

Summary of Earmarked Reserves at 31 March 2023

Transformation and Workforce management - £7.800 million

The Council has resources earmarked to enable the Transformation & Change Strategy as discussed in section 5 of this report. This includes resources previously earmarked for Covid-19,

Revenue Grants - £7.041 million

These grants are being carried forward in Reserves in accordance with proper accounting practice as the grant conditions have been met but the relevant expenditure has not yet been fully incurred. It is possible that further grants will be received in advance of the financial year end, which will augment the projected earmarked Reserve.

Developer Contributions: Commuted Sums & Infrastructure and Affordable Housing - £5.549 million

The Enterprise & Infrastructure Committee approved supplementary guidance on 3 September 2014 for developer contributions covering community greenspace, primary education, Auchterarder A9 junction improvements, affordable housing and transport infrastructure (Report No. 14/370 refers).

Developer Contributions are held in the Council's earmarked Reserves until they are applied to relevant schemes. It is projected that approximately £1.5 million of unapplied resources in relation to affordable housing will be held by the Council at 31 March 2023 and it is proposed to earmark the unapplied amount within General Fund Balances.

Additionally, it is proposed to earmark accumulated balances of £2.185 million for the provision of education infrastructure and £622,000 for transport infrastructure. Contributions are also provided by developers towards the cost of maintaining areas of ground. These contributions are used to fund relevant expenditure over a ten-year period.

It is projected that approximately £1.242 million of unapplied resources for tree planting, play areas, community allotments and sports grounds will be held by the Council at 31 March 2023.

In summary it is proposed to earmark the unapplied amount of developer contributions and commuted sums within General Fund Balances as follows:

	£m
Affordable Housing	1.500
Education Infrastructure	2.185
Transport Infrastructure	0.622
Environmental Infrastructure	1.242
TOTAL	5.549

**Affordable Housing (Resources accrued from reduced Council Tax Discounts)
- £4.277 million**

It is anticipated that by the end of the current financial year, there will be a balance of approximately £3.531 million in earmarked Reserves which has been generated as a result of the Council's policy of varying the level of Council Tax charged for long term empty properties and second homes. There are projected commitments against this reserve of £200,000 in 2023/24.

Children and Young People's Residential Care - £2.025 million

As discussed in section 8.9 of this report these resources have been earmarked to be utilised in the provision of children's social work services over the next 2 financial years in managing the impact of Covid-19 on higher levels of needs and reduce the number of residential placements.

Non-Recurring Revenue Budget Proposals - £1.627 million

The 2023/24 Provisional Revenue Budget includes non-recurring expenditure proposals of £1.627million which are funded by the Council's earmarked reserves and have been approved during the year at the Finance & Resources Committee.

Car Parking - £1.529 million

The Car Parking balance is estimated to be a similar level at 31 March 2023 as the previous year which was compensated through the loss of income funding from the Scottish Government. This surplus is restricted in its application under the Road Traffic Regulation Act 1984 and any proposals to utilise these resources will require to be approved by the Strategic Policy & Resources Committee.

COVID-19 - £1.504 million

The Council approved the creation of a COVID-19 Reserve on 27 January 2021 (Report 21/8 refers) to assist with addressing the ongoing impact of Covid-19 in future years. The balance at the start of 2022-23 was £18.343 million.

The following table sets out the adjustments during this financial year to date, and beyond, from the Covid Reserve:

	£m
Balance at 31 March 2022	18.343
2022/23 Revenue Budget Strategy	(9.556)
SP&R approved proposals (2022/23)	(2.221)
Services for Children and Young People	(1.050)
Re-designated to Transformation and workforce	(4.012)
Balance at 31 March 2023	1.504
2023/24 Revenue Budget previously approved	(0.500)
Projected balance at 31 March 2024	1.004

Culture - £1.195 million

There is £1.195 million earmarked for developing the cultural offer originally approved from an under spend in the 2018/19 Revenue Budget and transferred to a Cultural Reserve as part of 2018/19 Revenue Monitoring Report 2 to the Strategic Policy & Resources Committee on 28 November 2018 (Report No. 18/384 refers). This has been increased in future years by further underspends from the culture budget.

Perth High School - £1.105 million

This is the remaining balance of £2.116 million originally earmarked as part of 2016/17 Revenue Monitoring Report 1 to the Strategic Policy and Resources Committee (Report No. 16/400 refers) for future maintenance works at Perth High School. This is for works identified over and above those funded each year from the property maintenance budgets in future financial years.

Devolved School Management (DSM) - £777,000

The earmarked amount shown above is an estimate of the accumulated sum available to be carried forward at 31 March 2023 under the approved scheme for managing these budgets. The purposes for which the earmarked amount can be used and the procedures for its management and control are detailed in the Council's approved DSM scheme (Report No. 15/507 refers).

