

## Appendix B- Reserves Jan-22

### Overview

The Council's reserves balances at 31 March 2021 were £66.1m, of which £6m is the Council's general fund, £4.3m ringfenced and £55.7m for use on transformation or in the event of a major incident, this included:

\* £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.

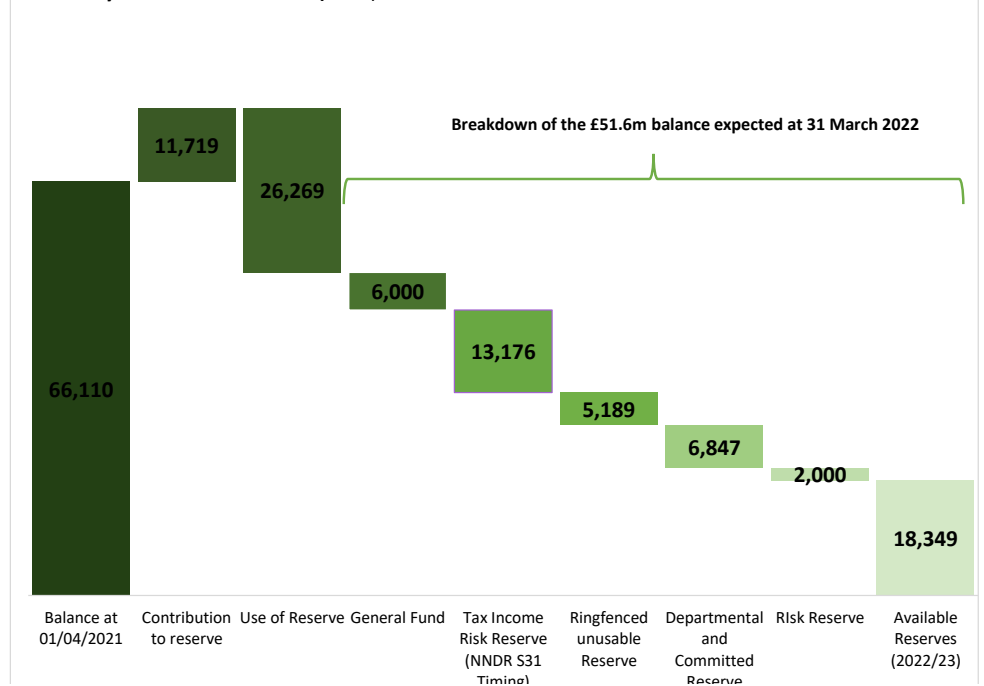
\* £12.8m set aside at the end on 2020/21, in a specific C-19 Funding reserve to mitigate future service demand and cost pressures arising as a result of C-19. As highlighted in the regular BCR reporting to Cabinet over the course of the year the scale of the additional demand and budgetary pressures, 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 £51.6m in reserves balances which £6m is General Fund only to be used as a result of a severe emergency and £5.2m is ringfenced, this then leaves just £40.4m. The following chart breaks down this balance demonstrating that of this only £18.4m is uncommitted, un-ringfenced and available use on transformation or in the event of a major incident, where the other balances are committed or being held to mitigate specific risks such as the Budget (delivery of savings or NNDR in respect of the reforms and income collection. Also included within the Tax Income risk reserve, similar to last year is £8.5m which reflect the timing difference between the collection fund and accounting for Section 31 grants.

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	Forecast Cont	Forecast Cont	Movement	Balance at	Balance at	Balance at
Summary of Reserves	£000	from Reserve	to Reserve	between	31.03.22	31.03.23	31.03.24
		£000	£000	Reserves	£000	£000	£000
<b>General Fund Balance</b>	<b>6,000</b>	-	-	-	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
<b>Usable Reserves</b>							
Capacity Building Reserve	15,035	(3,274)	-	10,841	22,602	18,746	18,349
Departmental Reserve	5,380	(2,787)	-	-	2,593	805	805
Tax Income Risk Reserve	22,521	(20,205)	10,860	-	13,176	8,504	8,504
Covid-19 Funding Reserve	12,841	-	-	(12,841)	0	-	-
Budget Risk Reserve	-	-	-	2,000	2,000	2,000	2,000
	<b>55,778</b>	<b>(26,266)</b>	<b>10,860</b>	-	<b>40,372</b>	<b>30,055</b>	<b>29,658</b>
<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	-	441	-	572	131	131
	<b>4,333</b>	<b>(3)</b>	<b>859</b>	-	<b>5,189</b>	<b>4,747</b>	<b>4,747</b>
<b>Total Usable and Ring-Fenced Reserves and General Fund Balance</b>	<b>66,110</b>	<b>(26,269)</b>	<b>11,719</b>	-	<b>51,560</b>	<b>40,802</b>	<b>40,405</b>

### Summary of Reserve Balances (£000)



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