

ISLE OF ANGLESEY COUNTY COUNCIL

Report to:	EXECUTIVE COMMITTEE
Date:	19 JULY 2022
Subject:	DRAFT FINAL ACCOUNTS 2021/22 AND USE OF RESERVES AND BALANCES
Portfolio Holder(s):	CLLR ROBIN W.WILLIAMS, PORTFOLIO HOLDER - FINANCE
Head of Service / Director:	MARC JONES, DIRECTOR OF FUNCTION (RESOURCES) / SECTION 151 OFFICER
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	N/A

A –Recommendation/s and reason/s

The report presents the draft Comprehensive Income and Expenditure Statement for 2021/22 and the draft Balance Sheet as at 31 March 2022.

More detailed information is provided on the Council's general balances and earmarked reserves and the report details the proposed use of the reserves and balances in 2022/23 and subsequent years.

The report sets out the level of general balances and earmarked reserves which, in the professional opinion of the Council's Section 151 Officer, is the level required to cover any financial risks faced by the Council, to meet any existing funding commitments made and takes into account any specific restrictions on the use of the funding e.g. restrictions imposed by grant conditions. The level of risk faced by the Council can change and the level of general balances and earmarked reserves will be kept under review over the coming months.

It is important to note that the figures are unaudited and may change as a result of the audit process. Once the audit is completed a report of the final Statement of Accounts will be presented to the Governance and Audit Committee and the full Council.

Recommendations:-

1. That the Executive note the draft unaudited main financial statements for 2021/22. The full Draft Statement of Accounts 2021/22 is published on the following link:-
<https://www.anglesey.gov.wales/en/Council/Council-finances/Statement-of-Accounts.aspx>
2. That the Executive note the position of general balances of £12.050m and approve the creation of the new earmarked reserves noted in Table 4, which amount to £9.371m.
3. That the Executive consider Appendix 4 and approve the balance of £23.181m of total earmarked reserves for 2021/22 (14.079m in 2020/21). This is £9.102m higher than 2020/21 and is made up of £9.371m of new reserves, as recommended above, and £0.269m change to existing reserves, though this is made up of near compensating increases and decreases to existing reserves.
4. That the Executive note the school balances position of £7.827m.

5. That the Executive note the HRA balance of £12.333m.
6. That the Executive approve the increase of Service Reserves by £0.261m to £1.625m in accordance with the Service Reserves Policy agreed in 2019/20 (as per Appendix 1, Table 3).

B – What other options did you consider and why did you reject them and/or opt for this option?

Not applicable

C – Why is this a decision for the Executive?

The use of reserves and balances is delegated to the Executive in accordance with the Council's resolution on the Council's revenue and capital budget 10 March 2022.

CH – Is this decision consistent with policy approved by the full Council?

Yes

D – Is this decision within the budget approved by the Council?

Yes

DD – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	The proposed use of reserves and balances is designed to address certain risks and issues which the Council is currently facing. This will allow the Council to undertake projects which will help in meeting the long term needs of the Island and its residents.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	Yes – addressing risks now mitigate those risks and will prevent future costs.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	No
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	No
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	The decision requested in this report does not have a direct impact on those groups protected under the Equality Act 2010. Any plans for the use of funding would consider the impact on those groups prior to making the final decision to proceed with any project.

6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The decision requested in this report does not have a direct impact on those experiencing socio-economic disadvantage. Any plans for the use of funding would consider the impact on the socio-economic disadvantaged prior to making the final decision to proceed with any project.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact on the Welsh language.

E – Who did you consult?	What did they say?
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1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	The report has been considered by the Chief Executive and SLT prior to it being presented to the Committee. The comments of SLT members have been incorporated into the report.
2	Finance / Section 151 (mandatory)	The Section 151 Officer was responsible for reviewing the report.
3	Legal / Monitoring Officer (mandatory)	The Monitoring Officer is a member of the SLT and any comments made have been considered along with all comments made by SLT members.
4	Human Resources (HR)	Where proposals impact on HR issues, the Head of Service has been consulted.
5	Property	Where proposals impact on the Council's property, the Head of Service has been consulted.
6	Information Communication Technology (ICT)	Where the proposals have an impact on the Council's IT service or IT systems, the Head of IT has been consulted.
7	Procurement	Not applicable
8	Scrutiny	The draft statement of accounts will be considered by the Governance and Audit Committee at its meeting on 26 July 2022.
9	Local Members	Not applicable

F – Appendices:

- Appendix 1 – Report on the main financial statements, general balances and earmarked reserves
- Appendix 2 – Draft Comprehensive Income and Expenditure Statement 2021/22
- Appendix 3 – Draft Balance Sheet as at 31 March 2022
- Appendix 4 – Earmarked Reserves as at 31 March 2022

FF – Background papers (please contact the author of the Report for any further information):
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- 2021/22 Revenue Budget Outturn report – Executive 28 June 2022

1. PURPOSE OF THE REPORT

- 1.1. The report sets out the draft main financial statements for the financial year 2021/22 and presents a summary of the Council's general balances and earmarked reserves. The report sets out the level of general balances and earmarked reserves which, in the professional opinion of the Council's Section 151 Officer, is the level required to cover any financial risks faced by the Council, to meet any existing funding commitments made and takes into account any specific restrictions on the use of the funding e.g restrictions imposed by grant conditions.

