



**REPORT TITLE:** Financial Monitoring Report 2022/23

<b>Cabinet Date</b>	21 <sup>st</sup> September 2022
<b>Cabinet Member</b>	Cllr Lynden Stowe, Deputy Leader/Cabinet Member for Finance and Change
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	To provide an update on the year-end forecast for the 2022/23 County Council's Revenue and Capital Budgets
<b>Recommendations</b>	<p>That the Cabinet:</p> <ol style="list-style-type: none"><li>1. Notes the forecast revenue year end position based on July 2022 (Period 4) forecasts for the 2022/23 financial year, which is an overspend of £7.029 million all of which relates to non-Covid-19 expenditure. The Covid-19 related expenditure and income outturn is forecast to be a balanced position.</li><li>2. Notes delivery of the £5.283 million of savings against a target of £10.987 million in 2022/23 or 48.08% of target.</li><li>3. Notes the final revised Reserves Position for 2021/22 as detailed in Annex 1 following amendments to the Business Rate grant funding and reported pool surpluses for 2021/22.</li><li>4. Notes the forecast capital year end position as at the end of June 2022, forecast made in July 2022 (P4) of £161.050 million against the current budget of £163.659 million.</li><li>5. Notes a virement of £600k within the Landslip programme, from the Badgeworth Road (Reddings Bridge) Slip project to the A435 Charlton Hill phase 2 project.</li><li>6. Approves the £734k increase to the capital programme as detailed in Section C.</li></ol>
<b>Reasons for recommendations</b>	<p>To ensure that Councillors and the public are made aware of the Council's current financial position.</p> <p>To utilise funding provided by the Government across a number of financial years, in line with the purpose of the grant.</p> <p>To reflect the effects of minor changes within the Capital Programme.</p>

<b>Resource Implications</b>	These are detailed within the report
<b>Background Documents</b>	MTFS Report to 12 <sup>th</sup> February 2022 County Council
<b>Statutory Authority</b>	
<b>Divisional Councillor(s)</b>	County Wide
<b>Officer</b>	Alistair Rush, Interim Director of Finance (01452) 328999 <a href="mailto:Alistair.rush@gloucestershire.gov.uk">Alistair.rush@gloucestershire.gov.uk</a> Jayne Fuller, Corporate Finance Manager (01452) 328926 <a href="mailto:jayne.fuller@gloucestershire.gov.uk">jayne.fuller@gloucestershire.gov.uk</a>
<b>Timeline</b>	Not applicable

## Revenue Expenditure 2022/23

### A. Revenue Forecast Outturn Position 2022/23

1. The current forecast of the year end revenue position is an overspend of £7.029 million against the revenue budget of £521.330 million, based on forecasts in July 2022 (Period 4) after utilising grants for Covid-19 expenditure.
2. The largest non-Covid-19 variances are the £7.944 million forecast overspend in Children and Families and £1.35 million forecast overspend In Economy, Environment & Infrastructure –partially offset by the £2.618 million underspend in Technical & Countywide.
3. The Council's forecast cost of recovery from the Covid-19 pandemic (excluding expenditure funded from specific grants) is estimated to be £8.674 million in 2022/23 which is funded by £8.674 million carried forward from the 2021/22 Covid-19 Emergency Grant. A balanced position is therefore forecast for Covid-19 related activity.
4. An analysis of the current forecast outturn position is provided in the table and narrative below.

#### Directorate Breakdown for Cabinet Report - Position July Forecasts 2022 (P4)

Service Area	Revised 2022/23 Budget	Forecast Outturn Position	Forecast Outturn Variance	Variance %	Covid-19 Forecast £000	Forecast excluding Covid-19 £000
	£000	£000	£000	%		
Adults	164,068	164,068	0	0.00%	0	0
Prevention & Wellbeing	35,855	35,843	-12	-0.03%	0	-12
Children & Families	140,103	151,397	11,294	8.06%	3,350	7,944
Economy, Environment & Infrastructure	83,984	85,334	1,350	1.61%	0	1,350
Community Safety	21,102	21,275	173	0.82%	8	165
Corporate Resources	39,282	44,798	5,516	14.04%	5,316	200
<b>Total for Services</b>	<b>484,394</b>	<b>502,715</b>	<b>18,321</b>	<b>3.78%</b>	<b>8,674</b>	<b>9,647</b>
Technical & Countywide	36,936	34,318	-2,618	-7.09%	0	-2,618
<b>Total</b>	<b>521,330</b>	<b>537,033</b>	<b>15,703</b>	<b>3.01%</b>	<b>8,674</b>	<b>7,029</b>
<b>Additional Funding Covid-19 including carry forward to be allocated</b>	8,674	0	-8,674		-8,674	

