

RESERVES - PROJECTED BALANCES (EXCLUDES SALCOMBE HARBOUR)						APPENDIX C
	Cost Centre	Opening balance 01.04.2021 £000s	Additions to Reserve 2021/22 £000s	Predicted Spend 2021/22 £000s	Projected balance 31.03.2022 £000s	Comments
<b>EARMARKED RESERVES</b>						
<b>Specific Reserves - General Fund</b>						
Affordable Housing	S0822	(668)		590	(78)	Funding of Capital Programme commitments and £36k set up costs of the Community Benefit Society, Wholly Owned Company (E.78/19)
Beach Safety	S0839	(14)			(14)	
Capital Programme	S0820	(181)	(182)	363	0	Capital Programme commitments
Community Housing Fund	S0854	(194)		149	(45)	Community Housing schemes
Community Parks and Open Spaces	S0826	(49)	(17)	4	(62)	
Covid Earmarked Reserve	S0815	(100)	(381)		(481)	This is a new reserve set up in 2020/21 to protect against future COVID losses. The current balance of £481k comprises of the 4th and 5th tranches of the COVID-19 LA Support Grant (£100k and £381k respectively) - Executive 17/12/20 and 28/1/21
Dartmouth Ferry Repairs & Renewals	S0830	(428)	(117)		(545)	
District Elections	S0838	(10)	(10)		(20)	
Economic Initiatives	S0831	(23)			(23)	
Economic Regeneration (Business Rates pilot gain 2018/19)	S0858	(49)		38	(11)	The commitments relate to £15k for the Tour of Britain and £23k for the Ivybridge Regeneration project (Executive 18th June 2020).
Emergency Climate Change Projects Reserve	S0852	(400)	(200)	400	(200)	The set up of this reserve was approved by Executive on 6/2/20 20 E74/19, funded by a £400k contribution from the New Homes Bonus Reserve. As per the Executive report on 22nd October 2020, £20,000 was to be utilised to support the delivery of the Green Homes Grant scheme. At Council on 17 December 2020 the 'Climate Change and Biodiversity Strategy and Action Plan update', proposed initiatives for the remaining £380,000. In addition a further £200k will be contributed to this reserve this year as part of the 2021/22 Budget to support the Climate Change Action Plan. Funding was identified from The Business Rates Retention Reserve, New Homes Bonus and withdrawing the 2021/22 contribution to the Planning Earmarked Reserve.
Environmental Health Initiatives	S0857	(20)			(20)	
Grounds Maintenance	S0901	(104)			(104)	A new reserve set up in 2020/21 to hold the Grounds Maintenance in year surpluses to be reinvested back into the service (Executive 18/6/20)
Homelessness Prevention	S0851	(166)		29	(137)	This reserve has been created following underspends on Homelessness Prevention Costs in previous years. The commitment includes funding carried forward from 2020/21 in respect of the Housing Vulnerability Officer (£24k). This is a 2 year temporary post funded by Devon County Council.
ICT Development	S0836	(82)	(50)	32	(100)	Commitments include £27k towards the Future IT Procurement, Council 13/2/20 E75/19
Land and Development	S0829	(104)	(7)	52	(59)	The commitment of £52k has been earmarked for Follaton House Arboretum & Wedding Venue works.
Leisure Services	S0858	(51)		8	(43)	
Maintenance, Management and Risk Management Reserve (MMRM)	S0861	(37)	(29)		(66)	This reserve was set up in 2019/20 to manage the ongoing maintenance costs of the Council's Commercial Property. The contributions to the reserve equate to 10% of the rental income, this is anticipated to be £29,000 in 2021/22.
Marine Infrastructure	S0828	(326)	(58)	200	(184)	£200k has been committed towards the Harbour Depot, Batson Creek, Salcombe E.74/20
Members Sustainable Community Locality	S0846	(35)			(35)	This reserve holds the unspent balances.
New Homes Bonus	S0804	(1,803)	(1,068)	1,940	(931)	The NHB allocation for 21/22 is £1.068m. Commitments include £764k contribution to the base revenue budget and £200k towards the Recovery and Renewal Plan and Climate Change Action Plan approved as part of the 21/22 Budget (Council 11/2/21). In addition there are commitments from previous years for the Capital Programme budget 2018/19 & 2019/20. The remaining balance includes £235,016 unallocated from the 2020/21 New Homes Bonus and £122,274 from the 2021/22 New Homes Bonus with its future use to be decided when more details are known about the Spending Review for 2021/22 and following a Government consultation document on a replacement scheme for NHB.
On-Street Parking	S0834	(44)			(44)	
Pay & Display Equipment Renewals	S0833	(165)	(21)		(186)	This reserve provides for the periodic replacement of Pay & Display machines.