2. BACKGROUND INFORMATION

- 2.1. Regulation 10 of the Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018, requires that the responsible financial officer must, by no later than 31 May immediately following the end of the financial year, sign and date the statement of accounts and certify that it presents a true and fair view of the financial position of the Council. The Council must then approve and publish its audited financial statements by 31 July immediately following the end of the financial year.
- 2.2. However, for 2021/22, the Welsh Government has recognised that the pandemic may still have an impact on a local authority's staff resources and have extended the timetable allowing Councils until 31 August 2022 to sign their draft statement of accounts and until 30 November 2022 to publish its audited financial statements.
- 2.3. The draft financial statements for 2021/22 were signed by the Council's Responsible Financial Officer on 17 June 2022, and the audit of the accounts has commenced. It is planned that the audit will be completed over the summer, with the final audited accounts being approved by 30 November 2022.

3. DRAFT COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2021/22

- 3.1. The draft Comprehensive Income and Expenditure Statement (CIES) 2021/22 is presented in Appendix 2.
- 3.2. The statement summarises the cost of providing services in 2021/22 in accordance with the statutory accounting requirements and covers both the Council Fund and the Housing Revenue Account (HRA) in one financial statements. The CIES includes statutory accounting costs, such as depreciation and pension adjustments, which are not charged against Council Tax and are, therefore, reversed out before determining the final position in respect of general balances, earmarked reserves, the HRA account balance and school balances. As a result, the CIES is not directly comparable to the outturn reports that were presented to the Executive in June 2022.
- 3.3. The CIES shows that the net cost of services was £147.691m, with a surplus of £5.94m on the provision of services. Adjustments are then made for the revaluation of assets and for the re-measurement of the pension liability, to give the final net surplus for the year of £83.415m. Adjustments are then made, as shown in Table 1 below, to determine the movement to reserves and balances. The adjustments are detailed in note 7 of the draft Statement of Accounts.

Table 1**Reconciliation of CIES to the Contribution to or from Reserves and Balances for 2021/22**

	£'m	£'m
Total Cost / (Surplus) as per the CIES		(83,415)
Reverse out the surplus on the Revaluation of Assets and the Re-Measurement of the Pension Liability	77,475	
Adjustments between Accounting Basis and the Funding Basis under Regulations	(11,852)	
		65,623
Contribution (to) / from Reserves and Balances		(17,792)

The movement in the Council's reserves and balances is shown in Table 2 below:-

Table 2**Summary of the Movements in Council Reserves and Balances as at 31 March 2022**

	Council Fund General Reserve	Council Fund Earmarked Reserves	Housing Revenue Account (HRA) Reserve	School Reserves	Capital Receipts Reserve	Total Usable Reserves
Items impacting on the Council's Reserve 2021/22	£'000	£'000	£'000	£'000	£'000	£'000
Opening Balance on Council General Reserve 1 April 2021	(11,437)	(14,079)	(9,723)	(3,974)	(767)	(39,980)
Net over / (under)spend 2021/22	(4,798)	-	(3,345)	(3,853)	(1,614)	(13,610)
Council Balance after over / (under)spend	(16,235)	(14,079)	(13,068)	(7,827)	(2,381)	(53,590)
Net transfers from / (to) Reserves for approved funding	4,185	(9,102)	735	-	-	(4,182)
General Reserve Balance at 31 March 2022	(12,050)	(23,181)	(12,333)	(7,827)	(2,381)	(57,772)

4. DRAFT BALANCE SHEET AS AT 31 MARCH 2022

4.1. The draft balance sheet as at 31 March 2022 is shown in Appendix 3.

4.2. The value of the Council's net assets increased by £83.415m, from £164.162m last year to £247.577m at 31 March 2022. The value of the Council's long term assets increased by £11.725m, mainly due to capital expenditure on the Council's property, plant and equipment. Current assets increased by £25.14m as a result of an increase in Council cash balances from £23.238m to £51.978m, which includes a short-term investment of £7.5m. This significant increase was due to additional grant funding from Welsh Government, including extra Revenue Support Grant (RSG) and Welsh Government funding additional Covid-19 costs and for loss of income due to the Covid-19.

4.3. Current liabilities increased by £10.135m, due to an increase in creditors and an increase in grants received in advance. Short-term borrowing increased by £2.4m, as loans previously classed as long-term borrowing become payable within one year i.e. 31 March 2023, and receipt of Salix interest free loan for projects which will help the Council work towards its net zero carbon target by 2030. Grants received in advance amounting to £7.99m are part of substantial cash held at 31 March 2022. Long-term liabilities reduced over the year by £56.681m. This is mainly due to a decrease in outstanding pension liability by £55.062m. This is due to a higher return on investments than expected and the actuary has changed the discount factor applied due to the changes in the bank of England base rate. This does not affect Council balances as it is an accounting valuation.