## Adult Social Care

5. Adult Social Care (ASC) is reporting a balanced position, with an underlying overspend of £2.944 million covered by the Vulnerable Adults Reserve. Included within the outturn position there are unachieved MTFs targets totalling £2.600 million for 2022/23 and £2.896 million unfound savings from 2021/22. Although there is no formal request being made to Cabinet to use any of the ASC reserves at this point, the overspend can be covered by the Vulnerable Adults Reserve if required by the end of the financial year.
6. Adult Social Care reserves currently stand at £11.926 million. £9.164 million as Vulnerable Adults Reserve, £2.144 million Care Act Reserve, and £618k Ordinary Residents Reserve.
7. Adult Social Care is facing a number of changes currently, the financial implications of which are still unclear, linked to such diverse causes as Winter Pressures, the potential impact arising from the implementation of the social care reforms and changes in national performance and governance approaches. The impact of these changes will be kept under review and reflected within the forecast outturn as and when they can be estimated with a reasonable degree of certainty.
8. Learning Disabilities (LD) External Care is forecasting a £735k underspend, which includes £303k of savings achieved to date. The £735k acknowledges that some of the current individuals under the Transforming Care Programme (TCP) will now not move during 2022/23 as planned totalling £759k, with £24k overspend relating to ongoing cases. The underspend relating to the TCP is a one-off underspend, as the funding will be required when the individual moves in the future.
9. Older People (OP) and Physical Disabilities (PD) External Care is reporting a £3.833 million overspend, which includes £500k of savings achieved to date. The overspend is split across individual service budgets with OP showing as £1.159 million and PD £2.674 million. The current overspend relates mainly to the brought forward underlying financial position, voids relating to homes run by a major provider with a forecasted position of £1.677 million (this was partially covered by COVID grant last financial year), increased cover for bad debts, additional demand and winter/hospital pressures, and support to the external market.
10. The Mental Health position is a £618k overspend as calculated by the Gloucestershire Health and Care NHST Finance Team. The long-term plan continues to be developed with Gloucestershire Health and Care NHS Trust to address the underlying overspend. S117 backdated payments with the revised provision carried forward into 2022/23 being £957k (£518k paid to date).
11. Housing, Community Equipment Service and Telecare is reporting as £444k underspend. Funding held by the Programme Director – Housing, Health and Care is reporting an underspend of £415k. Further discussions are needed to secure ongoing funding for the Housing Strategy, and therefore will be temporarily funded by ASC budgets.
12. Other Services comprise of staffing budgets for Adult Social Care, as along with several specific commissioned contracts. The forecast outturn position for these services nets to a £710k overspend, including significant variances of:
  - £2.618 million of significant overspends which mainly relates to unfound 2022/23 ATP savings of £2.6 million.

- £1.908 million of significant underspends: £252k in Commissioning – Enhanced Independence Offer (EIO) underspend net of savings; £299k Integrated Brokerage due to vacancies; £611k OP/PD Integrated Social Care Management (ISCM) largely due to vacancies; £490k LD Assessment, Support Planning & Management mainly due to vacancies; £257k In-House Provision (LD) due to vacancies.

