

| RESERVES - PROJECTED BALANCES (EXCLUDES SALCOMBE HARBOUR) | | | | | | APPENDIX A |
|--|-------------|---------------------|----------------------|------------------|---------------------|---|
| EARMARKED RESERVES | Cost Centre | Opening balance | Additions to Reserve | Predicted Spend | Closing balance | Comments |
| | | 01.04.2022 £000s | 2022/23 £000s | 2022/23 £000s | 31.03.2023 £000s | |
| Specific Reserves - General Fund | | | | | | |
| Affordable Housing (Capital) | S0822 | (544) | | 544 | 0 | Actual spend relates mainly to Capital Programme expenditure including St Ann's Chapel |
| Affordable Housing (Revenue) | | 0 | (408) | 60 | (348) | This is a new reserve set up as part of the 2022/23 Budget process and has been created from a one off contribution from the New Homes Bonus funding in 2022/23. Predicted spend in 2022/23 relates to the Step on Deposit Scheme pilot (Council Feb 2022). |
| Beach Safety | S0839 | (14) | | | (14) | |
| Capital Programme | S0820 | (249) | (182) | 431 | 0 | Predicted spend relates to Capital Programme commitments and a transfer of £80k to the Repairs & Maintenance earmarked reserve in respect of Follaton House roof refurbishment and replacement lift |
| Community Composting | S0933 | (200) | | | (200) | Council 10/02/22 approved a one off amount of £200k to be transferred into a Community Composting Earmarked Reserve in 2021/22. |
| Community Parks and Open Spaces | S0826 | (46) | (17) | 9 | (54) | |
| COVID-19 | S0815 | (209) | | 175 | (34) | This reserve was set up in 2020/21 to protect against future COVID losses. In 2022/23 £174,632 will be used to fund the shortfall in the leisure management fee income in 2022/23 and the balance of £33,915 in 2023/24 (Executive 3/3/22). |
| Dartmouth Ferry Repairs & Renewals | S0830 | (530) | (117) | | (647) | |
| District Elections | S0838 | (20) | (10) | | (30) | |
| Economic Initiatives | S0831 | (23) | | | (23) | |
| Economic Regeneration (Business Rates pilot gain 2018/19) | S0858 | (24) | | | (24) | |
| Emergency Climate Change Projects | S0852 | (553) | | 213 | (340) | The set up of this reserve was approved by Executive on 6/2/2020 E74/19, funded originally by a £400k contribution from the New Homes Bonus Reserve. Predicted spend for 2022/23 includes the Climate Change & Biodiversity Locality Fund and 'Better Lives for All' commitments. |
| Environmental Health Initiatives | S0857 | (20) | | | (20) | |
| Financial Stability | S0868 | (280) | | | (280) | This is a new reserve set up in 2021/22. Council 10/02/22 approved for £280k to be transferred from unearmarked reserves to a Financial Stability Earmarked Reserve, to be available for any future financial pressures from future local government funding reforms and any other budget pressures. |
| Grounds Maintenance | S0901 | (149) | | 92 | (57) | 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). Commitments in 2022/23 relate to equipment purchases. |
| Homelessness Prevention | S0851 | (234) | | 195 | (39) | This reserve has been created following underspends on Homelessness Prevention Costs. The main commitment in 2022/23 relates to the Housing staffing costs (£151k) - Executive 26/5/22 |
| Housing Capital Projects | S0854 | (408) | | | (408) | |
| ICT Development | S0836 | (89) | (50) | 107 | (32) | Predicted spend in 2022/23 includes Future IT project and hardware commitments |
| Joint Local Plan | | 0 | (25) | 23 | (2) | |
| Land and Development | S0829 | (72) | (7) | 14 | (65) | |
| Leisure Services | S0858 | (41) | | | (41) | |
| Maintenance Fund | S0927 | (78) | | 46 | (32) | This is a new reserve set up in 2021/22 to hold service charge income. |
| Maintenance, Management and Risk Management Reserve (MMRM) | S0861 | (66) | (29) | | (95) | This reserve was set up in 2019/20 to manage the ongoing maintenance costs of the Council's Investment Property. The contributions to the reserve equate to 10% of the rental income |
| Marine Infrastructure | S0828 | (184) | (58) | 10 | (232) | £200k has been committed for match funding for the Fish Quay funding bid - Council May 2022 |
| Members Sustainable Community Locality | S0846 | (49) | | | (49) | This reserve holds the unspent balances. |
| New Homes Bonus | S0804 | (1,917) | (1,008) | 1,008 | (1,917) | The NHB allocation for 22/23 is £1.008m. Projected spend in 2022/23 relates to £500k contribution to the base revenue budget, £100k contribution to the Capital Programme and £407,557 contribution to the Affordable Housing Earmarked Reserve. 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 2022/23 onwards and a replacement scheme for NHB. |