5. GENERAL FUND BALANCE

5.1. The Council's General Fund Balance as at 31 March 2022 is £12.050m, which is equivalent to 8.2% of the net revenue budget for 2021/22. This is based on the draft accounts which may be subject to change once the audit and final accounts have been completed. The Executive had set the minimum level of the General Fund Balance as 5% of the net revenue budget, and this would equate to £7.4m. As a result, the General Fund Balance exceeds this minimum value by £4.650m. The Executive has approved £0.500m of the general reserve to be spent on highways improvements and £0.261m will be transferred to service reserves, in line with the service reserve policy approved in 2019/20. The draft general reserve after these commitments is £11.289m and is a good financial position to be in for the new financial year, as the Council's minimum Council balance for 2022/23 is £7.9m.

5.2. The Council has been protected from the financial impact of the pandemic over the past two years with significant Welsh Government funding to cover additional costs incurred due to Covid-19 and for loss of income. The last of the Covid-19 restrictions ended on 30 May 2022 and Welsh Government funding is ending. It is unclear what impact the pandemic will have on the demand for Council services in 2022/23. The pandemic temporarily distorted the demand for services, with departments usually underspent becoming overspent due to closure and reduced service provision. Demand led services, which usually put budgets under pressure, underspent such as school meals and children's social care. Whilst Covid-19 is now in its endemic stage, with no restrictions, it is likely that there will be a higher than normal level of demand as any hidden demand during the Pandemic becomes evident. The Council's useable reserves will help reduce the impact of increased demand in the short-term.

5.3. In 2019/20, the Executive approved the new service reserves policy. This enabled the creation of service reserves where services could put its net underspend into their service specific reserve, up to the higher of 2.5% of its net revenue budget or £75k. Based on the 2021/22 outturn and implementing the cap on the level of reserves, the service reserve for each service would be as follows:-

Table 3
Proposed Level of Service Reserves

Service	Proposed Level of cumulative service reserve based on the higher of 2.5% of net budget 2021/22 or £75k	% of the 2021/22 Net Revenue Budget	Service Reserve Balance 31 March 2022	Increase / (Decrease) of Service Reserves due to financial performance 2021/22
	£		£	£
Learning (including Culture but excluding Schools)	142,323	2.50%	136,814	5,509
Adult Services	314,124	1.13%	177,270	136,854
Children's Services	279,907	2.50%	274,280	5,627
Highways, Waste and Property	401,984	2.50%	381,050	20,934
Housing	75,000	6.03%	36,760	38,240
Regulation and Economic Development (including Maritime and Leisure)	108,799	2.50%	103,290	5,509
Transformation (including HR and ICT)	146,765	2.50%	124,970	21,795
Council Business	75,000	4.52%	52,770	22,230
Resources	81,085	2.50%	77,070	4,015
Total Proposed Service Reserves	1,624,987		1,364,274	260,713

6. EARMARKED RESERVES

6.1. Earmarked Reserves are held by the Council to mitigate potential future risks, to meet increases in the demand for certain services, to fund future capital projects, to fund improvements in business processes and service delivery, which are not funded in the annual revenue budget, and to hold unused grants and other contributions. The holding of earmarked reserves is an essential element of the Council's financial strategy to ensure that the Council has an adequate level of financial resilience to meet future risks, financial challenges and allows for additional investment in assets and services. The new reserves created during 2021/22 are shown in Table 4, and the Executive are requested to formally approve the creation of these new reserves totalling £9,371,065.

Table 4

New Earmarked Reserves Created During 2021/22

Service	Reserve Name	Reserve Total £	Reason for Creating an Earmarked Reserve	Purpose of Reserve
Adults Services	Pooled budget contribution	10,000	To support legal requirement for pooled budgets	Contribution to the administrative costs incurred by the lead authority in administering the Adult services pooled budget.
Capital programme - Education, Young People and Skills	Education sinking Fund for future ICT Equipment	300,000	To fund future costs	To fund replacement devices in schools which were originally funded by Welsh Government HWB Grant.
Capital Programme - Education, Young People and Skills	Canolfan Addysg y Bont - Roofing Works	2,490,851	To fund repair works to roof	To fund substantial works to Canolfan Addysg y Bont roof. The sum of the reserves represents the sum released from general balances less costs incurred in 2021/22.
Children's Services	Children's Services Teaching Assistants	200,000	To help improve educational outcomes for children	To fund teaching assistants specialising in supporting children with social care needs.
Corporate	Additional revenue settlement 2021/22 for Inflationary pressures	2,256,150	To mitigate the impact of high inflation	Provides additional funding for increased costs due to rising inflation.
Corporate	Trainee Scheme	219,060	Continuity planning for key Council roles	Provides funding for recruitment for a number of Trainee roles across the Council to help provide well trained staff in often difficult to recruit roles.
Corporate Finance	MRP Salix Loan Final repayments	216,190	To fund unbudgeted final MRP payments on delayed Salix loans	Services provided funding for year one of the recent Salix loans and will provide funding each year in accordance with the original plan. Some projects have slipped, which led to delays in receipt of loans and changes in the timing of the repayments. The funding from the services for these delayed payments will be kept in reserve until the final payment, which will not receive service budgets.
Economic and Regulation	NWREF Covid Economic Recovery	764,271	To fund future Covid recovery costs	To fund NWREF economic recovery support and projects.
Education, Young People and Skills	Out of County Education	500,000	To fund potential increased demand and inflationary pressures	To fund increases in demand or inflationary pressures for children in out of county placements.
Housing	Christmas Hampers Reserve	8,873	To fund future costs	To fund Christmas hampers 2022.

