As detailed in paragraph 5.14.4, Cabinet is asked to approve the transfer of £0.791m from the Education Over/Underspend Reserve to Education Other Earmarked Reserves to create a specific reserve to support the impact of the additional 1.5% teachers' pay award in schools from September 2023. This will increase the forecast balance as at the 31<sup>st</sup> of March 2024 for Education Earmarked Reserves to £6.595m and the Total Other Earmarked Reserves to £47.925m.

5.16.4 Cabinet are also requested to repurpose £0.108m Private Sector Housing reserve that was set up for fixed-term staff capacity to the Empty Homes Teams reserve to increase funding so that the Empty Homes Team can be extended for two years. Both reserves are included within Corporate Services so there is no impact on the total balances shown above.

## 5.17 Conclusion

5.17.1 Reserves are an essential part of good financial management. They help Councils cope with unpredictable financial pressures, help them smooth the impact of known spending requirements over time, and help to fund any in-year overspending. The forecast balances on the Council's usable reserves over the next three years are presented in the table below: -

Description	Balance as at 31/03/2023 £m	Balance as at 31/03/2024 £m	Balance as at 31/03/2025 £m	Balance as at 31/03/2026 £m
General Fund	35.016	25.800	14.126	14.126
Housing Revenue Account (HRA)	28.179	26.800	4.400	2.400
Schools Earmarked Reserves	11.316	4.614	0.001	(6.775)
Capital Earmarked Reserves	48.806	45.796	30.355	23.350
Usable Capital Receipts	11.719	11.482	10.055	8.256
Capital Grants Unapplied	16.749	14.952	9.156	6.254
Insurance Earmarked Reserves	5.918	3.918	3.918	3.918
Service Over/Underspend Reserves	3.882	3.831	3.831	3.831
Direct Service Earmarked Reserves	0.086	0.086	0.086	0.086
Other Earmarked Reserves	58.361	47.134	38.426	32.217
<b>Total: -</b>	<b>220.032</b>	<b>184.413</b>	<b>114.354</b>	<b>87.663</b>

5.17.2 This report provides details of the usable reserves held by the Authority as at the 31<sup>st</sup> of March 2023. Details are also provided of revenue reserves totalling £5.736m that are proposed for release to support the 2024/25 revenue budget, full details are provided in Appendix 3. A change in policy regarding the forecast 2023/24 net revenue budget underspend of £4.898m has also been included proposing that 100% of the underspend is transferred to the General Fund. This will be the second year the Council has used reserves in this manner and set a transitional budget. This is to provide the space and time to identify, approve and implement a range of permanent savings through the Mobilising Team Caerphilly programme, to address an anticipated net funding gap of £45.213m for the two-year period 2025/26 to 2026/27.

## 6. ASSUMPTIONS

6.1 A number of assumptions have been in relation to the expenditure profiles for the reserves held by the Authority.

## 7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 The proposals in this report do not have a negative impact on those with protected characteristics and the majority of recommendations support the 2024/25 Budget proposals

which are subject to separate Budget Impact Assessments and Integrated Impact Assessments where required.

## **8. FINANCIAL IMPLICATIONS**

8.1 As detailed throughout the report.

## **9. PERSONNEL IMPLICATIONS**

9.1 There are no direct personnel implications arising from this report.

## **10. CONSULTATIONS**

10.1 As mentioned in paragraph 5.7, an update on reserves was presented to the Joint Scrutiny Committee on the 23<sup>rd</sup> of January 2024. The key points raised during the meeting were as follows: -

- Councillor E. Stenner (Cabinet Member Finance and Performance) introduced the report which presented the Joint Scrutiny Committee with details of the usable reserves held by the Authority. The report provided details of balances held as of 31st March 2023, along with updates to reflect in-year movements and recommended movements on reserves.
- A Member queried the exact figure in usable reserves to date, as the information in the report related to balances as of 31st March 2023. Members were advised that the forecast balance on usable reserves as of 31st March 2024 is anticipated to be circa £183m, with further significant reductions in the balance expected for subsequent financial years,
- A Member queried whether more reserves could be released than stated in the report, and also sought clarification on the large amounts of in-year capital reserves being established in the Economy & Environment and Education Directorates. Members were advised that the use of reserves to balance the budget is a temporary measure that is not sustainable in the medium to longer-term. Members were also advised that the in-year capital reserves had been established following relevant approval processes and that further details would be forwarded to the Member following the meeting.
- A Member sought clarification on the information provided earlier in the meeting with regards to the forecast reduction in reserves over the next 2 years. Members were advised that more detailed information would be circulated to Members following the meeting.
- A Member queried whether the high level of reserves held was due to 'slow' spending of reserves that had been allocated for specific purposes. Members were advised that reserves are being used for the purposes they have been set aside for, and this would lead to the forecast reduction in reserves over the next 3 years.
- Members of the Joint Scrutiny Committee noted the content of the report, and it was moved and seconded that the recommendations contained in the Officer's report be approved. By way of Microsoft Forms and verbal confirmation (and in noting there were 43 for, 1 against, and 8 abstentions) this was agreed by the majority present.

