

June 2020 - Earmarked Reserves Forecast Year End Position

Appendix H

Reserve Description	2020/21 Opening Balance £	2020/21 Net Budgeted Movement to / (from) Reserves £	2020/21 Budgeted Closing Balance £	2020/21 Current Reserve Balance £	2020/21 Net Forecast Movement to / (from) Reserves £	2020/21 Forecast Closing Reserve Balance £	COVID related adjustment in 2021/22 £	2020/21 Forecast Variance (Over) / under Utilised £	Variance Notes (variances in brackets denote greater reserve usage than budgeted)
<b>STRATEGIC RESERVES</b>									
Strategic Priorities & Medium Term Financial Strategy (MTFS) Reserve	7,617,340	(3,335,771)	<b>4,281,569</b>	7,617,340	(5,401,613)	<b>2,215,727</b>	0	<b>(2,065,842)</b>	Increase in forecast Reserve utilisation is primarily due to usage of the £1.8m COVID-19 grant which was received in 2019/20 and transferred to this reserve, plus reduced New Homes Bonus contribution to this reserve in part mitigation of the forecast budget position.
Investing in our Growth Agenda Reserve	1,449,438	(582,594)	<b>866,844</b>	1,449,438	(487,841)	<b>961,597</b>	0	<b>94,753</b>	This reserve was set up in order to support the delivery of the council's growth agenda.  Currently forecasting a higher year end balance as a result of staff vacancies which are budgeted to be funded from this reserve.
Business Rates Retention Pilot: Place-Based Reserve	3,128,848	(267,788)	<b>2,861,060</b>	3,128,848	(221,192)	<b>2,907,656</b>	0	<b>46,596</b>	Higher forecast balance than budgeted due to under utilisation on the following:  £10k Lifelink Project as a result of recruitment timings; £36k Planning Policy capacity resourcing funding due to vacancy.
<b>FINANCIAL PLANNING RESERVES</b>									
Invest to Save Reserve	4,047,476	343,728	<b>4,391,204</b>	4,047,476	152,850	<b>4,200,326</b>	0	<b>(190,878)</b>	Budgeted Contribution to Reserve not currently forecast as a result of overall forecast position.
Business Rates Retention Equalisation Reserve	7,100,063	2,228,433	<b>9,328,496</b>	7,100,063	17,125,628	<b>24,225,691</b>	(14,900,000)	<b>(2,805)</b>	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 S31 Grants, see also Appendix F.
Housing Benefits Equalisation Reserve	293,481	0	<b>293,481</b>	293,481	0	<b>293,481</b>	0	<b>0</b>	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.

June 2020 - Earmarked Reserves Forecast Year End Position

Appendix H



Reserve Description	2020/21 Opening Balance £	2020/21 Net Budgeted Movement to / (from) Reserves £	2020/21 Budgeted Closing Balance £	2020/21 Current Reserve Balance £	2020/21 Net Forecast Movement to / (from) Reserves £	2020/21 Forecast Closing Reserve Balance £	COVID related adjustment in 2021/22 £	2020/21 Forecast Variance (Over) / under Utilised £	Variance Notes (variances in brackets denote greater reserve usage than budgeted)
Capital Project Financing Reserve	1,341,222	(146,020)	<b>1,195,202</b>	1,341,222	768,731	<b>2,109,953</b>	0	<b>914,751</b>	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	698,076	0	<b>698,076</b>	698,076	0	<b>698,076</b>	0	<b>0</b>	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	410,967	0	<b>410,967</b>	410,967	0	<b>410,967</b>	0	<b>0</b>	Monies set aside to provide funds in order to finance any high insurance excesses that may arise.
Election Reserve	58,610	59,145	<b>117,755</b>	58,610	(4,540)	<b>54,070</b>	0	<b>(63,685)</b>	Monies set aside each year in order to fund the local elections when required.
Planning Reserve	461,390	(163,020)	<b>298,370</b>	461,390	(161,436)	<b>299,954</b>	0	<b>1,584</b>	Monies set aside in order to fund the Local Plan and other planning-related expenditure.
<b><u>SERVICE DELIVERY RESERVES</u></b>									
Computer & Telephone Equipment Reserve	292,404	15,000	<b>307,404</b>	292,404	15,000	<b>307,404</b>	0	<b>0</b>	Utilisation forecast on this reserve in 2020/21 in order to fund ICT hardware purchases.
Office Equipment Reserve	389,974	28,800	<b>418,774</b>	389,974	28,800	<b>418,774</b>	0	<b>0</b>	Monies set aside to purchase significant replacement items of office equipment.
Anglia Revenues Partnership Reserve	965,367	10,635	<b>976,002</b>	965,367	10,635	<b>976,002</b>	0	<b>0</b>	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	2,030,222	(1,716,238)	<b>313,984</b>	2,030,222	(1,724,538)	<b>305,684</b>	0	<b>(8,300)</b>	This reserve is utilised to fund the Council's Vehicle Replacement programme. Currently expected to be broadly in line with the budget for 2020/21.
Waste Management Reserve	285,119	(30,500)	<b>254,619</b>	285,119	(30,500)	<b>254,619</b>	0	<b>0</b>	This reserve includes monies set aside for purchases related to the Waste and Street Scene service, including Wheeled Bins and associated equipment.