| On-Street Parking | S0834 | (44) | | | (44) | |
| Pay & Display Equipment Renewals | S0833 | (186) | (21) | 32 | (175) | This reserve provides for the periodic replacement of Pay & Display machines. |
| Pension Fund Strain Payments | S0810 | (208) | (99) | | (307) | This reserve is used to fund pension strain costs |
| Planning Policy & Major Developments | S0840 | (531) | (50) | 98 | (483) | 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 (Executive 26/5/22) |
| Play Area Renewals | S0867 | 0 | (128) | | (128) | This is a new reserve to be set up to hold the anticipated underspend on Play Parks to be used for replacement play area equipment (Executive 22/10/20) |
| Recovery and Renewal Plan | S0864 | (500) | | 158 | (342) | This is a new reserve set up as part of the 2021/22 Budget to support the costs of the Recovery and Renewal Plan. Projected spend in 2022/23 relates to 'Better Lives for All' commitments. |
| Repairs & Maintenance | S0827 | (374) | (173) | 21 | (526) | The additions to the reserve in 2022/23 mainly relate to the budgeted annual contribution (£80k) and a contribution from the Capital Programme earmarked reserve (£80k) towards the Follaton House roof refurbishment and replacement lift. £390k of this reserve balance is earmarked for Follaton House roof refurbishment and replacement lift. |

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|--|-------|-----------------|----------------|--------------|-----------------|---|
| Revenue Grants | S0821 | (1,725) | (17) | 317 | (1,425) | This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. £120,000 of this reserve has been earmarked in the future to fund the Council's share (60%) of a 2 year fixed term senior role to drive customer service and operational efficiency (Executive 15/9/22 - Waste & Recycling Services Update). In addition a commitment of £73k 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. A further £50,000 has been earmarked to top up the Discretionary Housing Payments. |
| Section 106 Deposits | S0842 | (38) | | | (38) | This reserve comprises of deposits with no repayment conditions - created as a result of IFRS |
| Section 106 Monitoring | S0929 | (158) | | 20 | (138) | 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 | (14) | | 14 | 0 | To meet the salary costs of a S106 technical support officer. |
| Support Services Trading | S0856 | (75) | | 39 | (36) | This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme. The 2022/23 commitment relates to the purchase of Audio Visual equipment. |
| Sustainable Waste Management | S0837 | (1,065) | (25) | 400 | (690) | This reserve was created for one-off waste management costs. This reserve contains the additional income from increased recycling credits and dry recycling income and it also holds the value of the 2021/22 contractual performance deductions. This will contribute to the anticipated set up costs of bringing the service back in house in October 2022 and capital outlay (some of which will be spent in 2023/24). |
| Tree Maintenance | S0934 | (60) | | | (60) | A new reserve set up in 2021/22 to hold in year surpluses generated to reinvest back into the Tree maintenance service. |
| Vehicles & Plant Renewals | S0832 | (276) | (550) | 10 | (816) | Earmarked for the Fleet Replacement Programme. An annual contribution of £550k is made to this reserve. |
| Sub Total excluding the Business Rates Reserves | | (11,253) | (2,974) | 4,036 | (10,191) | |
| Business Rates Retention | S0824 | (4,546) | | 2,349 | (2,197) | 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 £100,000 has been earmarked to smooth the volatility in business rates. At Council on 14 July 2022, Members approved the use of £3million of this reserve, to fund the additional costs during the transitional phase of bringing the waste service back in house. |
| S.31 Compensation Grant (Business Rates) | S0866 | (4,260) | (674) | 3,472 | (1,462) | 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 and partly 2023/24. 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 | | (20,059) | (3,648) | 9,857 | (13,850) | |
| TOTAL UNEARMARKED RESERVES (General Fund Balance) | | (2,056) | (127) | | (2,183) | This Unearmarked Reserve has a minimum balance of £1.5million and an operating level of £2 million (set by Members as part of the budget process). The predicted surplus for 2022/23 of £127,000 has been credited to this reserve. |
| TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES) | | (22,115) | (3,775) | 9,857 | (16,033) | |