

Appendix A

Reserves	Balance as at 01/04/2022 £'000	Transfers		Forecast balance as at 31/03/2023 £'000	Reason for transfers
		To £'000	From £'000		
<b>Capital</b>					
Usable Capital Receipts	(5,035)	(500)	1,307	(4,228)	To fund capital expenditure in 2022/23 (£1.718m) and to set up earmarked reserve for Millers Garage (£413k). £2m is earmarked in 2023/24 as a funding source for the Octagon Theatre redevelopment as agreed by Full Council in December 2021.
Internal Borrowing Reserve (Vehicle Purchases)	(149)	0	149	0	Using to fund 2022/23 capital expenditure
<b>Capital Reserve Balance</b>	<b>(5,184)</b>	<b>(500)</b>	<b>1,456</b>	<b>(4,228)</b>	
<b>Revenue</b>					
Regeneration Fund	(3,243)	(1,234)	249	(4,228)	Pooling Gains arising from SSDC being in the Somerset Business Rates Pool are transferred into the Fund. Transfers out are to fund the revenue costs and some of the capital costs of the Regeneration Programme. An amount of £1.108m to fund the capital programme has been switched to borrowing as per the Q2 capital budget report recommendations.
Capital Reserve	(151)	(7)	0	(158)	As this is a revenue reserve we are not using it to fund the 2022/23 capital budget as per the proposal in Q2 capital monitoring report
Cremator Replacement Capital Reserve	(549)	0	0	(549)	This will not be used to fund capital expenditure, borrowing will be undertaken as per the recommendations in the Q2 capital budget monitoring report.
IT Replacement Reserve	(10)	0	10	0	This will be used in 2022/23 to part fund the relevant projects within the 2022/23 approved capital programme
Ticket Levy Reserve	(252)	(77)	94	(235)	Ticket levies to reserve movement. This is available for Octagon projects (revenue or capital)
Commercial Investment Risk Reserve	(6,719)	0	2,000	(4,719)	£2m of the balance has been transferred into the General Fund Balance in 2022/23 as per Full Council approval in December 2021. It is proposed that works on investment properties will be funded from external borrowing instead of this earmarked reserve, see Q2 capital budget monitoring report.
Sports Facilities Reserve	(10)	0	0	(10)	
Yeovil Athletic Track Repairs Fund	(216)	(19)	10	(225)	This reserve is needed for funding capital in 2024/25 and beyond.
Artificial Grass Pitch Reserve	(177)	(15)	4	(188)	This reserve is needed for funding capital in 2024/25 and beyond. £4k required in year for Hockey Infrastructure.
YIC Maintenance Reserve	(60)	(20)	0	(80)	
Somerset LGR Reserve	0	(1,234)	1,000	(234)	The reserve is to fund staffing pressures arising from LGR in 2022/23, to date £538k has been approved by SLT under delegation. It is assumed that the balance on the reserve will be spent by year end. The £234k for 2023/24 relates to SSDC's contribution to the overall LGR implementation programme.
Medium Term Financial Plan Support Fund	(8,862)	0	2,240	(6,622)	Expenditure funded by the reserve includes: £1,234k into the LGR reserve, £900k for Leisure contract, £350k transfer to Treasury to manage interest rate risk, £71k for the Kick Start Project and £64k for a Planning Policy A303 project. £67k to fund the in year 2022/23 budget gap.
Area Committee Reserves	(113)	0	0	(113)	
Election Reserve	(254)	(40)	0	(294)	Budgeted annual contribution to reserve
Waste Reserve	(100)	0	100	0	
Community Initiatives Reserve	(382)	0	382	(0)	This has been transferred to 2022/23 revenue budget for use to fund the Somerset Families Programme.
Treasury Management Reserve	(750)	(350)	0	(1,100)	There will be £350k transferred from the Medium Term Financial Plan Support Fund in 2022/23 to manage interest rate risk.
Revenue Grants Reserve	(399)	0	106	(293)	Funding of Localities projects in year (£12k) and funding of the MTIG project £31k.
Revenues and Benefits Reserve	(1,240)	(72)	713	(599)	Funding for transitional resources less new burdens grant received transferred to reserve
Business Support Scheme (Flooding)	(82)	0	38	(44)	Transfer to fund the cost associated with the River Parrett trail
Community Housing Fund	(18)	0	18	0	Used to fund spend in Community Housing budgets in 22/23.
Community Safety Reserve	(25)	0	25	0	Used to fund spend on the Public Space Protection Orders & Safe Space Project
Housing & Homelessness Reserve	(537)	0	318	(219)	Funding of temporary staff in 2022/23.
Spatial Policy Reserve	(141)	(28)	132	(37)	Transfer of Neighbourhood Planning Grant into reserve, less funding for planning post.
Climate Change Fund	(266)	0	204	(62)	Funding of staff involved in this climate change initiative.
Community Resilience Reserve	(91)	0	72	(19)	Social mobility project.
COVID Recovery Reserve	0	(454)	178	(276)	
Business Rates S31 Grants Collection Fund	(6,513)	0	3,310	(3,203)	This reserve holds the S31 grant provided by Government to compensate the Council for the reduced business rates income following the introduction of Retail Discount Relief in 2020/21. The transfer from reserves offsets the forecast NDR deficit in the 2021/22 accounts. The transfer to reserves is S31 grant received in 2021/22 that will be used to offset any future year deficits. £3m of the balance will be used in 2022/23.
MRP Reserve	(444)	0	0	(444)	Transfer to reserve to cover potential additional MRP
<b>Revenue Reserves Balance</b>	<b>(31,606)</b>	<b>(3,550)</b>	<b>11,203</b>	<b>(23,953)</b>	
<b>General Fund Balance</b>	<b>(6,556)</b>	<b>(2,000)</b>	<b>0</b>	<b>(8,556)</b>	Increase in reserve by transfer from Commercial Risk reserve as agreed by December 21 Full Council