

Earmarked Reserves

Managing Risks: The following reserves have been created to manage risks.

Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Risk Management				
Adults Social Care Reserve for Growth and Demand Pressures	This reserve is to support increases in growth and demand across adult social care	(2,000)	2,000	-
Budget Contingency Reserve	Available to address in-year budget pressures that cannot be addressed from within existing service budgets.	(5,626)	1,768	(3,858)
Budget Strategy Reserve	Funds in this reserve are available to address reorganisation costs as a result of the financial challenges faced by the Council over the medium term.	(5,899)	-	(5,899)
Insurance Reserve	The Reserve is for unexpected insurance claim events that cannot be covered by Insurance Fund budgets. Insurance claims costs vary year to year and a contribution may be made to or from the Reserve dependent on the Fund outturn position.	(2,811)	-	(2,811)

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Risk Management				
HRA Homelessness	Available to support initiatives that work to prevent homelessness. This reserve was set up due to the uncertain future of the grant. Homelessness is on the increase and the Homelessness Reduction Act requires authorities to provide earlier interventions to prevent homelessness.	(109)	109	-

Earmarked Reserves

Investment Reserves: These reserves have been created to enable investment to support Our City: Our Plan

Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Investment				
Climate Change Reserve	Funds in this reserve are available for climate change feasibility works and will enable the Council to tackle climate change with a shift to net carbon zero by 2028.	(624)	566	(58)
Transformation Reserve	To progress the Our Council Transformation Strategy and ultimately deliver greater efficiencies.	(2,948)	1,843	(1,105)
Efficiency Reserve	Available to allow pump priming and investment in new developments, where the main aim is to generate efficiencies in the future as supported by a fully costed business case.	(5,360)	209	(5,152)
Community Initiatives	For a programme of positive community-based activities to engage and develop young people.	(999)	711	(288)
Our City Our Plan Reserve	This reserve is to support Our City, Our Plan priorities.	(5,055)	3,589	(1,466)

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Investment				
Ward Funds Reserve	The Reserve is to carry forward unspent Ward Funds for future use to be determined in conjunction with Councillors.	(137)	137	-
Regeneration Reserve	To fund projects in support of corporate regeneration priorities and maintaining the city centre development.	(2,318)	1,753	(565)
Adult Services Transformation Reserve	Over the next few years the Adult Service Transformation Programme will be refreshed and will prioritise a number of key projects, including the redesign of the operating model, associate structures, and review of the practice model. This reserve will be used to support this transformation work and deal with the growing demand within Adult Social Care.	(2,478)	2,372	(106)
Kickstart Loans	Recycling of funds secured following the repayment of Kickstart Loans into assistance for	(72)	-	(72)

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Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Investment				
	private sector housing improvements.			
Schools Arts Service Reserve	This reserve is made up of funds to support educational art projects in schools and the wider community, which may lead to increased future income streams.	(3)	3	-

Earmarked Reserves

Smoothing Reserves: The following reserves have been created to manage fluctuations which are balanced over the medium term.

Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Smoothing				
Future Years Budget Strategy Reserve	Funds have been transferred into this reserve to support the budget strategy in future years.	(11,535)	11,535	-
Revenues and Benefits Strategy Reserve	Funds available to address changes in benefit distribution.	(1,059)	-	(1,059)
Elections Reserve	The cost of running local elections to the Council in any year is dependent on whether they are standalone or combined elections. Combined elections costs are effectively shared, resulting in efficiencies enabling contribution to be made to this reserve. Standalone election costs are conversely expected to exceed the local elections budget. In these years the additional costs are to be funded from the Elections Reserve.	(40)	-	(40)

Earmarked Reserves

Restricted Reserves: These reserves have been created to manage ring-fenced funding.

Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Restricted				
Safeguarding Partnership Board	To fund the Safeguarding Partnership Board expenditure in future years. This reserve is made up of contributions from our partners to support the running costs of the Safeguarding Partnership Board.	(212)	21	(191)
Building Resilience Reserve	To continue activities under the preventing violent extremism work stream.	(4)	-	(4)
The Education (Penalty Notices) Regulations 2007	This reserve is made up fines levied to parents where their children are taken out of school on holidays during term time. The fund can only be spent on issuing and enforcing penalty notices, and prosecuting recipients who do not pay.	(117)	-	(117)

