

## Appendix B- Reserves

Dec-21

### Overview

\* The Councils reserves balances at 31 March 2021 were £66.1m, of which £6m is the Councils general fund, £4.3m ringfenced and £55.7m is available for use on transformation or in the event of a major incident.

\* Included in the £55.7m £20.2m related to NNDR Section 31 grants, which is being used within the budget to mitigate the financial implications from the Business rates Collection Fund loss, and £2.3m which has been committed to mitigate the impact of potential future Business rates and Council Tax deficits following the pressures from C-19.

\* The Council also set aside £12.8m at the end on 2020/21, in a specific C-19 Funding reserve to mitigate future service demand and cost pressures arising as a result of C-19. As highlighted in the regular BCR reporting to Cabinet over the course of the year the scale of the additional demand and budgetary pressures, have been lower than the Council originally anticipated. This has meant that the Council is now able to redirect the use of this reserve. This has been used to establish a £2m Budget Risk Reserve, with the remaining balance of £10.8m being transferred into the Capacity Building Reserve. This results in a nil balance to carry forward on this reserve.

\* At the end of the financial year (31 March 2022) the Council expects to have £47m in reserves balances which £6m is General Fund only to be used as a result of a severe emergency and £4.7m is ringfenced, this then leaves just £36.3m available for use on transformation or in the event of a major incident. However the savings and transformation plan will require investment from the Reserves balances.

\* The following table provides a breakdown of reserves balances:

	2021/22	2021/22	2021/22	2021/22	2021/22	2022/23	2023/24
	Balance C/Fwd £000	Forecast Cont from Reserve £000	Forecast Cont to Reserve £000	Movement between Reserves £000	Balance at 31.03.22 £000	Balance at 31.03.23 £000	Balance at 31.03.24 £000
<b>Summary of Reserves</b>							
<b>General Fund Balance</b>	6,000	-	-	-	6,000	6,000	6,000
<b>Usable Reserves</b>							
Capacity Building Reserve	15,035	(5,089)	-	10,841	20,788	16,936	16,652
Grant Equalisation Reserve	-	-	-	-	-	-	-
Departmental Reserve	5,380	(2,787)	-	-	2,593	805	805
Tax Income Risk Reserve	22,521	(20,205)	8,571	-	10,887	1,790	1,790
Covid-19 Funding Reserve	12,841	-	-	(12,841)	0	-	-
Budget Risk Reserve	-	-	-	2,000	2,000	2,000	2,000
	55,778	(28,081)	8,571	-	36,268	21,531	21,247
<b>Ring-Fenced Reserves</b>							
Insurance Reserve	3,315	-	416	-	3,730	3,730	3,730
Schools Capital Expenditure Reserve	658	-	-	-	658	658	658
Parish Council Burial Ground Reserve	57	(3)	2	-	56	56	56
Hackney Carriage Reserve	173	-	-	-	173	173	173
Public Health Reserve	131	-	-	-	131	131	131
	4,333	(3)	418	-	4,747	4,747	4,747
<b>Total Usable and Ring-Fenced Reserves and General Fund Balance</b>	66,110	(28,084)	8,989	-	47,015	32,278	31,994

This page is intentionally left blank