## **Prevention and Wellbeing**

13. Services within this area include Public Health, Supporting People and a number of smaller budgets covering the prevention hub team and grants. In total Prevention Services are forecast to be £12k under-spent due to staff changes in the prevention hub.
14. The Covid-19 grants (COMF and Test and Trace) carried forward totalled £8.262 million and this funding is committed in year to supporting the recovery of vulnerable groups and communities following the impact of the pandemic.
15. In total Prevention and Well Being is forecast to be £301k under-spent. Public Health services are funded by a ring-fenced grant which, if unspent, is required to be carried forward in a specific reserve. The Public Health (PH) position is forecast to be £289k under-spent because of a lower take-up for health checks, activity related costs in sexual health and healthy lifestyles, and staffing costs. Any balance will be transferred to the PH reserve at year end therefore the forecast under-spend, net of the transfer to the PH Reserve, is £12k.

## **Children & Families**

16. The outturn forecast for non-DSG funded services is an over-spend of £11.294 million (8.06% of budget). Included within these figures is the forecast additional cost of the impact of Covid-19 on budgets which totals £3.35 million, giving an underlying forecast over-spend of £7.944 million. This continues to be primarily against the external placements budget, due to increasing numbers of children in care and the cost of placements due to limited market availability, both of which are national issues. Social care staffing and disability services are also over-spending.
17. Additional forecast expenditure linked to the impact of Covid-19 covers two areas, including the additional cost of accommodation for care leavers, with the majority of care leavers planned to be moved to more appropriate accommodation by the end of September, and support to vulnerable pupils.
18. Activity levels within social care continue to cause significant budgetary pressures, in particular for external placements and social care staffing. Referrals in May were 897, 16% above the 2021/22 average whilst children in care numbers were 853, compared to a 2021/22 average of 830. Gloucestershire's number and rate of children in care (66 per 10,000 children in care) is above statistical neighbours (54) and approaching the England average (67).

19. The current forecast over-spend against the external placement budget is £7.366 million (20% above budget). The forecast also includes the impact of Covid-19 on care leavers which totals £3 million, resulting in an underlying over-spend of £4.366 million. The underlying over-spend is due to the number of residential placements (53 FTEs) and their unit cost. Currently, the five most complex residential placements are forecast to cost £3.235 million, 22% of the total residential spend. The current forecast average unit cost of a placement is £116,700 per annum, (residential/supported living average unit cost of £191,900) against a budget unit cost of £108,600 per annum. There are currently 481 external placements, of which 118 are residential and 136 supported living placements.
20. Against safeguarding staffing budgets, there is a forecast over-spend of £2.78 million (12.8% above budget). Turnover of staff continues to rise and has been between 21.5% and 25.6% over the last six months. At the end of June there were 131 agency workers in post, and this compares to 89 agency workers in May 2021. To reduce costs, action has already been taken to replace interims with permanent appointments and increase the number of newly qualified staff.
21. To address the significant over-spend position the senior leadership team will establish a budget working group to meet monthly to review the budget recovery position. The strategy will be to focus on early intervention to avoid the need for a costly social care response and to continue to bring the child in care population more in line with statistical neighbours over the coming years. This will involve a range of measures, aimed to impact on both numbers and associated costs, including:
- further developing our edge of care offer to support children at home and avoid entry into care, linking with youth support and early help teams;
  - reviewing the entire children in care population to drive value for money and increase partner contributions;
  - transformation of the in-house fostering service to drive up capacity, improve matching and increase family/connected carers;
  - continuing to develop our own placement capacity with providers to exert a greater influence on the market and control costs;
  - continuing to develop our permanence planning to reduce drift and delay by achieving permanence or reunification as appropriate in a timely manner;
  - Detailed review of staffing establishment and use of agency workers.
22. Services for children with disabilities are forecasting to over-spend by £1.119 million due to the increased cost and number of care packages and agency costs within disability service staffing.
23. Offsetting variances include in-house fostering and adoption services which are under-spent by £823k due to activity being below budgeted assumptions at the beginning of the year and also funding allocated for commissioning development being released to offset placements costs (£700k).
24. Home to School transport is reported as breakeven but there is a risk that the cost of living will impact on the availability of provision and the cost of awarding new contracts.
25. To continue to support vulnerable families during this year, Gloucestershire has been awarded £5.286 million from the DfE to provide holiday activities, food provision and essential items. Contracts are currently being procured to put this support in place.