Service	Reserve Name	Reserve Total £	Reason for Creating an Earmarked Reserve	Purpose of Reserve
Regulation and Economic	Net income from Joint Venture, Penrhos Industrial Units	7,818	To help meet requirement of Joint Venture agreement	To collect the Council's share of annual net income from leasing out Penrhos Industrial Units to contribute towards funding the buy-out of Welsh Government after 15 years in operation, in accordance with the joint venture agreement.
Regulation and Economic	Port Health Authority set-up costs	100,000	To fund future set-up costs	The Council has become a Port Health Authority following Britain's withdrawal from the European Union. This reserve will help fund the set-up costs when incurred.
Resources - Benefits	Cost of living discretionary payments	585,163	To fund the implementation of the Welsh Government's scheme	Grant funding from Welsh Government has been received in advance of rolling out the local discretionary cost of living scheme.
Social Services	Social Care pressures	1,109,836	To fund potential future costs	To fund potential future costs in social care arising from increased demand and / or inflationary pressures.
Social Services	Social Services Electric Vehicles	200,000	To fund the implementation of the Welsh Government's policy on electric vehicles	To purchase electric vehicles for social care workers, as part of achieving the Council's net carbon zero target by 2030.
Transformation	Funding for costs arising from transfer of Cynnal staff and contracts to the Council.	88,200	To fund potential future costs	The reserve will be used to fund any additional costs arising from the termination of Cynnal ICT support services for schools.
Learning	ACL Maintenance & Digital Grant	100,415	Unused Grant	Additional Welsh Government funding which was not used in 2021/22 and will be used in 2022/23.
Learning	ALN Strategy Grant	15,363	Unused Grant	Additional Welsh Government funding which was not used in 2021/22 and will be used in 2022/23.
Learning	Post 16 Grant	69,394	Unused Grant	Additional Welsh Government funding which was not used in 2021/22 and will be used in 2022/23.
Learning	Music in schools Grant	129,481	Unused Grant	Additional Welsh Government funding which was not used in 2021/22 and will be used in 2022/23.
	TOTAL	9,371,065		

6.2. The total recommended earmarked reserves at 31 March 2022 are detailed in full in Appendix 4, but are summarised by purpose below in Table 5.

Table 5**Summary of Earmarked Reserves as at 31 March 2022**

	Opening Balance as at 1 April 2021 £	Contributions To / (From) During 2021/22 £	Closing Balance as at 31 March 2022 £
Ongoing Corporate and Service Risks	2,045,642	4,152,154	6,197,796
Specific Corporate and Service Risks	1,441,563	(1,032,949)	408,614
Funding of Future Capital Expenditure	2,123,307	3,876,599	5,999,906
Business Process Improvements	1,038,391	(247,532)	790,859
Unused Contingency Budgets required for future years	713,077	38,695	751,772
Restricted Grant Holding Reserves	2,009,641	1,464,057	3,473,698
Other Restricted Reserves	648,992	10,915	659,907
Other Earmarked Reserves for specific projects	1,582,419	1,014,619	2,597,039
Unrestricted Grant Holding Reserves	2,276,815	(1,338,674)	938,141
Service Reserves	1,576,030	(211,786)	1,364,244
TOTAL EARMARKED RESERVES	15,455,876	7,726,098	23,181,975

7. SCHOOL BALANCES

7.1. The level of School balances has increased from £3.974m at the beginning of the financial year to £7.827m at the end of the financial year. All schools have surplus balances, including the three schools which were in deficit last year. The balances per sector are summarised in Table 6 below:-

**Table 6
Summary of School Balances**

Sector	Balance as at 1 April 2021 £'000	Movement in Year £'000	Closing Balance as at 31 March 2022 £'000
Primary	3,057	1,883	4,940
Secondary	977	1,812	2,789
Special	(60)	158	98
TOTAL	3,974	3,853	7,827

7.2. The increase of £3.853m in school balances is significant and reflects a pattern being reported by other authorities. The reasons for the increase are due to additional Welsh Government grants and the continuing impact of Covid-19 on demand in 2021.

