

Appendix B- Reserves

Nov-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.

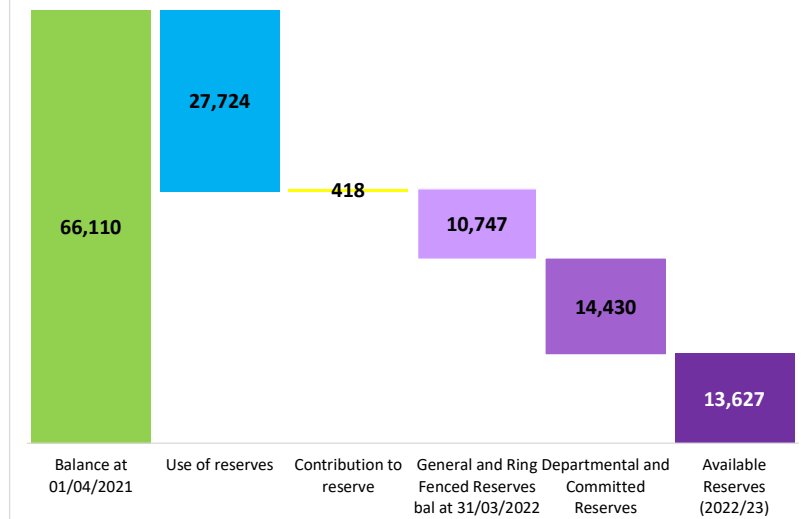
* The Council also set aside £12.8m at the end on 2020/21, in a specific C-19 Funding reserve to mitigate future service demand and cost pressures arising as a result of C-19. At present there are no arising pressures being committed against this reserve, however it is proposed that £3.3m is released from this reserve and used to support the revenue budget as outlined within the main BCR report. This assumption is incorporated within the revenue expenditure forecast outturn.

* At the end of the financial year (31 March 2022) the Council expects to have £38.8m 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 £28m 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. This will be confirmed in January, within the MTFP 2022/23.

* The following table provides a breakdown of reserves balances:

	2021/22	2021/22	2021/22	2021/22	2022/23	2023/24
	Balance C/Fwd	Forecast Cont	Forecast Cont to	Balance at	Balance at	Balance at
	£000	from Reserve	Reserve	31.03.22	31.03.23	31.03.24
	£000	£000	£000	£000	£000	£000
Summary of Reserves						
General Fund Balance	6,000	-	-	6,000	6,000	6,000
Usable Reserves						
Capacity Building Reserve	15,035	(1,409)	(0)	13,627	13,627	13,627
Grant Equalisation Reserve	-	-	-	-	-	-
Departmental Reserve	5,380	(2,787)	-	2,593	1,805	1,805
Covid-19 NNDR Section 31 Grant	22,521	(20,205)	-	2,316	-	-
Covid-19 Funding Reserve	12,841	(3,320)	-	9,521	-	-
	55,778	(27,721)	(0)	28,057	15,431	15,431
Ring-Fenced Reserves						
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
Total Usable and Ring-Fenced Reserves and General Fund Balance	66,110	(27,724)	418	38,804	26,178	26,178

Summary of Reserve Balances (£000)



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