### **Dedicated Schools Grant (DSG) position**

26. Dedicated Schools Grant (DSG) funded services are forecast to be over-spent by £26.654 million in 2022/23, which includes the deficit carry forward of £20.8 million on high needs and the in-year deficit budget for high needs of £6.354 million. The deficit budget results from setting realistic budgets within high needs services, reflecting growth trends and existing activity demands on special school and independent provision and top up budgets.
27. Gloucestershire's high needs block, like most LAs nationally, is currently in deficit and in the Autumn, we will be participating in the second tranche of the DfE programme of reviewing Local Authority expenditure on SEND 'Delivering Better Value'. The review will assess local processes and plans, carry out data analysis leading to identifying the cost drivers and the cause of the pressure on budgets and look at what action can be taken to resolve the deficit position setting out improvement and DSG management plans.

### **Economy, Environment & Infrastructure**

28. Economy, Environment, and Infrastructure are currently forecasting a overspend position of £1.35million against a total budget of £83.984 million which is 1.61% of the overall budget.
29. £450k is due to additional investment on roads and repairs in year.
30. £900k relates to loss of income which is split £800k against parking and £100k for libraries. The loss of income forecast is based on quarter one actual income achieved which will fluctuate from month to month so we hope to be able to firm up the numbers as we go through the year.
31. We are forecasting a £300k overspend against winter runs based on an increase in the cost of salt and a budget based on 52 runs however the last two years we have been required to carry out circa 72 runs. We are looking to absorb this overspend through in year vacancies.

### **Community Safety Directorate**

32. The Community Safety Directorate has a forecast year end position which shows an overspend of £173k including costs attributed to COVID-19 of £8k. Excluding COVID 19 costs the forecast outturn shows an overspend of £165k.
33. The forecast outturn position has changed from last month's on target position due to a reassessment of the likelihood of achieving vacancy management savings and the need to address areas of concern highlighted by HMICFRS regarding culture and embedding EDI understanding within GFRS.
34. There are some underlying risks to achieving this position which include:
  - Potential higher overtime costs due to vacancies and sickness. Pressure within the NHS has seen some long-term sick operational firefighting staff waiting longer than anticipated for treatment. Staff are required to back-fill to sustain agreed staffing levels on station.

- Inflation on supplies and services. There has been no increase to supplies and services budgets for inflation for many years and with inflation running at a much higher level than previously, this is likely to increase expenditure. In order to balance the budget at the start of the year, inflationary increases have traditionally been covered by an assumed level of vacancies but inflation costs are now of a level that is higher than the amount which can be reasonably expected to be achieved.
- Pay awards of more than 2%. Pay awards have been estimated at 2% but every 1% above this will cost £184k. Our expectation is that pay awards will be covered by additional budget funding should it be required.

### **Corporate Resources**

35. Corporate Resources are forecasting an overspend of £5.516 million (14.04% of the budget). Included within these figures is the forecast additional cost of the impact of COVID-19 on budgets which totals £5.316 million giving an underlying overspend of £200k.
36. The additional forecast expenditure of £5.316 million for the impact of Covid-19 includes £11k ICT Equipment, £43K Data Analyst costs, £76k legal cases and £5.185 million for costs associated with post covid recovery

### **Technical and Countywide**

37. Following the in-year service budget realignment of specific contingencies and corporate transport savings, the forecast outturn position for Technical and Countywide budgets is a £2.618 million underspend. The main areas of variance are highlighted in the paragraphs below.
38. Positive interest rate credits on cash balances are forecast to produce a £1.388 million under spend during the year. This is lower than previous years as a result of lower interest rates introduced to mitigate the economic impact of Covid-19.
39. The 2022/23 budget includes a savings contingency. This was approved by Council to reflect the high-risk nature of some of the savings programmes in demand led areas in 2022/23. £1.230 million is being used to support the overall budget position for 2022/23.
40. Please note that the £3 million one off cost increase specifically approved within the 2022/23 budget as a contingency for COVID – continuing pressure on external placements, will be transferred to the Children’s and Families service area and this is reflected within the forecast spend positions.