10.2 All other consultation responses are reflected in the report.



## 11. STATUTORY POWER

### 11.1 The Local Government Acts 1998 and 2003.

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#### Appendices:

Appendix 1 – Capital Earmarked Reserves  
Appendix 2 – Other Earmarked Reserves  
Appendix 3 – Reserves Released to Support 2024/25 Budget

#### Background Papers:

[Council \(23/02/23\) – Budget Proposals for 2023/24 and Medium-Term Financial Outlook](#)  
[Council \(27/09/23\) – Provisional Revenue Budget Outturn for 2022/23](#)  
[Cabinet \(17/01/24\) – Draft Budget Proposals for 2024/25](#)

Appendix 1 – Capital Earmarked Reserves Forecast as at December 2023

Service	Capital Project	Amount £m
<b>Corporate</b>		
Corporate	Digital Community Engagement Platform	0.058
Corporate	Uncommitted Capital Reserve	2.709
<b>Economy &amp; Environment</b>		
Business Enterprise & Renewal Team	Longbridge Baths Risca	0.013
Business Enterprise & Renewal Team	Car Park Pontymister	0.047
Business Enterprise & Renewal Team	Monmouth Brecon Canal Adventure Triangle	0.032
Business Enterprise & Renewal Team	Cwm Ifor Solar Farm	1.180
Business Enterprise & Renewal Team	CEF Grants	0.150
Business Enterprise & Renewal Team	TiryBusiness Enterprise Renewal Team Portacabins	0.095
Business Enterprise & Renewal Team	ERDF Lawns Industrial estate Rhymney match funding	0.202
Community & Leisure Services	Caerphilly Wellbeing Centre	4.553
Community & Leisure Services	BLG Cleaning	0.244
Community & Leisure Services	Leisure Refurbishment	0.198
Community & Leisure Services	Morgan Jones Storage Container	0.006
Community & Leisure Services	Gelli Lane Off Street Parking	0.026
Infrastructure	Lower RV Relief Road	0.130
Infrastructure	A468 Bedwas Bridge	0.300
Infrastructure	Caerphilly Interchange	0.580
Infrastructure	A460 Troedyrhiwfwch	1.079
Infrastructure	Connect 2 Replacement Bus	0.055
Infrastructure	Oakdale Car Park	0.060
Infrastructure	Wattsville Car Park	0.057
Infrastructure	Cwmcarn Footbridge	0.120
Placemaking	Pentrebane Street Redevelopment	0.250
Placemaking	New Market	0.950
Property	Demolition Plif & Oakale School	0.719
Property	Ty Penallta Heating System	0.385
Public protection	Ty Llwyd landfill Site	0.200
Public protection	Electric Vehicle Charge Points	0.180
Public protection	CCTV Replacement	0.024
Economy & Environment	Uncommitted Capital Reserve	2.611
<b>Education</b>		
Education	Cwm Gwyddon Cwmcarn	5.132
Education	Trinity Fields Refurbishment	0.172
Education	Trinity Fields Band B 21st Century Schools	1.381
Education	Centre for Vulnerable Learners	3.526
Education	Llanfabon 21st Century Schools	1.400
Education	Plasyfelin Primary 21st Century Schools	3.150
Education	Ysgol y Llawnt/ Upper Rhymney	6.052
Education	Trinity Field-Cruyff Court	0.045
Education	Education Repairs & Maintenance	2.310
Education	Virginia Park Youth Hub	0.375
Education	Rhymney Library Refurbishment	0.134
Education	Ysgol Trelyn Demountable	0.120
Education	Unallocated 21st Century School Funding	1.056
Education	Expansion of Glanynant	0.270
Education	Crumlin Institute	0.300
<b>Social Services</b>		
Social services	New Respite Facility	2.213
Social services	Minor Works	0.682
Social services	Springfield Resource Centre	0.050
<b>Housing Revenue Account</b>		
Housing Revenue Account	Housing Revenue Account	0.215
<b>Total Capital Earmarked Reserves</b>		<b>45.796</b>

