

September 2019 - Earmarked Reserves Forecast Year End Position

Appendix H

Reserve Description	2019/20 Opening Balance £	2019/20 Net Budgeted Movement to / (from) Reserves £	2019/20 Budgeted Closing Balance £	2019/20 Current Reserve Balance £	2019/20 Net Forecast Movement to / (from) Reserves £	2019/20 Forecast Closing Reserve Balance £	2019/20 Forecast Variance (Over) / under Utilised £	Variance Notes (variances in brackets denote greater reserve usage than budgeted)
STRATEGIC RESERVES								
Strategic Priorities & MTFS Reserve	10,650,068	(6,082,757)	4,567,311	11,227,810	(3,382,235)	7,267,833	2,700,522	Currently forecasted to utilise £2.7m less of this reserve in 2019/20, mainly as a result of: Leisure Capital Investment Fund - £2,353k lower forecast capital spend as a result of project timings; and Property Asset Management Plan - £285k lower forecast spend as projects not yet identified to fund.
Investing in our Growth Agenda Reserve	1,739,370	(439,946)	1,299,424	1,628,198	(331,515)	1,407,855	108,431	This reserve was set up in order to support the delivery of the council's growth agenda. Currently forecasting a higher balance as a result of staff vacancies which are budgeted to be funded from this reserve.
Business Rates Retention Pilot: Place-Based Reserve	2,588,514	(1,073,478)	1,515,036	2,601,939	(89,385)	2,499,129	984,093	Higher forecast balance than budgeted as £800k of this reserve is earmarked for the Leisure Capital Investment Fund, of which only £50k is expected to be required in 2019/20 due to project timings. The remainder is due to £120k more pilot monies received than budgeted, plus staffing vacancies eg. Lifelink Project and Plannign Policy where funded staff are yet to be appointed.
FINANCIAL PLANNING RESERVES								
Invest to Save Reserve	3,499,464	46,525	3,545,989	4,056,536	108,229	3,607,693	61,704	Funding not required for staffing resources as a result of vacancies and transformational structure under review.
Risk & Recession Reserve	557,072	(557,072)	0	0	(557,072)	0	0	Balance on this reserve transferred to the Invest to Save Reserve as approved in the 2019/20 Budget Setting process.

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Business Rates Retention Equalisation Reserve	6,502,047	9,251	6,511,298	6,519,958	189,833	6,691,880	180,582	This reserve is intended to neutralise the impact of any fluctuations in growth or reductions in Business Rates Income under the Business Rates Retention Scheme, primarily relating to statutory timing differences. Additional year end balance resulting from current forecasted increase in Business Rates Pool Income, see also Appendix F.
Housing Benefits Equalisation Reserve	525,870	0	525,870	525,870	0	525,870	0	This reserve is utilised in order to smooth out the effect of variations between the amounts of Housing Benefits paid out and subsequently grant funded by DWP.
Capital Project Financing Reserve	692,287	210,284	902,571	692,287	210,284	902,571	0	This Reserve was set up in order to facilitate the Capital Financing requirements of the council, and to account for fluctuations and timing differences in the expected spend profile.
Interest Equalisation Reserve	900,582	0	900,582	900,582	0	900,582	0	This reserve was set up in order to mitigate against possible adverse fluctuations in the interest rates received from the Council's investments.
Self Insured Reserve	442,808	0	442,808	462,808	0	442,808	0	Monies set aside to provide funds in order to finance any high insurance excesses that may arise.
Election Reserve	212,424	(140,000)	72,424	72,424	(140,000)	72,424	0	Monies set aside each year in order to fund the local elections when required. No utilisation expected in 2019/20.
Planning Reserve	309,338	(14,703)	294,635	501,606	(52,062)	257,276	(37,359)	Monies set aside in order to fund the Local Plan and other planning-related expenditure. Expected to be over-utilised in 2019/20 as a result of timings of spend.
Planning Delivery Grant Reserve	62,797	(62,797)	0	0	(62,797)	0	0	Balance on this reserve transferred to the Planning Reserve as approved in the 2019/20 Budget Setting process.
SERVICE DELIVERY RESERVES								