June 2020 - Earmarked Reserves Forecast Year End Position

Appendix H



Reserve Description	2020/21 Opening Balance £	2020/21 Net Budgeted Movement to / (from) Reserves £	2020/21 Budgeted Closing Balance £	2020/21 Current Reserve Balance £	2020/21 Net Forecast Movement to / (from) Reserves £	2020/21 Forecast Closing Reserve Balance £	COVID related adjustment in 2021/22 £	2020/21 Forecast Variance (Over) / under Utilised £	Variance Notes (variances in brackets denote greater reserve usage than budgeted)
Building Repairs Reserve - Property	1,997,067	(147,080)	<b>1,849,987</b>	1,997,067	(155,731)	<b>1,841,336</b>	0	<b>(8,651)</b>	Lower closing balance forecast than budgeted mainly as a result of a small forecast overspend on general repairs & maintenance budgets.
Industrial Unit Service Charge Reserve	88,201	0	<b>88,201</b>	88,201	200	<b>88,401</b>	0	<b>200</b>	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	535,000	(255,000)	<b>280,000</b>	535,000	(255,000)	<b>280,000</b>	0	<b>0</b>	Monies set aside to meet lost lease income on the former Co-op building at Jubilee Walk, Haverhill.
Building Repairs Reserve - Leisure	187,211	(187,210)	<b>1</b>	187,211	(137,210)	<b>50,001</b>	0	<b>50,000</b>	This reserve is utilised in order to fund the Leisure Capital programme. The year end variance is currently forecast to be underspent as a result of potential reduced utilisation against existing projects.
Abbey Gardens Donation Reserve	38,766	0	<b>38,766</b>	38,766	0	<b>38,766</b>	0	<b>0</b>	Monies held for the improvement of the Abbey Gardens, Bury St Edmunds.
Newmarket Stallion Statue Reserve	20,809	0	<b>20,809</b>	20,809	0	<b>20,809</b>	0	<b>0</b>	Monies held for the maintenance and repair of the Newmarket Stallion Statue.
Housing Options Reserve	607,056	271,789	<b>878,845</b>	607,056	293,875	<b>900,931</b>	0	<b>22,086</b>	This reserve holds the funding received from the Flexible Homelessness Support Grant and is utilised to fund the Housing Options Team and associated expenditure.
<b>SECTION 106 RESERVES</b>									
Commuted Maintenance Reserve	841,906	(103,510)	<b>738,396</b>	841,906	(103,510)	<b>738,396</b>	0	<b>0</b>	Monies received from Developers in order to maintain additional play areas and public open space adopted.
Public Service Village Reserve	79,699	0	<b>79,699</b>	79,699	0	<b>79,699</b>	0	<b>0</b>	S106 monies to be utilised to fund Green Travel Scheme and associated initiatives.
S106 Monitoring Officer Reserve	68,319	12,600	<b>80,919</b>	68,319	12,600	<b>80,919</b>	0	<b>0</b>	This reserve is utilised in order to fund the S106 Monitoring Officer post.
S106 Revenue Reserve	129,746	0	<b>129,746</b>	129,746	0	<b>129,746</b>	0	<b>0</b>	Monies held in respect of Revenue S106 contributions received. At present no movement is currently forecasted for 2020/21.

June 2020 - Earmarked Reserves Forecast Year End Position

Appendix H



Reserve Description	2020/21 Opening Balance £	2020/21 Net Budgeted Movement to / (from) Reserves £	2020/21 Budgeted Closing Balance £	2020/21 Current Reserve Balance £	2020/21 Net Forecast Movement to / (from) Reserves £	2020/21 Forecast Closing Reserve Balance £	COVID related adjustment in 2021/22 £	2020/21 Forecast Variance (Over) / under Utilised £	Variance Notes (variances in brackets denote greater reserve usage than budgeted)
<b>OTHER RESERVES</b>									
Gershom Parkington Reserve	576,967	2,660	<b>579,627</b>	576,967	2,660	<b>579,627</b>	0	0	Monies received from the Gershom Parkington Trust in order to maintain and develop the Council's Horological Collection.
<b>RESERVES TOTALS:</b>	<b>35,740,744</b>	<b>(3,961,941)</b>	<b>31,778,803</b>	<b>35,740,744</b>	<b>9,727,868</b>	<b>45,468,612</b>	<b>(14,900,000)</b>	<b>(1,210,191)</b>	

