

**Reserves Out-turn 2019-20**

**Appendix 1**

Description	Balance at 31/03/19 £000	Movement in 2019/20 £000	Balance at 31/03/20 £000	Movement in 2020/21 £000	Balance at 31/03/21 £000	Explanation
<b>Non-earmarked Reserves</b>						
General Fund Reserve	8,126	4,490	12,616	0	12,616	The Council's working balance: used as a last resort for emergency spend. The balance as at 31st March 2020 is 3% of net spending in line with the minimum prudent level recommended by the Executive Director of Resources
	<b>8,126</b>	<b>4,490</b>	<b>12,616</b>	<b>0</b>	<b>12,616</b>	
PFI Reserve	33,678	(1,704)	31,974	(2,041)	29,933	The PFI reserve exists due to Government funding being received in advance to pay future years' liabilities. This income is set aside in a reserve until needed to ensure sufficient funds are available to cover the cost of contracts in future years.
Highways PFI Reserve	8,002	(3,536)	4,465	(2,614)	1,851	
<b>Total PFI Reserve</b>	<b>41,679</b>	<b>(5,240)</b>	<b>36,440</b>	<b>(4,655)</b>	<b>31,784</b>	
<b>Invest to Save</b>	<b>5,354</b>	<b>1,692</b>	<b>7,046</b>	<b>1,642</b>	<b>8,688</b>	Used to fund transformation projects aimed at delivering long term revenue savings.
<b>Major Sporting Facilities</b>	<b>24,159</b>	<b>4,473</b>	<b>28,632</b>	<b>(12,315)</b>	<b>16,317</b>	The Major Sporting Facilities (MSF) reserve exists because of the need to smooth the future significant payments due to Sheffield City Trust (re: Ponds Forge, the Arena, Don Valley Stadium and Hillsborough Leisure Centre).
<b>New Homes Bonus</b>	<b>11,749</b>	<b>5,429</b>	<b>17,178</b>	<b>(3,200)</b>	<b>13,978</b>	This reserve is earmarked to support economic development across the City.
<b>Insurance Fund Reserve</b>	<b>10,174</b>	<b>178</b>	<b>10,352</b>	<b>0</b>	<b>10,352</b>	This reserve is set aside to cover potential insurance claims made against the Council.
<b>Public Health</b>	<b>1,152</b>	<b>(932)</b>	<b>220</b>	<b>0</b>	<b>220</b>	During 2013/14 the DoH allocated Public Health Grant to enable local authorities (LA) to discharge their new public health responsibilities. Grant conditions for this funding requires the LA to transfer any unspent funds to reserves for use in future years.
<b>Service Area Reserves</b>	<b>14,129</b>	<b>1,894</b>	<b>16,023</b>	<b>500</b>	<b>16,523</b>	These are a variety of service specific reserves agreed by Cabinet in previous years set aside for long-term projects / plans, examples include the Workplace Accommodation Strategy and the Flexible Development Fund
<b>Children's and Adult Social Care</b>	<b>18,864</b>	<b>(15,410)</b>	<b>3,454</b>	<b>(3,454)</b>	<b>0</b>	Social Care reserves are held to deal with transforming Social Care in Sheffield to better meet the much publicised challenges facing the sector and to deal with unforeseen costs.
<b>Business Rates Appeals</b>	<b>19,576</b>	<b>(16)</b>	<b>19,560</b>	<b>0</b>	<b>19,560</b>	This reserve is required to cover potential reductions in Business Rate income following future successful appeals.
<b>Covid</b>	<b>0</b>	<b>32,537</b>	<b>32,537</b>	<b>(32,537)</b>	<b>0</b>	This includes specific emergency Covid funding from Government to cover costs and prepayment of 2020/21 Business Rates Section 31 grants to support the Council's cash flow position during the Covid crisis.
<b>Other earmarked</b>	<b>53,292</b>	<b>20,184</b>	<b>73,476</b>	<b>14,215</b>	<b>87,691</b>	Other Earmarked reserves include funds which are set aside to cover predicted liabilities such as redundancies, equal pay claims and the costs of the ICT 2020 project. During 2016/17 £48m of these reserves were used temporarily to fund the Pension Deficit early payment. These funds have been repaid over the last three years ensuring that the funds are available when needed for their primary purpose.
<b>Total Earmarked Reserves</b>	<b>200,129</b>	<b>44,789</b>	<b>244,918</b>	<b>(39,804)</b>	<b>205,114</b>	
<b>Total Revenue Reserves</b>	<b>208,255</b>	<b>49,279</b>	<b>257,534</b>	<b>(39,804)</b>	<b>217,730</b>	

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