Decant Schools - £700,000

Revenue Budget Report 2021/22 No 4 to the Strategic Policy & Resources Committee on 2 February 2022 approved the earmarking of resources of £300,000 in respect of expenditure on temporary decant expenditure in terms of progressing the Education & Children's Services capital programme. This was further increased at the end of the 2021-22 financial year.

School Counsellors - £681,000

Revenue Budget 2020-21 Update No 2 to the Strategic Policy & Resources Committee on 25 November 2020 (Report No. 20/225 refers) approved the earmarking of resources received from the Scottish Government in respect of counselling in schools which were not anticipated to be spent in 2020/21 due to school closure during the lockdown period. These resources will be applied in 2023/24 due to a three year contract being awarded.

Financial Insecurity - £650,000

The Council has underspent on funding received during 2022-23 for financial insecurity and proposes to earmark these resources to be utilised in 2023-24 and future years.

Modern Apprentices / Graduate Trainees - £434,000

The Strategic Policy and Resources Committee originally approved the transfer of £150,000 during 2014/15 to fund future expenditure on modern apprentices and graduate trainees. The projected balance remaining at 31 March 2023 is £434,000 which includes current and previous year underspends from an annual recurring budget of £450,000.

Bertha Park High School - £274,000

There is £274,000 of resources remaining from the £1.799 million originally earmarked to equip the new school at Bertha Park which opened in August 2019. (Report Nos 15/395 and 18/41 refer).

These resources will be utilised in future years as the pupil intake increases to equip further classrooms.

Primary School at Bertha Park - £270,000

Revenue Budget Report 2021/22 No 4 to the Strategic Policy & Resources Committee on 2 February 2022 approved the earmarking of resources of £270,000 in respect of the non recurring set up costs of the new Primary school at Bertha Park. It is anticipated that Education and Children's Services will contribute further underspends in future years.

Property Maintenance - £228,000

Revenue Budget Report 2021/22 No 3 to the Strategic Policy & Resources Committee on 24 November 2021 approved the earmarking of resources of £250,000 in respect of property maintenance to be utilised in future years. This was increased by a further £55,000 in 2021-22

PH20 (Perth Leisure Vision) - £212,000

The Strategic Policy and Resources Committee approved the transfer of £350,000 from a budget of £500,000 as part of 2019/20 Revenue Monitoring Report 3 to the Strategic Policy & Resources Committee to fund the future design and business

operating model of the PH2O project (Report No 20/22 refers). The remaining balance of £212,000 will be utilised in future years on this project.

Works Maintenance - £200,000

It is proposed that the Council continues to earmark the balance of £200,000 for future works maintenance which remains from the £1.25 million approved as part of the 2018/19 – 2020/21 Revenue Budget.

Perth & Kinross Offer - £192,000

The Strategic Policy and Resources Committee in November 2020 approved the transfer of £262,000 from a budget of £350,000 as part of Revenue Budget 2020-21 Update No 2 to fund future expenditure on the Perth & Kinross Offer (Report No 20/22 refers). This was augmented by further resources in 2019/20. These resources will support the delivery of the Perth & Kinross Offer.

World Cycling Championships - £180,000

The Finance & Resources Committee in November 2022 (Report No 22/294) approved the earmarking of £180,000 of reserves for the UCI Cycling World Championships in August 2023. These resources will be utilised in 2023-24.

Salix - £113,000

Salix Finance Ltd is a Government owned non-departmental public body which provides interest free loan funding for energy efficiency works. The loan is re-paid to the fund over a number of years and re-invested in future energy efficiency works.

It is projected that the balance on the Fund at 31 March 2023 will be approximately £113,000 and this amount is shown as being earmarked within General Fund Reserves.

Local Action Partnerships - £107,000

The amount shown is earmarked for Local Action Partnerships and is the balance of resources which were approved in 2017/18 Revenue Monitoring Report 3 by the Strategic Policy & Resources Committee (Report No.18/41 refers). These resources are approved for payment to groups via application to one of the seven local action partnerships.

Grounds Maintenance - £60,000

The Strategic Policy and Resources Committee approved the transfer of £225,000 as part of 2018/19 Revenue Monitoring Report 4 to fund road safety measures around the A9/A85 project. (Report No 19/110 refers). The balance of £60,000 will be utilised in 2023-24.

Community Investment Fund - £38,000

It is proposed that the Council continues to earmark the remaining balance of £38,000 of the Community Investment Fund approved as part of the 2018/19 – 2020/21 Revenue Budget.