## Appendix 2 – Other Earmarked Reserves

Other Earmarked Reserves	Balance as at 31 March 2023 £m	New Approvals £m	Commitments 2023/24 £m	Release to General Fund 2023/24 £m	Forecast Balance as at 31 March 2024 £m	Forecast Balance as at 31 March 2025 £m	Forecast Balance as at 31 March 2026 £m
<b>Corporate Services</b>							
Car Park Lost Income	0.063	-	-	(0.063)	-	-	-
Cleaning & Greening	0.192	-	(0.192)	-	-	-	-
Community Coordinators	0.207	-	-	(0.207)	-	-	-
Cost of Living Disc Scheme 2021/22	0.233	-	(0.233)	-	-	-	-
Cost of Living Hardship Fund	2.886	-	(1.328)	-	1.558	-	-
Decarbonisation Strategy	0.444	-	(0.223)	-	0.221	0.073	-
Digital Transformation	1.054	-	(0.300)	-	0.754	0.454	-
IT Support for Transformation (Schools)	0.176	0.605	(0.267)	-	0.514	0.214	-
Municipal Mutual Insurance Future Liabilities	0.391	-	-	(0.391)	-	-	-
Teachers Pay @ 1.75%	0.358	-	-	-	0.358	0.358	0.358
Teachers' Pension Grant Allocation 2019/20	2.434	-	-	-	2.434	1.623	-
Waste Management Dry Recycling	0.060	-	-	(0.060)	-	-	-
Apprenticeship Scheme 2020/21	0.560	-	(0.150)	-	0.410	0.210	-
Community Empowerment Fund	0.155	-	(0.155)	-	-	-	-
Corporate Match Funding Apprentice Budget	0.065	-	-	(0.065)	-	-	-
Corporate Services Miscellaneous	0.308	-	(0.105)	(0.076)	0.127	0.054	0.039
Corporate Services Resources	1.554	0.605	(0.849)	(0.171)	1.139	0.688	0.674
Council Tax Reduction Scheme	0.494	-	-	(0.494)	-	-	-
Discretionary Housing Payments	-	0.665	(0.665)	-	-	-	-
Education Contribution to ESF	0.323	-	-	(0.323)	-	-	-
External Asbestos Surveys	0.100	-	(0.050)	-	0.050	-	-
Finance Service System Upgrades and Replacements	0.280	-	(0.118)	(0.105)	0.057	0.009	0.009

## Appendix 2 – Other Earmarked Reserves

Other Earmarked Reserves	Balance as at 31 March 2023 £m	New Approvals £m	Commitments 2023/24 £m	Release to General Fund 2023/24 £m	Forecast Balance as at 31 March 2024 £m	Forecast Balance as at 31 March 2025 £m	Forecast Balance as at 31 March 2026 £m
Flexible Working Reserve	0.396	-	(0.396)	-	-	-	-
IT Service Edtech	0.338	-	-	(0.338)	-	-	-
IT Service System Updates, Improvements and Developments	0.740	0.358	(0.495)	(0.127)	0.476	0.082	0.033
IT Support for Transformation	0.468	-	(0.130)	-	0.338	-	-
License to Innovate 2020/21	0.169	-	(0.019)	(0.150)	-	-	-
Members Services	0.071	-	-	(0.071)	-	-	-
Occupational Health	0.129	-	(0.020)	-	0.109	0.049	-
Voluntary Sector Grants (GTVS)	0.106	-	-	(0.056)	0.050	0.050	0.050
Homeless Prevention	0.147	-	(0.079)	-	0.068	0.048	0.048
Ty Croeso Renewal Fund	0.240	-	-	(0.050)	0.190	0.190	0.190
Ty Fesen Renewal Fund	0.200	-	-	(0.050)	0.150	0.150	0.150
Empty Homes Team	0.131	-	(0.059)	-	0.072	0.041	-
Home Loans	0.004	-	(0.004)	-	-	-	-
Private Sector Housing Fixed Term Staff Capacity	0.109	-	-	-	0.109	-	-
Corporate PC Replacement	0.818	-	-	-	0.818	0.818	0.818
Electoral Admin	0.519	-	-	-	0.519	0.519	0.518
Health & Safety Initiatives	0.263	-	-	-	0.263	0.263	0.263
Interest Equalisation	10.101	-	-	-	10.101	10.101	10.101
Invest To Save	0.862	-	(0.862)	-	-	-	-
Home Loan	0.016	0.004	-	-	0.020	0.020	0.020
PFI Equalisation Roads	1.196	-	-	-	1.196	1.196	1.196
PFI Equalisation Schools	7.189	-	-	-	7.189	7.189	7.189
<b>Total Corporate Services</b>	<b>36.549</b>	<b>2.237</b>	<b>(6.699)</b>	<b>(2.797)</b>	<b>29.290</b>	<b>24.399</b>	<b>21.656</b>

