

SPECIFIC RESERVES AT THE END OF MARCH 2008.

Reserve Description	Opening Balance £'000	Received In Year £'000	Used In Year £'000	Closing Balance £'000
Insurance Reserve	2,978	0	(1,045)	1,933
Support Services	409	20	(114)	315
General Housing Subsidy	400	0	(100)	300
Benefits General	107	0	(0)	107
Building Control	27	0	(0)	27
Planning	813	29	(0)	842
Social Inclusion	29	0	(13)	16
Communications	54	0	(15)	39
Human Resources Strategy	33	0	(33)	0
Lottery	50	0	(14)	36
Corporate Property	250	0	(250)	0
Dowry	572	0	(0)	572
Repayment of After Values	261	0	(0)	261
Regeneration Reserve	1,883	831	(0)	2,714
Management of Change	1,500	0	(0)	1,500
Use of Reserves	1,179	0	(305)	874
Earmarked for Capital	309	0	(45)	264
Staffing Reserve	0	813	(0)	813
East Durham Business Service Reserve	0	400	(0)	400
Housing Strategy Reserve	0	235	(0)	235
	10,854	2,328	(1,934)	11,248

Description and Reasons for Reserves

The Insurance Reserve was established in 1992 and is used to fund the first £145,000 of each claim up to a £500,000 annual cap. A further £45,000 is held by the council's external insurance broker to administer claims handling on behalf of the council. During 2007/08 £1million was transferred back to the General Fund and Housing Revenue balances as the fund was higher than required.

The Support Services Reserve arises following the introduction of internal recharges and Service Level Agreements between Central Support Services and Direct Service Departments. Any profits or losses are allocated to this account as necessary.

The General Housing Subsidy Reserve (HRA) is available for repayment of DCLG grant, during 2007/08 £100,000 was transferred back to the Housing Revenue Account balance.

The Benefit General Reserve has been established to ensure sufficient funds available if the DWP request reimbursement for grants previously received from them, and also to finance the new initiatives currently being implemented within the benefits regime.

The Building Control Reserve has been established from surplus income received in 2003/04 which is required to fund a replacement IT system and an additional staffing placement.

The Planning Grant Reserve has been established from the Government grants paid since 2003/04. The grant is being utilised to fund improvements to the service over the next 3 years.

The Social Inclusion Reserve has been established to address initiatives in respect of the elderly and young people and to resource the officer support.

The Communications Reserve has been established to fund areas identified within the communications strategy. There are a number of national and local initiatives to be communicated to the public.

The Human Resources Strategy Implementation Reserve has been established to fund the implementation of the Human Resource Strategy.

The Lottery Reserve is the balance of monies remaining unallocated from the defunct local lottery, and is available to fund leisure activities.

The Corporate Property Reserve has been established to fund the feasibility study in the construction of new council premises, this reserve is no longer required and has been transferred back to the General Fund Balance.

The Dowry Account is a reserve received from One North East and is to be used towards maintenance works of the Hawthorn Coke work site beginning in April 2008 for a 10-year period.

The Repayment of After Values is a reserve set aside to meet possible repayment of grant in relation to Derelict Land (reclamation schemes).

The Regeneration Reserve has been established from the Local Authority Business Growth Incentive grant and is to be used to sustain and support future regeneration within the District.

The Management of Change Reserve has been established to support the general fund budget over the medium term in anticipation of severe financial risks emerging from the Comprehensive Spending Review 2007, the efficiency agenda for 2008 and other service pressures.

The Use of Reserves has been established to set aside resources to cover the programme of initiatives agreed by Members in November 2005 whereby an additional £1.5m of reserves was released to achieve service improvements, increased capacity and efficiencies over a 3-year programme.

The Capital Reserve has been established from monies for the sale of the industrial portfolio, which was previously, included within the main general fund balance. This reserve represents the residual amount, which has not yet been spent within the District.

The Staffing Reserve has been established to ensure that persons employed on a fixed term contract are provided for when the District Council is disbanded and the new Unitary Authority takes up the councils services.

The East Durham Business Service Reserve has been established to provide support for the Business services for the next 3 years, to sustain the service in the medium term.

The Housing Strategy Reserve has been established to provide for the carrying out of a number of Housing Strategic related projects.