8. HOUSING REVENUE ACCOUNT BALANCE

8.1. The opening balance of the HRA Account as at 1 April 2021 was £9.723m. During the year, a surplus of £7.829m was generated on revenue activities and £5.219m (net of grants) was spent on capital works and the acquisition / development of new properties. This gives a net surplus of £2.610m and increases the HRA Account balance to £12.333m. This balance is available to fund future investment in the HRA stock.

APPENDIX 2

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR YEAR ENDED 31 MARCH 2022

2021/22			Services	Note	2020/21		
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000			Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
77,393	(18,415)	58,978	Lifelong Learning		70,172	(16,017)	54,155
46,598	(16,887)	29,711	Adult Services		43,090	(14,175)	28,915
18,826	(6,201)	12,625	Children's Services		14,914	(4,141)	10,773
8,214	(6,484)	1,730	Housing		7,373	(6,091)	1,282
31,519	(9,192)	22,327	Highways, Property and Waste		28,647	(9,055)	19,592
14,734	(9,333)	5,401	Regulation and Economic Development		11,420	(6,513)	4,907
6,653	(291)	6,362	Transformation		5,754	(416)	5,338
31,969	(22,723)	9,246	Resources		34,142	(25,642)	8,500
2,337	(427)	1,910	Council Business		1,962	(334)	1,628
2,996	(781)	2,215	Corporate and Democratic Costs		3,843	(1,792)	2,051
588	-	588	Corporate Management		522	-	522
26	-	26	Non-distributed costs		7	-	7
16,029	(19,457)	(3,428)	Housing Revenue Account (HRA)		18,358	(19,080)	(722)
257,882	(110,191)	147,691	Deficit on Continuing Operations		240,204	(103,256)	136,948
		17,076	Other operating expenditure	11			14,801
		9,559	Financing and investment income and expenditure	12a			9,405
		(180,266)	Taxation and non-specific grant Income	13			(171,473)
		(5,940)	(Surplus) / Deficit on Provision of Services				(10,319)
		(5,412)	Surplus on revaluation of non-current assets	10c			(10,039)
		(72,063)	Re-measurement of net Pension liability	10c & 41			44,483
		(77,475)	Other Comprehensive Income and Expenditure				34,444
		(83,415)	Total Comprehensive Income and Expenditure				24,125

APPENDIX 3

BALANCE SHEET AS AT 31 MARCH 2022

	Note	31 March 2022 £'000	31 March 2021 £'000
Property, plant and equipment	14	442,507	431,263
Heritage assets	16	2,283	2,265
Investment property	17	6,117	5,619
Intangible assets		472	505
Long-term debtors	22	109	111
Long-term Assets		451,488	439,763
Assets held for sale	19	672	461
Inventories	21	296	339
Short-term debtors	22	36,021	34,283
Short-term Investments	41a	7,500	-
Cash and cash equivalents	23	44,478	28,740
Current Assets		88,967	63,823
Short-term borrowing	41	(4,564)	(2,158)
Short-term creditors	24	(31,142)	(28,035)
Short-term provisions	25	(504)	(363)
Grants receipts in advance	34	(7,990)	(3,509)
Current Liabilities		(44,200)	(34,065)
Long-term creditors	24	(163)	(156)
Long-term provisions	25	(4,639)	(4,684)
Long-term borrowing	41	(122,677)	(124,258)
Other long-term liabilities	38	(121,199)	(176,261)
Long-term Liabilities		(248,678)	(305,359)
Net Assets		247,577	164,162
Usable reserves	MIRS	57,772	39,980
Unusable reserves	10	189,805	124,182
Total Reserves		247,577	164,162