Earmarked Reserves

Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Restricted				
Regional Adoption Agency (RAA)	As part of the funding agreement with partner Authorities in the Regional Adoption Agency it has been agreed that an overspend up to 5% of the approved budget will be held in a reserve to be utilised in future years.	(990)	250	(740)
PFI surplus reserve	A reserve to allow in year PFI contract efficiencies to be utilised to meet future years expenditure.	(2,490)	-	(2,490)
Victoria Square Sinking Fund Reserve	Contributions made by tenants and set aside by the Council to meet future maintenance costs at Victoria Square commercial units.	(30)	-	(30)
Magistrates Court Reserve	Sinking fund to meet non recoverable refurbishment costs for buildings occupied by Magistrates Courts' staff.	(34)	-	(34)

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Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Restricted				
Markets Reserve	To fund periodic repairs and maintenance at the wholesale market including, for example, internal and external redecoration. The Reserve has been established from market trader contributions (part of annual service charges).	(92)	-	(92)
Licensing Reserve Wolverhampton	The Licensing service is not permitted to make a surplus over a three-year period. Against this background the reserve is used to minimise variations in fees imposed as costs and license volumes fluctuate between years.	(2,651)	1,070	(1,581)
Wholesale Market Sinking Fund	Established to fund specific major replacement and refurbishment projects at the wholesale market including, for example, plant and equipment replacement or a roof replacement. This reserve has been established from market trader contributions (part of annual service charges).	(21)	-	(21)

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Restricted				
Highway Management Reserve	Reinvestment of funds secured through Bus Lane enforcement into Highway improvement.	(1,021)	284	(737)
Private Sector Housing - Civil Penalties	This reserve is made up of fines levied on private sector landlords under the Housing Planning Act 2016. As an alternative to prosecution landlords can be fined for breaches of the act for example breaches of an improvement notice or overcrowding in a property. Fines can be up to £30,000 and are ringfenced to provision of the service.	(124)	53	(71)

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Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Restricted				
Private Sector Housing - Licencing Fees	Licencing fees are levied on all private sector properties that offer multiple occupancy. Each property is charged a set fee at the point of registration. Properties are then assessed against pre-defined criteria and are awarded a star rating. Depending upon the star rating awarded an amount of the licence fee is refunded up to a total of the original fee. This reserve is required in order to fund these refunds in future years.	(60)	-	(60)
Revenue Grants Unapplied (IFRS) Reserve	Established in accordance with the principles of IFRS in relation to the recognition of grants and contributions in the council's accounts. Approvals for the use of actual grants are made during the year according to the Council's constitution.	(4,826)	-	(4,826)

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Reserve	Description of Reserve	Balance at 1 April 2023 £000	Net Forecast Use/ (Contribution) 2023-2024 £000	Forecast Balance for 2023-2024 £000
Restricted				
Art Fund	Funds administered to support revenue expenditure against criteria defined by the bequest.	(33)	-	(33)
Mayors Award	Trust funds administered by the authority with specific criteria for allocation.	(2)	-	(2)
Covid Collection Fund tax income guarantee scheme reserve	In the Spending Review 2020, the Government announced funding to compensate 75% irrecoverable losses from council tax and business rates revenues in 2020-2021, that would otherwise need to be funded through local authority budgets in 2021-2022 and later years. The reserve has been established to hold the funds. Due to Collection Fund accounting treatment, the deficit on the Collection Fund in 2020-2021, to be offset in part by this funding, will not be realised until 2021-2022 and later years.	(2,458)	2,458	-

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Restricted				
Mediation Service	To provide a Mediation Service which is self-funded through annual contributions, mainly from Wolverhampton Homes and Cannock Chase District Council.	(1)	-	(1)
Community Safety	To assist the Safer Wolverhampton Partnership to deliver the Community Safety and Harm Reduction Strategy and its annual Delivery Plan, as authorised by the Office of the Police and Crime Commissioner.	(22)	-	(22)
Public Health	This reserve has been established from ring fenced Public Health grant and is to fund one-off public health initiatives.	(7,306)	5,445	(1,861)
Building Control Service Improvements	Any surplus achieved on the Building Control Service is required to be reinvested back into the service.	(186)	32	(154)
WM Strategic Migration Partnership	0	(56)	-	(56)

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Restricted				
Funds and Bequests Reserve (including Mary Ellen Bequest)	Trust funds administered by the authority with specific criteria for allocation.	(16)	-	(16)
Grand Theatre Loop	Trust funds administered by the authority with specific criteria for allocation. Balance in this reserve is £127.00	-	-	-
Schools Balances	0	(15,154)	655	(14,499)