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Computer & Telephone Equipment Reserve	342,020	0	342,020	353,892	(19,899)	322,121	(19,899)	Utilisation forecast on this reserve in 2019/20 in order to fund ICT hardware purchases.
Office Equipment Reserve	377,689	28,800	406,489	427,489	28,800	406,489	0	Monies set aside to purchase significant replacement items of office equipment.
Professional Fees Reserve	428,812	(428,812)	0	0	(428,812)	0	0	Balance on this reserve transferred to the Strategic Priorities & MTFS Reserve as approved in the 2019/20 Budget Setting process.
Anglia Revenues Partnership Reserve	930,166	(23,000)	907,166	930,166	(23,000)	907,166	0	Government Grant monies received by the Anglia Revenues Partnership (ARP) for specific purposes which are held in reserve due to timings of receipts and usage.
Vehicle, Plant & Equipment Reserve	1,735,384	(51,318)	1,684,066	2,681,484	(51,318)	1,684,066	0	This reserve is utilised to fund the Council's Vehicle Replacement programme. Currently expected to be in line with the budget for 2019/20.
Waste Management Reserve	456,619	(30,500)	426,119	519,569	(45,500)	411,119	(15,000)	This reserve includes monies set aside for purchases related to the Waste and Street Scene service, including Wheeled Bins and associated equipment.
Building Repairs Reserve - Property	2,145,921	(28,043)	2,117,878	2,795,425	(58,507)	2,087,414	(30,464)	Lower closing balance forecast than budgeted as a result of a forecast overspend on general repairs & maintenance in 2019/20 - see also the Income & Expenditure appendix.
Leased Flats Management Reserve	33,957	(33,957)	0	0	(33,957)	0	0	Balance on this reserve transferred to the Building Repairs Reserve - Property as approved in the 2019/20 Budget Setting process.
Industrial Unit Service Charge Reserve	87,610	0	87,610	87,676	426	88,036	426	This reserve holds monies received in respect of service charges which are intended to be utilised on specific items of spend on industrial units.
Industrial Rent Reserve	645,000	(110,000)	535,000	645,000	(110,000)	535,000	0	Monies set aside to meet lost lease income on the former Co-op building at Jubilee Walk, Haverhill.

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Building Repairs Reserve - Leisure	606,556	(439,549)	167,007	922,556	(363,541)	243,015	76,008	This reserve is utilised in order to fund the Leisure Capital programme. The year end variance reflects the amount of funding yet to be allocated against projects for 2019/20.
Abbey Gardens Donation Reserve	38,766	0	38,766	38,766	0	38,766	0	Monies held for the improvement of the Abbey Gardens, Bury St Edmunds.
Newmarket Stallion Statue Reserve	20,809	0	20,809	20,809	0	20,809	0	Monies held for the maintenance and repair of the Newmarket Stallion Statue.
Communities against Drugs Reserve	30,000	(30,000)	0	0	(30,000)	0	0	Balance on this reserve transferred to the Strategic Priorities & MTFS Reserve as approved in the 2019/20 Budget Setting process.
Housing Options Reserve	599,698	111,147	710,845	1,260,971	75,084	674,782	(36,063)	This reserve holds the funding received from the Flexible Homelessness Support Grant and is utilised to fund the Housing Options Team and associated expenditure.
SECTION 106 RESERVES								
Commuted Maintenance Reserve	919,531	(103,510)	816,021	919,531	(103,510)	816,021	0	Monies received from Developers in order to maintain additional play areas and public open space adopted.
Public Service Village Reserve	108,937	0	108,937	108,937	0	108,937	0	S106 monies to be utilised to fund Green Travel Scheme and associated initiatives.
S106 Monitoring Officer Reserve	75,514	600	76,114	61,509	(11,400)	64,114	(12,000)	This reserve is utilised in order to fund the S106 Monitoring Officer post. At present we are forecasting £12k additional utilisation from the fund above the budget.
S106 Revenue Reserve	145,880	0	145,880	144,093	(1,787)	144,093	(1,787)	Monies held in respect of Revenue S106 contributions received. At present only a small movement is currently forecasted for 2019/20.

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OTHER RESERVES								
Gershom Parkington Reserve	566,666	3,160	569,826	573,437	8,268	574,934	5,108	Monies received from the Gershom Parkington Trust in order to maintain and develop the Council's Horological Collection.
Economic Development Reserve (LABGI)	5,280	(5,000)	280	5,280	(3,750)	1,530	1,250	Monies remaining from the "Local Authority Business Growth Incentive" (LABGI grant, utilised towards Economic Development Spend.
RESERVES TOTALS:	38,983,456	(9,244,675)	29,738,781	41,686,608	(5,279,123)	33,704,333	3,965,552	