## Appendix 2 – Other Earmarked Reserves

Other Earmarked Reserves	Balance as at 31 March 2023 £m	New Approvals £m	Commitments 2023/24 £m	Release to General Fund 2023/24 £m	Forecast Balance as at 31 March 2024 £m	Forecast Balance as at 31 March 2025 £m	Forecast Balance as at 31 March 2026 £m
<b>Economy &amp; Environment</b>							
Catering - Free School Meal Payments 2023	-	0.900	(0.877)	(0.023)	-	-	-
Economy & Environment Miscellaneous	0.186	-	(0.153)	(0.033)	-	-	-
Economy & Environment Resources	0.208	0.071	(0.055)	(0.103)	0.121	0.093	0.063
Regeneration Project Board Funds	2.121	0.116	-	-	2.237	2.236	2.236
Rhymney High Street	0.050	-	-	-	0.050	-	-
Ash Dieback	0.274	-	(0.274)	-	-	-	-
Waste Strategy Route Map	-	2.347	(0.348)	-	1.999	0.999	-
Canal Refurbishment	0.100	-	-	-	0.100	-	-
Emporium Car Park Repairs	0.099	-	(0.099)	-	-	-	-
Winter Maintenance	0.419	-	-	-	0.419	0.420	0.420
LDP Revision & Update	0.331	-	-	-	0.331	0.192	0.092
Asset Management Projects	0.109	-	-	(0.109)	-	-	-
Cwmcarn Tracks and Trails Project	-	0.040	(0.040)	-	-	-	-
Valleys Task Force Crowd Funding	0.073	-	(0.073)	-	-	-	-
Cashless Catering Upgrade & Staff	0.269	-	-	(0.269)	-	-	-
Software Upgrade Public Protection	0.115	-	(0.020)	-	0.095	-	-
Area Forum	0.025	-	(0.002)	(0.023)	-	-	-
Carbon Trust Fund Grant Match Funding for Energy Efficiency Measures	0.324	-	-	-	0.324	0.324	0.324
Cemeteries Maintenance	0.337	-	-	-	0.337	0.337	0.337
Community Infrastructure Levy	0.463	-	(0.072)	-	0.391	0.390	0.390
<b>Total Economy &amp; Environment</b>	<b>5.503</b>	<b>3.474</b>	<b>(2.013)</b>	<b>(0.560)</b>	<b>6.404</b>	<b>4.991</b>	<b>3.862</b>

## Appendix 2 – Other Earmarked Reserves

Other Earmarked Reserves	Balance as at 31 March 2023 £m	New Approvals £m	Commitments 2023/24 £m	Release to General Fund 2023/24 £m	Forecast Balance as at 31 March 2024 £m	Forecast Balance as at 31 March 2025 £m	Forecast Balance as at 31 March 2026 £m
<b>Education</b>							
Ed Psychology	0.326	-	(0.326)	-	-	-	-
Ed Tech Sustainability	1.619	-	-	-	1.619	1.619	-
Education Service Miscellaneous	0.079	0.072	(0.030)	(0.049)	0.072	0.072	0.072
Education Service Resources	0.777	0.148	(0.370)	(0.040)	0.515	0.201	0.148
Education Service Specific Repairs and Renewals	0.540	-	(0.435)	(0.010)	0.095	0.095	-
Energy Meters in Primary School Kitchens	0.050	-	-	(0.050)	-	-	-
ESF Projects - Bridges into Work 2, Working Skills for Adults 2, Inspire to Work	0.213	-	-	(0.213)	-	-	-
Libraries - IT Renewals	0.075	-	(0.067)	-	0.008	-	-
School Condition and Site Surveys	0.238	0.100	(0.219)	-	0.119	-	-
School Improvement - Additional funding to support schools causing concern	0.050	-	(0.050)	-	-	-	-
Teachers Pay Shortfall for Sept 2022 in FY 2023/24	-	0.123	(0.123)	-	-	-	-
VER Contributions Schools	0.245	-	(0.061)	-	0.184	0.123	-
Local Management of Schools	2.228	-	(0.614)	-	1.614	1.615	1.614
PFI Schools Earmarked	1.578	-	-	-	1.578	1.578	1.578
<b>Total Education</b>	<b>8.018</b>	<b>0.443</b>	<b>(2.295)</b>	<b>(0.362)</b>	<b>5.804</b>	<b>5.303</b>	<b>3.412</b>