### **Amendment to the Reported Outturn Reserves Position 2021/22**

41. Following approval of the 2021/22 Outturn position by Cabinet 22<sup>nd</sup> June 2022, The Council have subsequently been notified of the following amendments: -
- Additional Section 31 Grant funding for Small Business Rates Relief Scheme £4.581 million and Covid-19 Additional Relief Fund totalling £1.367 million. This funding is provided under the Business Rates Scheme and will be required to support funding shortfalls in rate collection from 2021/22 that impact on the 2022/23 Budget. These monies have therefore been transferred to the Revenue Grant Unapplied Reserve and will be fully utilised in 2022/23.



- A reduction to the Council's share of the Gloucestershire Business Rates Retention Pool surplus for 2021/22 of £157k from £677k to £520k. Together with a reduction in the share which relates to the Strategic Economic Development Fund (SEDF) of £196k from £834k to £638k. An amendment to the amount transferred to the Business Rates Reserve for these items has therefore been made.

42. As a result of these amendments the Council's earmarked revenue reserves for 2021/22 totalled £202.545 million, an increase of £5.595 million from that previously reported to Cabinet in June 2022. A revised Reserves table is therefore shown in annex 1

## B. Delivery of Savings Programme

43. At the end of Quarter 1, £5.283 million savings have been achieved, 48.08% of the annual target, and a further £1.875 million savings are forecast to be delivered against a target of £10.987 million.

44. A total of £3.445 million is forecast to be at risk of being delivered by the end of 2021/22, which would represent 34.85% of the annual target. The most significant elements at risk being £3.403 million Adult Social Care Savings and £408k income target across Economy, Environment & Infrastructure.

Savings Programme Outturn Report - Q1 2022/23						
Programme/Project (2022/23)	2022-23 Savings Target	Achieved	Remain Outstanding	Forecast to be Achieved	Forecast Unachieved 22/23	Narrative
	£,000s	£,000s	£,000s	£,000s	£,000s	
Education (inc Home to School Transport)	179	26	153	153	0	
Vulnerable Children's	26	0	26	8	18	
Children & Families Services	205	26	179	161	18	
Adult Social Care	3,986	583	3,403	0	3,403	
Public Health & Wellbeing Services	73	73	0	0	0	
Economy, Environment & Infrastructure	4,172	2,310	1,862	1,454	408	£244k relates to historic parking income targets assuming an increase in demand that will not materialise due to Covid and WFH which has lead to a deficit income.
Community Safety	14	14	0	0	0	
Corporate Services	1,337	1,077	260	260	0	£260k relates to Agile working efficiencies
Technical & Countywide	1,200	1,200	0	0	0	
Corporate Resources & Technical & Countywide	2,537	2,277	260	260	0	
<b>Total GCC Savings 2022-23</b>	<b>10,987</b>	<b>5,283</b>	<b>5,704</b>	<b>1,875</b>	<b>3,829</b>	

## C. Capital Expenditure

### Current Spend 2022/23

45. The current capital budget for 2022/23 is £163.659 million. Actual spend against the capital programme as at the end of June 2022 (period 3) is £17.016 million.

### Budget and Forecast Outturn Position 2022/23

46. The forecast outturn position for 2022/23 is £161.050 million, against the budget of £163.659 million, giving a forecast in-year slippage of £2.609 million.

<b>CAPITAL EXPENDITURE 2022/23</b>					
Service Area	Reprofiled Budget 2022/23	Current Year Spend 2022/23	% Current Year Spend Against Reprofiled Budget	Forecast Outturn 2022/23	Forecast Year-end Variance
	£000	£000	£000	£000	£000
<b>Capital Receipts Works Before Sale</b>			0		0
<b>Adults</b>	11,452	902	8	11,336	-116
<b>Childrens Services</b>					
Schools	33,556	6,420	19	33,490	-66
Non-Schools	2,585	61	2	2,713	128
<b>Economy, Environment &amp; Infrastructure</b>					
Transport & Highways	79,476	8,635	11	79,476	0
Planning & Economic Development	5,382	47	1	5,147	-235
Environment & Waste	958	2	0	1,078	120
Libraries & Registration	1,095	8	1	1,016	-79
<b>Community Safety</b>					
Fire and Rescue Service	734	0	0	781	47
Trading Standards	39	16	41	39	0
<b>Corporate Services</b>					
AMPS	9,324	808	9	9,097	-227
ICT Projects	6,484	113	2	4,982	-1,502
Business Service Centre	145	0	0	145	0
Archives & Information Management	90	0	0	30	-60
Digital Innovation (Customer)	639	4	1	20	-619
Corporate Resouces Misc	0	0	0	0	0
Investing In Self Funded Income Schemes	11,700	0	0	11,700	0
<b>Total</b>	<b>163,659</b>	<b>17,016</b>	<b>10</b>	<b>161,050</b>	<b>-2,609</b>