EARMARKED RESERVES AS AT 31 MARCH 2022

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Corporate	Ongoing Corporate Risk	Insurance	To cover uninsured losses and policy excesses.	No	1,250,000	90,732	1,340,732	1,250,000	90,732
Learning	Ongoing Service Risk	Primary School Sickness Scheme	To cover the cost of sickness in primary schools. Each participating school pays a premium into the reserve.	No	129,857	221,082	350,939	350,939	0
Property	Ongoing Service Risk	R & M Scheme Primary	Balance of unused funding is held to meet potential increased costs in future years.	No	25,647	(25,647)	0	0	0
Highways, Waste & Property	Ongoing Service Risk	Winter Maintenance	To fund excess gritting / flooding costs during severe winter weather.	No	94,480	0	94,480	94,480	0
Children's Services	Ongoing Service Risk	Social Care Staffing Contracts	To fund additional staffing agency costs if increases in number require additional staffing resources.	No	271,714	0	271,714	271,714	0
Learning and Children's Services	Ongoing Service Risk	Joint Funding Reserve	Covers the potential loss of income from other joint funding public bodies. Cannot be included as part of the bad debt provision.	No	180,795	0	180,795	180,795	0
Learning	Ongoing Service Risk	School Closure Reserve	To fund the cost of empty buildings / set up costs for new schools.	No	93,149	0	93,149	93,149	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021 £	Movement in Year £	Balance 31 March 2022 £	Committed / Required for Potential Future Risks £	Available for Use £	
Adult & Children's Services	Ongoing Service Risk	Social Care Pressures	To fund potential future costs in social care arising from increased demand and / or inflationary pressures.	Yes	0	1,109,836	1,109,836	1,109,836	0	
Corporate	Ongoing Corporate Risk	Additional revenue settlement 2021/22 for Inflationary pressures	Provides additional funding for increased costs due to rising inflation.	Yes	0	2,256,150	2,256,150	2,256,150	0	
Learning	Ongoing Service Risk	Out of County Education	To fund increases in demand or inflationary pressures for children in out of county placements	Yes	0	500,000	500,000	500,000	0	
TOTAL ONGOING CORPORATE AND SERVICE RISKS						2,045,642	4,152,154	6,197,796	6,107,064	90,732
Learning	Specific Service Risk	Schools Rationalisation	Meet additional costs arising from school modernisation, including redundancy costs.	No	301,946	(111,029)	190,917	190,917	0	
Regulation & Economic Development	Specific Service Risk	Local Development Plan	Fund the additional costs of producing the next development plan.	No	152,697	0	152,697	152,697	0	
Corporate	Specific Corporate Risk	Equal Pay	Fund the cost of any outstanding claims, including legal and other professional fees.	No	47,012	(47,012)	0	0	0	
Corporate	Specific Corporate Risk	Pay Award	Meet the cost of the pay award above the sum allowed for in the 2021/22 budget.	No	485,850	(485,850)	0	0	0	
Learning	Specific Service Risk	Furlough Repayment	To meet the cost of an agreed repayment to the WG Hardship Fund arising from the furlough of catering staff.	No	399,114	(399,114)	0	0	0	
Learning	Specific Service Risk	Melin Llynonn	To fund the cost of remedial works to the Mill.	No	54,945	10,055	65,000	65,000	0	

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use	
					£	£	£	£	£	
TOTAL SPECIFIC CORPORATE AND SERVICE RISK RESERVES						1,441,563	(1,032,949)	408,614	408,614	0
Corporate	Future Capital Expenditure	Revenue Contributions Unapplied	Used as a source of capital funding as and when required.	No	1,206,728	899,829	2,106,557	2,106,557	0	
Learning	Future Capital Expenditure	Education – Commuted Sums	Earmarked sums from developers. Used in accordance with the agreement.	No	129,425	90,511	219,936	219,936	0	
Highways, Waste & Property	Future Capital Expenditure	Developer Contribution – Highways	Earmarked sums from developers. Used in accordance with the agreement.	No	25,000	95,408	120,408	120,408	0	
Regulation & Economic Development	Future Capital Expenditure	Leisure (VAT Claim)	To fund future capital investment in Leisure Centres.	No	762,154	0	762,154	762,154	0	
Learning	Future Capital Expenditure	School IT Sinking Fund	To fund replacement devices in schools which were originally funded by Welsh Government HWB Grant.	Yes	0	300,000	300,000	300,000	0	
Highways, Waste & Property	Future Capital Expenditure	Canolfan Addysg y Bont Roof Repairs	To fund substantial works to Addysg Y Bont roof. The sum of the reserves represents the sum released from general balances, less costs incurred in 2021/22.	Yes	0	2,490,851	2,490,851	2,490,851	0	
TOTAL FUTURE CAPITAL EXPENDITURE RESERVES						2,123,307	3,876,599	5,999,906	5,999,906	0
Corporate	Business Process Improvements	Cost of Change	A general reserve which has funded business improvement processes.	No	231,828	(50,093)	181,735	0	181,735	
Adults & Children's Services	Business Process Improvements	Service Transformation	Funding for transformational projects in social services.	No	32,525	(32,525)	0	0	0	

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Resources	Business Process Improvements	Revenues & Benefits system upgrades	Funding improvements to corporate income collection systems.	No	24,762	(24,762)	0	0	0
Corporate	Business Process Improvements	Invest to Save	The balance of £1m allocated in 2016/17 to fund specific projects. Unused balance - CRM £47k, Planning System £8k, Cash systems £25k, Oriel Website £11k, Temp IT staff £47k, Public Protection system £45k.	No	183,856	(140,152)	43,704	43,704	0
Corporate	Business Process Improvements	Covid Recovery	£115k from unused travelling budgets in 2020/21, £250k from Parc Adfer, £200k from Revenue Contributions Unapplied.	No	565,420	0	565,420	0	565,420
TOTAL BUSINESS IMPROVEMENT RESERVES					1,038,391	(247,532)	790,859	43,704	747,155
Housing	Unused Contingency Budgets	Affordable Housing	Balance of the 2 nd home and empty home premium not used.	No	453,667	(32,299)	421,368	421,368	0
Corporate	Unused Contingency Budgets	Restricted Contingency Funds	Balance of unused corporate budgets required as contribution to STEM project and NW Growth Bid.	No	259,410	70,994	330,404	330,404	0
TOTAL UNUSED CONTINGENCY BUDGETS					713,077	38,695	751,772	751,772	0
Highways, Waste & Property	Restricted Grant Holding Reserves	Waste Reserve / Recycling	Circular Economy Grant replaced core budget. Core budget savings put in reserve to pay for green projects.	No	500,000	0	500,000	0	500,000

