

RESERVES - PROJECTED BALANCES					APPENDIX A
	Opening Balance 01.04.2022 £000's	Additions to Reserve 2022/23 £000's	Predicted Spend 2022/23 £000's	Closing Balance 31.03.2023 £000's	Comments
EARMARKED RESERVES					
Specific Reserves - General Fund					
Affordable Housing (Revenue)	0	172		172	This is a new reserve set up as part of the 2022/23 Budget setting process and has been created from a one off contribution from the New Homes Bonus funding in 2022/23 (£172,084).
2016/17 Budget Surplus Contingency	86		(51)	35	This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Commitments relate to Capital Programme funding.
Broadband Community Support	50			50	As per the report to the Hub Committee on 1st December 2020, Council approved the creation of a Broadband Community Support Earmarked Reserve, to be financed by transferring £50k from the existing Business Rates Retention Earmarked Reserve in 2020/21.
Car Parking Maintenance	534		(158)	376	The commitments in 2022/23 include Brook Street Car Park.
COVID Losses Earmarked Reserve	254			254	This reserve was set up in 2020/21 to protect against future COVID losses.
Economic Grant Initiatives	26		(4)	22	
Elections	34	20		54	
Environmental Health Initiatives	20			20	
Financial Stability	454	163		617	This reserve was created in 2018/19 from the Business Rates Pilot funding. This funding was set aside to assist to smooth out future years' funding variations or reductions, in particular any changes from the Fair Funding Review. A one off contribution of £162,850 was approved as part of the 2022/23 budget (Council Feb 2022).
Flood Works	15			15	
Grounds Maintenance	78		(10)	68	This reserve holds the Grounds Maintenance in year surpluses to be reinvested back into the service.
Homelessness Prevention	244		(139)	105	This reserve has been created following underspends on Homelessness Prevention Costs. The main commitment in 2022/23 relates to the Housing restructure costs (£101k) - Hub 7/6/22
ICT Development	25	50	(13)	62	Predicted spend in 2022/23 relates to the Future IT project
Innovation Fund (Invest to Earn)	378		(255)	123	This reserve originated from New Homes Bonus funding. Commitments in 2022/23 mainly relate to Capital Programme funding including the upgrading of Havedown Depot.
Joint Local Plan	0	25		25	
Leisure Services	48		(36)	12	Commitments relate to Capital Programme funding.
Maintenance Fund (Estates)	361		(3)	358	
Management, Maintenance & Risk Management	418	117		535	This is a relatively new reserve set up to manage the ongoing maintenance costs of the Council's Investment Property Portfolio. The contributions to the reserve equate to 10% of the rental income on an annual basis.
Neighbourhood Planning Grants	47			47	
New Homes Bonus (NHB)	506	352	(535)	323	The NHB allocation for 22/23 is £352,084. Projected spend in 2022/23 relates to £150k contribution to the base revenue budget, £30k contribution to the Capital Programme and £172,084 contribution to the Affordable Housing Earmarked Reserve. In addition there are commitments from previous years for the Capital Programme budget.
Outdoor Sports & Recreation Grants	16			16	
Planning Policy and Major Developments	146	25	(33)	138	This reserve is for all planning matters and is also required to meet appeal costs. The predicted spend for 2022/23 relates to the Planning restructure. The cost of the first three years of this restructure is to be met from additional planning income in the Planning earmarked reserve (Hub 7/6/22)
Recovery Plan and Corporate Strategy	182		(172)	10	In March 2021 the Hub Committee recommended to Council to transfer £200k of the 2020/21 projected surplus into a new Recovery Plan and Corporate Strategy Earmarked Reserve. Projected spend in 2022/23 relates to 'A Plan for West Devon' commitments.
Revenue Grants	1,417		(69)	1,348	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. £80,000 of this reserve has been earmarked to fund the Council's share (40%) of a 2 year fixed term senior role to drive customer service and operational efficiency (Hub 13/9/22 - Medium Term Financial Strategy). An estimated £20k has been included for 2022/23 - six months of this 2 year senior role. The other commitment for 2022/23 of £49k 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
Support Services Trading Opportunities	20			20	This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme.
Strategic Change (T18)	67		(10)	57	
Tree Maintenance	17			17	A new reserve set up in 2021/22 to hold in year surpluses generated to reinvest back into the Tree maintenance service in future years
Vehicle Replacement	328	50	(229)	149	This is a new reserve set up to fund the Council's vehicle replacement programme (Council 4 Dec 2018). £50k a year is contributed to this reserve.
Waste & Cleansing Options Review	658		(450)	208	Detail is set out in the Hub Committee report of 12 July 2022. This is for capital work at Havedown depot and an additional vehicle.
Other Reserves below £15,000 (combined)	42		(16)	26	
Sub Total excluding the Business Rates Reserves	6,471	974	(2,183)	5,262	
Business Rates Retention	1,087		(256)	831	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. In 2022/23 £75,000 has been earmarked to smooth the volatility in business rates. In addition there are capital programme funding commitments.
S.31 Compensation Grant (Business Rates)	1,631		(1,631)	0	This is a new reserve set up to hold the business rates S31 grants received in 2020/21 and 2021/22 to offset the business rate reliefs given to businesses during lockdown. Under current Collection Fund accounting rules, the S31 grants received will not be discharged against the Collection Fund deficit until the following year, 2022/23. This reserve is not money which is available for the Council to spend and it is important that this is not misinterpreted in the Accounts, as this is a national issue.
TOTAL EARMARKED RESERVES	9,189	974	(4,070)	6,093	
TOTAL UNEARMARKED RESERVES	1,490		(70)	1,420	Note: This Unearmarked Reserve has a minimum balance of £900,000 and an operating level of a minimum of £1.25million (set by Members as part of the Budget Process). The projected deficit for 2022/23 of £70k (as set out in the report) would be funded from this Unearmarked Reserve, in accordance with normal accounting practice.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)	10,679	974	(4,140)	7,513	