### Corporate Services Capital Programme 2022/23

#### ICT

47. The ICT Capital Programme is forecasting slippage of £1.502 million against the current budget on the WAN/LAN scheme, due to the project board changing the scope of the deliverables to ensure focus on the key deliverable of an improved network. This has resulted in elements of the project (e.g. UPS provision) being moved to 2023/4.

## **Digital Innovation (Customer)**

48. The Digital Innovation (Customer) Capital Programme is forecasting slippage of £619k against the current budget, this relates to the Business Analytics project which has been identified as revenue in nature and therefore a request to transfer the current approval to revenue is included in the next section of this report.

## **Other Services Capital Programmes**

49. All other services are forecast to spend within £250k of the current budgets.

## **Changes to the Capital Programme in 2022/23 and future years**

### **Schools**

50. It is proposed that Cabinet approves an increase of £458k in the Schools Capital Programme funded by an additional Basic Need Grant allocation for 2022/23 from the Department for Education.

### **Transport & Highways**

51. It is proposed that Cabinet support a net increase of £288k in the Highways capital budget as summarised below:

- £62k from the Forest of Dean District Council towards the Lydney Harbour Project.
- £165k contribution from Monmouthshire County Council as part of their 50/50 funding of the Tintern Wireworks Bridge project.
- £6k contribution from Nailsworth Parish Council towards the 20mph Zone Community Offer project.
- £3k contribution from Slimbridge Parish Council towards the Verge & Kerbing Community Offer project.
- £44k contribution from Cotswold District Council towards the Neighbridge Footway Community Offer project.
- £50k developer contribution towards the Piley Bridge Pedestrian crossing project.
- -£10k developer contribution for the Hatherley Road project as the approval was previously overstated.
- £168k developer contribution towards the Elmbridge Court - B4063 Signalisation project.
- -£200k internal borrowing 2022-23 MTFs Bids - £295k approved but £200k no longer required project.

52. It is proposed that Cabinet support a virement of £600k within the Landslip programme, from the Badgeworth Road (Reddings Bridge) Slip project to the A435 Charlton Hill phase 2 project. This will ensure sufficient funds are approved to complete construction of the Charlton Hill project. The resulting £400k short on Badgeworth Road will be made available from the 2023/24 Landslip allocation of the DfT block grant funding.

### **Planning & Economic Development**

53. It is proposed that Cabinet approves a net increase of £2k to the Planning & Economic Development Capital budget as summarised below:

- £53k from CIL contribution from Stroud District Council, towards the Nailsworth Flood Alleviation project
- -£51k Environment Agency grant - Since we received the grant in 20-21, the number of properties benefitting from the scheme reduced and the scheme became ineligible for

the funding. It has been agreed with the Environment Agency that the grant will be returned.

### **Environment & Waste Disposal**

54. It is proposed that Cabinet approves an increase of £120k in the Waste Capital Programme funded by an RCCO for the Reuse Shop project.

### **Libraries & Registration**

55. It is proposed that Cabinet approves an increase of £197k in the Libraries capital budget funded by developer contributions as summarised below:

- £15k towards the Tewkesbury Library project.
- £42k towards the Berkley Community Library project.
- £140k towards the Lydney Library Refurbishment project.

### **Corporate Services**

#### **Asset Management and Property Services**

56. It is proposed that Cabinet support a net increase of £289K in the AMPS Capital Programme budget: -

- £325K increase via a s256 contribution from the CCG for the Community Diagnostic Hubs at Quayside Health Hub.
- £36K decrease due to unspent Stonehouse Library Relocation MTFS bid from 2019/20 no longer required.