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Highways, Waste & Property	Restricted Grant Holding Reserves	Airport Highway	Unused Maes Awyr Môn grant.	No	69,518	(29,085)	40,433	40,433	0
Highways, Waste & Property	Restricted Grant Holding Reserves	Highways Restricted Grants Reserve - Flood Grant	Unused flood grant - can be used as match funding or to fund revenue costs. Need to check with Service.	No	36,473	0	36,473	36,473	0
Transformation	Restricted Grant Holding Reserves	SCWDP	Unused grant.	No	5,596	(5,596)	0	0	0
Housing	Restricted Grant Holding Reserves	Supporting People Administration	Unused grant which funds additional supporting people staffing costs not covered by the grant.	No	559,489	(4,544)	554,945	554,945	0
Highways, Waste & Property	Restricted Grant Holding Reserves	Bus Stop Infrastructure	Unused grant.	No	85,671	0	85,671	85,671	0
Learning	Restricted Grant Holding Reserves	Small and Rural Schools Grants	Unused grant - to be used in 2021/22.	No	33,244	(9,323)	23,921	23,921	0
Learning	Restricted Grant Holding Reserves	Covid Security in Schools	Unused grant - to be used in 2021/22.	No	103,426	(94,370)	9,056	9,056	0
Highways, Waste & Property	Restricted Grant Holding Reserves	Green Corridor	Unused grant - to be used in 2021/22.	No	85,000	(85,000)	0	0	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021 £	Movement in Year £	Balance 31 March 2022 £	Committed / Required for Potential Future Risks £	Available for Use £
Highways, Waste & Property	Restricted Grant Holding Reserves	Storm Grant	Unused grant - to be used in 2021/22.	No	186,316	(39,825)	146,491	146,491	0
Regulation & Economic Development	Restricted Grant Holding Reserves	AONB Grant	Unused grant - to be used in 2021/22.	No	14,261	(14,261)	0	0	0
Regulation & Economic Development	Restricted Grant Holding Reserves	PHW Grant - Spin Bikes	Unused grant - to be used in 2021/22.	No	17,000	(17,000)	0	0	0
Regulation & Economic Development	Restricted Grant Holding Reserves	Ash Dieback Coordinator	Unused grant - to be used in 2021/22.	No	24,775	(24,775)	0	0	0
Council Business	Restricted Grant Holding Reserves	Electoral Reform	Unused grant - to be used in 2021/22.	No	21,000	(9,770)	11,230	11,230	0
Learning	Restricted Grant Holding Reserves	TRAC	Unused grant.	No	267,872	(66,480)	201,392	201,392	0
Learning	Restricted Grant Holding Reserves	ACL Maintenance & Digital	Unused grant.	Yes	0	100,415	100,415	100,415	0
Learning	Restricted Grant Holding Reserves	ALN Strategy	Unused grant.	Yes	0	15,363	15,363	15,363	0
Learning	Restricted Grant Holding Reserves	Post 16	Unused grant.	Yes	0	69,394	69,394	69,394	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021 £	Movement in Year £	Balance 31 March 2022 £	Committed / Required for Potential Future Risks £	Available for Use £
Learning	Restricted Grant Holding Reserves	Music in Schools	Unused grant.	Yes	0	129,481	129,481	129,481	0
Resources	Restricted Grant Holding Reserves	Cost of Living Discretionary Payments	Unused grant.	Yes	0	585,163	585,163	585,163	0
Adult Services	Restricted Grant Holding Reserves	Electric Vehicles	Additional Welsh Government funding not spent before the end of the financial year.	Yes	0	200,000	200,000	200,000	0
Regulation Economic Development	Restricted Grant Holding Reserves	Economic Recovery Grant	Unused grant.	Yes	0	764,271	764,271	764,271	0
TOTAL RESTRICTED GRANT HOLDING RESERVES						2,009,641	1,464,057	3,473,698	500,000
Highways, Waste & Property	Other Restricted Reserves	Recycling Process Income	Condition of the SWMG that income from recycling is used to fund recycling costs / projects. This is the balance of the unused income. Service need to determine how to use.	No	635,130	0	635,130	635,130	0
Learning	Other Restricted Reserves	Museum Purchase Fund	Donations to the Oriel to purchase new items. Not available to fund Council expenditure.	No	7,301	4,062	11,363	11,363	0
Highways, Waste & Property	Other Restricted Reserves	Sustainable Approval Body Fees (SAB)	Fees from planning applications to be used to fund future costs in respect of the applications.	No	6,560	(2,020)	4,540	4,540	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Housing	Other Restricted Reserves	Housing Christmas Hampers	To fund Christmas hampers 2022.	Yes	0	8,873	8,873	8,873	0
TOTAL OTHER RESTRICTED RESERVES						10,915	659,907	659,907	0
Resources & Regulation & Economic Development	Unrestricted Grant Holding Reserves	Covid Business Grant Admin Fee	Balance of Grant from Welsh Government to cover the additional costs incurred in processing Covid Business Grants. Being used to fund additional resources to deal with a backlog of work.	No	319,801	(319,801)	0	0	0
Resources	Unrestricted Grant Holding Reserves	Self Isolation Payments Admin Fee	Grant from Welsh Government to cover the cost of processing self isolation payments. Currently funding an additional member of staff.	No	25,781	45,032	70,813	70,813	0
Corporate	Unrestricted Grant Holding Reserves	Digital Transformation	Grant from Welsh Government to fund projects to improve digital transformation.	No	581,304	(497,347)	83,957	0	83,957
Corporate	Unrestricted Grant Holding Reserves	Support for Savings	Grant from Welsh Government to help fund any budget shortfalls arising from the difficulties faced by Councils in 2020/21 to implement planned budget savings.	No	581,304	(581,304)	0	0	0
Corporate	Unrestricted Grant Holding Reserves	Covid Hardship Funding - Council Tax Collection	Grant from Welsh Government to cover the loss in Council Tax income due to potential increase in the value of debts having to be written off as a result of Covid.	No	768,625	14,746	783,371	783,371	0
TOTAL UNRESTRICTED GRANT HOLDING RESERVES						(1,338,674)	938,141	854,184	83,957

