

Capital project financing reserve

Appendix D(iv)

This reserve was set up to facilitate the capital financing requirements of the council and to account for fluctuations and timing differences in the expected spend profile and project financing costs (such as interest rate payable). This reserve is also available to underwrite feasibility costs for the council in the event projects don't progress to completion.

Details	2024 to 2025 Total budget £	2025 to 2026 Projected budget £	2026 to 2027 Projected budget £	2027 to 2028 Projected budget £
Budgeted opening balance	9,509,753	8,934,753	8,484,753	8,544,753
Budgeted contributions to reserve				
Budgeted underspend on borrowing costs/increased interest receivable	675,000	270,000	180,000	180,000
Total contributions to reserve:	675,000	270,000	180,000	180,000
Budgeted contributions from reserve				
17/18 Cornhill commercial unit holding costs for next 12 months	(150,000)	0	0	0
Olding Road depot / warehouse holding costs - to be reviewed as part of the emerging business case for the site	(300,000)	(300,000)		
Provincial House holding costs whilst construction take place	(250,000)	0	0	0
Barley Homes dividend, difference to budget as a result of timing of development, to be reviewed as part of the annual business plan and budget process. Additional dividend received in 2023/24 in anticipation for 2024/25 and credited previously to this reserve	(300,000)	(300,000)		
Growth Income Assumptions, assumption to cover net benefit associated with using the residual fund, to be reviewed once business cases come forward	0	(120,000)	(120,000)	(120,000)
Transfer to Building Repairs Reserve to cover project holding costs previously funded from the reserve	(250,000)	0	0	0
Total contributions from reserve:	(1,250,000)	(720,000)	(120,000)	(120,000)
Budgeted closing balance:	8,934,753	8,484,753	8,544,753	8,604,753