### **Digital Innovation (Customer)**

57. It is proposed that Cabinet support a £619k transfer to revenue of the Business Analytics Capital Scheme. There is Capital approval and funding held in the Capital Fund to support this transfer. Business Analytics is held on the Azure Cloud, which is a cloud-based scheme and now assessed to be revenue in nature. The Azure Cloud scheme transferred to revenue in 21/22. This will in effect be a £619k reduction in the Capital Budget.

### **Overall**

58. As a result of the above changes, the overall capital programme will increase by £734k.

## Annex 1 Final 2021-22 Reserves Summary

Earmarked Revenue Reserves	Balance at 31 <sup>st</sup> March 2021	Transfers Out 2021/22	Transfers In 2021/22	Balance at 31 <sup>st</sup> March 2022	Notes
	£'000	£'000	£'000	£'000	
<b>Contractual Commitments</b>					
Strategic Waste Reserve	3,840	-592	1,173	4,421	This is a smoothing reserve relating to the full life contract of the EFW project.
Fire Joint Training Centre	990	-58	0	932	This is a smoothing reserve relating to the full life contract for the Fire Training Centre.
Fire PFI Reserve- GRFS	3,907	0	186	4,093	This is a smoothing reserve relating to the full life contract for the Fire Stations PFI.
Insurance Fund	13,923	-5,779	3,287	11,431	Insurance Fund levels are based on external professional actuarial review and advice to mitigate GCC's insurance liability.
Capital Fund	14,675	-6,505	5,736	13,906	This reserve is used for capital financing and funds schemes approved under the Council's Capital Programme.
Transformation Reserve	10,170	-6,075	8,743	12,838	This reserve funds the transformation required for the Council to make sustainable savings.
<b>Technical Funding Reserves</b>					
County Elections	864	-351	0	513	This reserve is to smooth the cost of funding the council elections.
Invest to Save	2,759	-1,000	173	1,932	This reserve is used to support invest to save projects eg: Salix loan grants initiative for energy saving projects.
Education Funding Risk Reserve	216	-64	0	152	This reserve was established to smooth the impact from schools becoming academies.
Economic Stimulus Reserve	2,614	-1,506	0	1,108	The Economic Stimulus Reserve is fully committed to fund: Rural Broadband ; Apprentices ; Grow Gloucestershire; Saturn Model.
Public Health	1,061	-1,061	2,884	2,884	Public Health is a ring fenced grant, and this ring fenced reserve was established in accordance with national grant conditions to carry forward any unspent balances from the annual grant received from Government.
Vulnerable Children Reserve	174	-247	1,169	1,096	The reserve offsets demand-led pressures in children's services.

<b>Earmarked Revenue Reserves</b>	<b>Balance at 31<sup>st</sup> March 2021</b>	Transfers Out 2021/22	Transfers In 2021/22	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>Notes</b>
	<b>£'000</b>	£'000	£'000	<b>£'000</b>	
Adult Care Reserve	<b>9,879</b>	0	2,047	<b>11,926</b>	This reserve provides funding to mitigate demand risk in Adult Social Care, given given the continuing concern about the volatility in demand and the pressure across the health and social care economy.
Growing Our Communities Reserve	<b>149</b>	-60	0	<b>89</b>	Growing Our Communities Fund – this fund will allow each Councillor to allocate £30,000 over a three year period to invest in key community projects.
People Services Reserve	<b>231</b>	0	40	<b>271</b>	The reserve offsets demand-led pressures in People services.
Home to School Transport Reserve	<b>28</b>	0	136	<b>164</b>	This reserve is to smooth the impact changes in schools days year to year on home to school transport.
A417 Missing Link Reserve	<b>289</b>	-348	174	<b>115</b>	This reserve has been established to support pre development work on the A417 project to be undertaken.
Business Rates Reserve	<b>7,490</b>	-1,898	5,900	<b>11,492</b>	This reserve was established to cover the Council against a potential funding shortfall in business rate income, given the volatility of the scheme and the potential impact of Business Rate appeals on income. The reserve holds £3.244 million ringfenced for economic development projects within the County. Spending plans for this is via the Gloucestershire Economic Growth Joint Committee.
Revenue Grant Reserves	<b>62,845</b>	-49,731	50,757	<b>63,871</b>	The Revenue Grants Reserve is a technical reserve for specific unapplied revenue grants and contributions, where conditions related to the monies have been met but expenditure has not been incurred. The monies remained ring fenced and fully committed. This reserve is prepared in accordance with the Accounting Code of Practice issued annually by the Chartered Institute of Public Finance and Accountancy, which the Council is legally required to follow.
Economy, Environment & Infrastructure Reserve	<b>6,805</b>	-8,378	11,003	<b>9,430</b>	The reserve was established to carryforward specific budget under spends.
Traded Services Reserve	<b>161</b>	-31	0	<b>130</b>	This reserve was established to mitigate against any loss in traded income, and invest in services to generate more traded income.
Shared Audit Services Reserve	<b>170</b>	-50	32	<b>152</b>	This reserve was established to hold specific reserves held under the Shared Audit Services.