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Licence Reserve	To fund new licencing software but no suitable software has been identified.	No	16,570	(16,570)	0	0	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Energy Island Reserve	To fund the cost of assessing and supporting future Energy Island developments.	No	179,887	89,133	269,020	269,020	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Major Developments Reserve	This is the balance of funding received in respect of Chief Officers time through the PPA.	No	177,352	0	177,352	177,352	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Major Developments – Planning Fees	This is the additional planning fees from major developments, which would have funded the cost of dealing with the applications in future years.	No	392,456	0	392,456	392,456	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Archaeological Works at Wylfa	Final contribution from Horizon to fund future works.	Yes	625,000	0	625,000	625,000	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021	Movement in Year	Balance 31 March 2022	Committed / Required for Potential Future Risks	Available for Use
					£	£	£	£	£
Highways, Waste & Property	Reserves Earmarked for Specific Future Projects	Feasibility Study – Ysgol Uwchradd Caergybi	To fund the cost of further assessment of the condition of the roof at Ysgol Uwchradd Caergybi.	Yes	15,000	0	15,000	15,000	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Bathing Water Prediction Model	To pay for the cost of maintaining the monitoring equipment.	No	9,725	(440)	9,285	9,285	0
Regulation & Economic Development	Reserves Earmarked for Specific Future Projects	Planning Capability & Capacity	Percentage of planning fees has to be reinvested into the planning service.	No	166,429	101,228	267,657	267,657	0
Transformation - HR	Reserves Earmarked for Specific Future Projects	Trainee Scheme	Provides funding for recruitment for a number of Trainee roles across the Council to help provide well trained staff in often difficult to recruit roles.	Yes	0	219,060	219,060	219,060	0
Transformation	Reserves Earmarked for Specific Future Projects	Cynnal	The reserve will be used to fund any additional costs arising from the termination of Cynnal ICT support services for schools.	Yes	0	88,200	88,200	88,200	0
Social Services – Adults Services	Reserves Earmarked for Specific Future Projects	Pooled Budget Admin Fee	Contribution to the administrative costs incurred by the lead authority in administering the Adult services pooled budget.	Yes	0	10,000	10,000	10,000	0

Service	Category	Reserve	Description	New in 2021/22	Balance 1 April 2021 £	Movement in Year £	Balance 31 March 2022 £	Committed / Required for Potential Future Risks £	Available for Use £	
Children's Services	Reserves Earmarked for Specific Future Projects	Children's Services Teaching Assistant Contribution	To fund teaching assistants specialising in supporting children with social care needs.	Yes	0	200,000	200,000	200,000	0	
Regulation – Economic Development	Reserves Earmarked for Specific Future Projects	Penrhos Ind Estate JV Repayment	To collect the Council's share of annual net income from leasing out Penrhos Industrial units to contribute towards funding the buy-out of Welsh Government after 15 years in operation, in accordance with the joint venture agreement.	Yes	0	7,818	7,818	7,818	0	
Regulation – Public Protection	Reserves Earmarked for Specific Future Projects	Port Health Authority Set Up	The Council has become a Port Health Authority following Britain's withdrawal from the European Union. This reserve will help fund the set-up costs when incurred.	Yes	0	100,000	100,000	100,000	0	
Corporate	Reserves Earmarked for Specific Future Projects	Salix Loan repayment	To fund unbudgeted final MRP payments on delayed Salix loans.	Yes	0	216,190	216,190	216,190	0	
TOTAL RESERVES EARMARKED FOR FUTURE SPECIFIC PROJECTS						1,582,419	1,014,619	2,597,039	2,597,039	0
TOTAL EARMARKED RESERVES						13,879,847	7,937,884	21,817,731	20,395,887	1,421,844