

Appendix C - Schedule of Reserves

RESERVES - BALANCES AT 31 MARCH 2022						APPENDIX C
		Opening balance	Additions to Reserve	Actual Spend	Closing balance	
EARMARKED RESERVES	Cost Centre	01.04.2021	2021/22	2021/22	31.03.2022	Comments
		£000s	£000s	£000s	£000s	
Specific Reserves - General Fund						
Affordable Housing	S0822	(668)		124	(544)	Actual spend relates mainly to Capital Programme expenditure
Beach Safety	S0839	(14)			(14)	
Capital Programme	S0820	(181)	(211)	143	(249)	Actual spend relates to the Capital Programme - Play Areas (£63k) and funds moved to the Repairs & Maintenance Reserve set aside for Follaton House Roof Refurbishment & Lift Replacement (£80k)
Community Composting	S0933	0	(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.
Housing Capital Projects	S0854	(194)	(331)	117	(408)	Community Housing schemes
Community Parks and Open Spaces	S0826	(49)	(17)	20	(46)	Spend in 2021/22 mainly relates to play equipment resurfacing (£16k)
COVID-19	S0815	(100)	(381)	272	(209)	This is a new reserve set up in 2020/21 to protect against future COVID losses. The additions relate to the 5th tranche of the COVID-19 LA Support Grant - Executive 28/01/21. Spend relates to the shortfall in leisure management fee income in 2021/22 - Executive 3/3/22.
Dartmouth Ferry Repairs & Renewals	S0830	(428)	(117)	15	(530)	
District Elections	S0838	(10)	(10)		(20)	
Economic Initiatives	S0831	(23)			(23)	
Economic Regeneration (Business Rates pilot gain 2018/19)	S0858	(49)		25	(24)	The spend in 2021/22 relates to £15k for the Tour of Britain and £10k for the Ivybridge Regeneration project (Executive 18th June 2020).
Emergency Climate Change Projects	S0852	(400)	(200)	47	(553)	The set up of this reserve was approved by Executive on 6/2/2020 E74/19, funded by a £400k contribution from the New Homes Bonus Reserve. A further £200k has been 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. The 2021/22 spend mainly relates to the Climate Change & Biodiversity Locality Fund (£35k)
Environmental Health Initiatives	S0857	(20)			(20)	
Financial Stability	S0868	0	(280)		(280)	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	(104)	(75)	30	(149)	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). In 2021/22 £30k of funding was moved to the new Tree Maintenance Earmarked Reserve. This relates to the 2020/21 tree maintenance surplus of £29,650. Additions to this reserve in 2021/22 relate to the Grounds Maintenance surplus of £74,655
Homelessness Prevention	S0851	(166)	(90)	22	(234)	This reserve has been created following underspends on Homelessness Prevention Costs
ICT Development	S0836	(82)	(50)	43	(89)	Spend in 2021/22 includes the Northgate Remote DBA Service (£21.5k)
Land and Development	S0829	(104)	(37)	69	(72)	The spend mainly relates to match funding towards the Urban Tree Programme (£62k).
Leisure Services	S0858	(51)		10	(41)	
Maintenance Fund	S0927	0	(78)		(78)	This is a new reserve set up in 2021/22 to hold service charge income. In addition £30k of the Follaton House vaccination centre income was transferred to this reserve in 2021/22
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 Investment Property. The contributions to the reserve equate to 10% of the rental income
Marine Infrastructure	S0828	(326)	(58)	200	(184)	The spend of £200k relates to the 2021/22 contribution towards the Harbour Depot, Batson Creek, Salcombe E.74/20
Members Sustainable Community Locality	S0846	(35)	(14)		(49)	This reserve holds the unspent balances.
New Homes Bonus	S0804	(1,803)	(1,068)	954	(1,917)	The NHB allocation for 21/22 is £1,068m. Spend in 2021/22 includes £746k 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).
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	S0810	(109)	(99)		(208)	This reserve is used to fund pension strain costs
Planning Policy & Major Developments	S0840	(217)	(370)	56	(531)	This reserve is for all planning matters and is also required to meet appeal costs. The additions in 2021/22 include £320,000 of additional planning income - Executive 3/3/22. The budgeted contribution of £50,000 in 2021/22 was reassigned to part fund the creation of the Recovery & Renewals Plan Earmarked reserve
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)	(173)	30	(374)	The £30k spend in 2021/22 relates to the cost of the Audio/Visual equipment for the Council Chamber. The additions to the reserve include the budgeted contribution of £80k and the £80k transferred from the Capital Programme in 2021/22 to be set aside for the Follaton House Roof Refurbishment and Lift Replacement

Revenue Grants	S0821	(1,101)	(894)	270	(1,725)	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. The 2021/22 spend includes £130k 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 reserve in 2020/21. The additions in 2021/22 amounting to £894k relates mainly to the Local Council Tax Support Scheme (£131k), New Burdens COVID-19 Admin Support Grant (£236k) and other COVID-19 funding including the Clinically Extremely Vulnerable Fund (£115k) and the COVID-19 Hardship Fund (£103k). It is anticipated that a significant amount of these grants will be applied in 2022/23.
Salary Savings	S0863	(120)		120	0	This reserve was 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. The use of this reserve in 2021/22 was approved by Council on 10 February 2022
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	(149)	(29)	20	(158)	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)		20	(14)	To meet the salary costs of a S106 technical support officer.
Support Services Trading	S0856	(72)	(30)	27	(75)	This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme. Spend in 2021/22 relates to the additional implementation costs associated with the introduction of the new payroll system
Sustainable Waste Management	S0837	(246)	(899)	80	(1,065)	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), this funding has been utilised in 2021/22 (Council 10/2/22). 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.
Tree Maintenance	S0934	0	(60)		(60)	A new reserve set up in 2021/22 to hold in year surpluses generated to reinvest back into the Tree maintenance service. The £60k additions relate to the 2021/22 surplus of £30,000 plus the 2020/21 surplus of £29,650 transferred from the Grounds Maintenance reserve
Vehicles & Plant Renewals	S0832	(143)	(550)	417	(276)	Earmarked for the Fleet Replacement Programme. An annual contribution of £550k is made to this reserve.
Specific Reserves - Salcombe Harbour						
Pontoons	S0843	(227)	(65)		(292)	
Renewals	S0844	(169)	(40)	17	(192)	
Revenue Account Reserve	S0845	(199)	(120)	23	(296)	Additions to this reserve relate to the Salcombe Harbour trading surplus generated in 2021/22 of £119,526
Sub Total excluding the Business Rates Reserves		(8,108)	(7,096)	3,171	(12,033)	
Business Rates Retention	S0824	(7,103)		2,557	(4,546)	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, a contribution of £1.82m was required in 2021/22 to offset the Business Rates deficit. In addition £450k was used as funding for the Recovery & Renewal Plan and Climate Change Action Plan and £275k was used to fund the Ivybridge Regeneration project costs - Council 11/2/21. 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	(6,283)		2,023	(4,260)	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. In 2021/22 £2.023m of S31 grant was applied to the Collection Fund to smooth the impact of the business rates deficit. 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		(21,494)	(7,096)	7,751	(20,839)	
TOTAL UNEARMARKED RESERVES (General Fund Balance)		(2,122)	(214)	280	(2,056)	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 surplus for 2021/22 of £214k has been credited to this reserve. The £280k spend relates to the transfer to the new Financial Stability Earmarked Reserve - Council 10/2/22
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)		(23,616)	(7,310)	8,031	(22,895)	