Pension Fund Strain Payments Reserve	S0810	(109)	(99)		(208)	This reserve is used to fund pension strain costs
Planning Policy & Major Developments	S0840	(217)		4	(213)	This reserve is for all planning matters and is also to meet appeal costs. The proposed 21/22 contribution of £50k was reassigned as part of the 21/22 Budget towards the funding of the Recovery and Renewal Plan and Climate Change Action Plan approved by Council on 11/2/21.
Play Area Renewals Reserve	S0867	0	(93)		(93)	This is a new reserve set up in 2021/22 to hold the anticipated underspend on the Play Parks capital budget of £93,500. This reserve will be used for replacement play area equipment (Executive 22/10/20 - E.26/20)
Recovery and Renewal Plan	S0864	0	(500)		(500)	This is a new reserve set up as part of the 2021/22 Budget to support the costs of the Recovery and Renewal Plan. The £500k contribution is funded by reassigning the proposed contribution to the Planning Earmarked Reserve in 2021/22 (£50k) and a transfer from the Business Rates Retention Earmarked Reserve (£450k) - Council 11/2/21
Repairs & Maintenance	S0827	(231)	(80)	30	(281)	The commitment of £30k relates to the cost of furniture for the Council Chamber. Please see a separate report on this Executive agenda regarding Follaton House.

Revenue Grants	S0821	(1,101)		179	(922)	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. The annual contribution of £49k from this reserve relates to the funding of three housing posts which were made permanent in the 2020/21 budget process and are funded from the Flexible Homelessness Support Grant. In addition a further £130k has been earmarked for the new Audio Visual system in the Council Chamber. This will be funded from the Government new burdens funding received for the administration of Business Grants which was transferred to this Revenue Grants reserve in 2020/21. Please see a separate report on this Executive agenda regarding Follaton House.
Salary Savings	S0863	(120)		120	0	This is a new reserve set up to hold salary savings from 2020/21 to be ringfenced to support salary costs in 2021/22. (Executive 11/3/21). Some work had to be postponed in 2020/21 due to the extra work pressures of the pandemic and this work will need to be carried out in 2021/22 to maintain and enhance service delivery and address recommendations from internal audit reports.
Section 106 Deposits	S0842	(38)			(38)	This reserve comprises deposits with no repayment conditions - created as a result of IFRS
Section 106 Monitoring	S0929	(149)			(149)	This reserve funds the cost of an officer to oversee the administration of S106 deposits and how they are spent
Section 106 Technical Support	S0862	(34)			(34)	To meet the salary costs of a S106 technical support officer.
Support Services Trading	S0856	(72)		16	(56)	This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme.
Sustainable Waste Management	S0837	(246)	(25)	80	(191)	This reserve was created for one-off waste management costs. Due to the delay in the implementation of the Devon Aligned Service an underspend of £80,000 was transferred to the Sustainable Waste Management reserve in 2020/21 to reflect the fact that the majority of the implementation costs will now be in 2021/22 rather than 2020/21 due to the pandemic. (Executive 11/3/21).
Vehicles & Plant Renewals	S0832	(143)	(550)	293	(400)	Earmarked for the Fleet Replacement Programme as part of the Waste Contract. An annual contribution of £550k is made to this reserve.
<b>Sub Total excluding the Business Rates Reserves</b>		<b>(7,513)</b>	<b>(3,487)</b>	<b>4,527</b>	<b>(6,473)</b>	
Business Rates Retention	S0824	(7,103)		678	(6,425)	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income e.g. due to appeals. Commitments mainly relate to (a) £3.5m ringfenced for Employment for the creation of local jobs (Council Feb 2018) (b) on 31 October 2019 the Executive recommended to Council to use up to £200k to fund the cost of extending the lease of the starter units at Langage from 21 years to 125 years (this was approved by Council), funded from this reserve and (c) £450k of funding for the Recovery and Renewal Plan and Climate Change Action Plan, approved by Council on 11/2/21.
S.31 Compensation Grant (Business Rates)	S0866	(6,283)		6,044	(239)	This is a new reserve set up to hold the business rates S31 grants received in 2020/21 to offset the business rate reliefs given to businesses during lockdown. Under current Collection Fund accounting rules, the S31 grants received in 2020/21 will not be discharged against the Collection Fund deficit until 2021/22 onwards.
<b>TOTAL EARMARKED RESERVES</b>		<b>(20,899)</b>	<b>(3,487)</b>	<b>11,249</b>	<b>(13,137)</b>	
<b>TOTAL UNEARMARKED RESERVES (General Fund Balance)</b>		<b>(2,122)</b>	<b>(92)</b>		<b>(2,214)</b>	This Unearmarked Reserve has a minimum balance of £1.5million (set by Members as part of the budget process). The predicted surplus for 2021/22 of £92,000 (as set out in the Month 4 revenue budget monitoring report) would be added to this Unearmarked Reserve.
<b>TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)</b>		<b>(23,021)</b>	<b>(3,579)</b>	<b>11,249</b>	<b>(15,351)</b>	