<b>Earmarked Revenue Reserves</b>	<b>Balance at 31<sup>st</sup> March 2021</b>	Transfers Out 2021/22	Transfers In 2021/22	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>Notes</b>
	<b>£'000</b>	£'000	£'000	<b>£'000</b>	
LED Renewables Reserve	532	0	0	532	This reserve was established to provide budget support for the LED renewables project.
Highways Act Comuted Sums Reserve	2,097	-93	204	2,208	This reserve was established to hold contributions received to provide future revenue budget support to Highway Services.
Minimum Wage Reserve	1,000	-1,000	0	0	This reserve was established to provide budget support for increases in the cost of employment and engagement with partners.
Ash Die Back Reserve	700	-700	0	0	This Reserve was established to support the Ash Die Back Project
Other Reserves	312	-21	30	321	A number of small miscellaneous reserves eg:Minerals & Local Waste;disputed capital receipts.
<b>Total Earmarked Reserves</b>	<b>147,881</b>	<b>-85,548</b>	<b>93,674</b>	<b>156,007</b>	

<b>Earmarked Revenue Reserves</b>	<b>Balance at 31<sup>st</sup> March 2021</b>	<b>Transfers Out 2021/22</b>	<b>Transfers In 2021/22</b>	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>Notes</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
School Balances	19,918	-19,918	23,326	23,326	This reserve represents ring fenced balances held by individual schools carried forward to support future years expenditure.
Other Schools Related	230	-230	160	160	This represents a number of specific ring fenced school related reserves
<b>Total School Related Reserves</b>	<b>20,148</b>	<b>-20,148</b>	<b>23,486</b>	<b>23,486</b>	
<b>Total</b>	<b>168,029</b>	<b>-105,696</b>	<b>117,160</b>	<b>179,493</b>	
<b>General Fund Balances</b>	<b>21,999</b>	<b>0</b>	<b>1,053</b>	<b>23,052</b>	General balances protect the Council from unknown risks including any overall Council over spend.
<b>Total Revenue Reserves</b>	<b>190,028</b>	<b>-105,696</b>	<b>118,213</b>	<b>202,545</b>	
<b>Earmarked Capital Reserves</b>	<b>Balance at 31<sup>st</sup> March 2021</b>	<b>Transfers Out 2021/22</b>	<b>Transfers In 2021/22</b>	<b>Balance at 31<sup>st</sup> March 2022</b>	<b>Notes</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Capital Grant Reserves</b>	<b>120,655</b>	<b>-110,784</b>	<b>88,216</b>	<b>98,087</b>	This technical reserve relates to unspent capital grants and contributions, which are fully committed to funding the Council's approved Capital Programme.
<b>Capital Receipts Unapplied Reserves</b>	<b>10,020</b>	<b>-11,493</b>	<b>6,671</b>	<b>5,198</b>	This reserve reflects capital receipts, which are fully committed to funding the approved capital programme.
<b>Total Capital Reserves</b>	<b>130,675</b>	<b>-122,277</b>	<b>94,887</b>	<b>103,285</b>	