## Appendix 2 – Other Earmarked Reserves

Other Earmarked Reserves	Balance as at 31 March 2023 £m	New Approvals £m	Commitments 2023/24 £m	Release to General Fund 2023/24 £m	Forecast Balance as at 31 March 2024 £m	Forecast Balance as at 31 March 2025 £m	Forecast Balance as at 31 March 2026 £m
<b>Social Services</b>							
Beatrice Webb (103 care hrs. + 63 night care less sleep-in)	0.219	-	(0.130)	-	0.089	-	-
Caerphilly Cares/Buddy Scheme	0.411	-	(0.091)	-	0.320	0.189	0.050
Care Home Energy Payments	-	0.521	(0.521)	-	-	-	-
Development of the Safeguarding Hub.	0.058	-	(0.058)	-	-	-	-
DoLS Referrals Backlog	0.125	-	-	-	0.125	0.126	0.125
Expansion of MyST Intensive Fostering Service	0.576	-	(0.375)	-	0.201	-	-
Family Aid for Parents with Learning Disabilities	0.395	-	(0.150)	-	0.245	0.044	-
Family Contact Area Updates	0.044	-	-	-	0.044	-	-
Finance IT System	0.117	-	(0.117)	-	-	-	-
Home Care Monitoring System Upgrade	0.200	-	(0.112)	-	0.088	0.070	0.049
Laptop and Mobile Replacement	0.096	-	(0.043)	-	0.053	0.028	-
Mitigate Potential Withdrawal of ICF Grant Funding	0.500	-	-	-	0.500	-	-
Social Care Travel Costs	0.595	(0.521)	(0.030)	-	0.044	0.014	-
Social Services Miscellaneous Reserves	0.015	-	(0.015)	-	-	-	-
Social Services Resources	1.179	0.095	(0.604)	-	0.670	0.294	0.147
Social Work Qualification	0.107	-	(0.052)	-	0.055	-	-
Childrens Homes Staff Supernumerary	0.402	-	(0.402)	-	-	-	-
Ty Clyd (103 care hrs + 63 night care less sleep-in)	0.336	-	(0.050)	-	0.286	0.052	-
Social Services Commercial Activities	0.048	-	-	-	0.048	0.048	0.048
Social Services Partnership	2.868	-	-	-	2.868	2.868	2.868
<b>Total Social Services</b>	<b>8.291</b>	<b>0.095</b>	<b>(2.750)</b>	<b>-</b>	<b>5.636</b>	<b>3.733</b>	<b>3.287</b>
<b>Total Other Earmarked Reserves</b>	<b>58.361</b>	<b>6.249</b>	<b>(13.757)</b>	<b>(3.719)</b>	<b>47.134</b>	<b>38.426</b>	<b>32.217</b>





Appendix 3 – Reserves Released to Support 2024/25 Budget

	<b>Release to General Fund Reserve</b>
<b>Reserves</b>	
<b>Corporate Services</b>	<b>£m</b>
Car Park Lost Income	0.063
Community Coordinators	0.207
Municipal Mutual Insurance Future Liabilities	0.391
Waste Management Dry Recycling	0.060
Corporate Match Funding Apprentice Budget	0.065
Corporate Services Miscellaneous	0.076
Corporate Services Resources	0.172
Council Tax Reduction Scheme	0.494
Education Contribution to ESF	0.322
Finance Service System Upgrades and Replacements	0.105
IT Service Edtech	0.338
IT Service System Updates, Improvements and Developments	0.127
Licence to Innovate 20-21	0.150
Members Services	0.071
Vol Sector Grants (GTVS)	0.056
Ty Croeso Renewal Fund	0.050
Ty Fesen Renewal Fund	0.050
<b>Economy &amp; Environment</b>	
Catering - Free School Meal Payments 2023	0.023
Economy & Environment Miscellaneous	0.033
Economy & Environment Resources	0.103
Asset Management Projects	0.109
Cashless Catering Upgrade & Staff	0.269
Area Forum Reserve	0.023
<b>Education</b>	
Education Service Miscellaneous	0.049
Education Service Resources	0.040
Education Service Specific Repairs and Renewals - Drainage	0.010
Energy Meters in Primary School Kitchens	0.050
ESF Projects - Bridges into Work 2, Working Skills for Adults 2, Inspire to Work	0.213
<b>Total Other Earmarked Reserves</b>	<b>3.719</b>
<b>Service Over/Underspend Reserves</b>	
<b>Economy &amp; Environment</b>	
Building Consultancy	0.017
Regeneration	0.000
<b>Total Service Over/Under Reserves</b>	<b>0.017</b>
<b>Total Insurance Reserve</b>	<b>2.000</b>
<b>Total</b>	<b>5.736</b>