



**REVISED INFORMATION FOR ITEM 6**

Cabinet

Tuesday, 24 November 2020

The following revised information is attached:

<b>Agenda Item Number</b>	<b>Page</b>	<b>Title</b>	<b>Revised parts</b>
6	2 - 3	DELIVERING OUR AMBITIONS QUARTER 2	Section 7 of the report and Appendix G

## Amendment to Delivering our Ambitions Q2 2020/21

The amendments below replace section 7 (paragraphs 7.1 – 7.6) as previously submitted with Appendix G updated and recirculated to Members.

### Changes- Table 5

Original Budget 31 March 2020:	£5,045,000
Amended:	£5,713,800
Movement:	£668,800

Provision Outturn Position £668,000 (Cabinet 05 September 2020)

### Reserves

7.1 Provisional outturn has seen the Councils level of reserves reduce; we are currently projecting the Council's combined level of usable reserves to decrease to **£16.225M** against the budgeted balance of **£16.369M**.

7.2 Summary details for both the General Fund and HRA are set out in table 5 below.

Table 5 Quarter 2 Financial Monitoring - Reserves

Reserves Statement (Including Unallocated Balances)										
	<----- ORIGINAL BUDGET ----->					<----- PROJECTED OUTTURN ----->				
	31 March 2020	From Revenue	To / (From) Capital	To Revenue	31 March 2021	31 March 2020	From Revenue	To / (From) Capital	To Revenue	31 March 2021
	£	£	£	£	£	£	£	£	£	£
<b>Unallocated Balances</b>	(5,713,800)	(226,000)			(5,939,800)	(5,045,000)	(225,980)		2,000,000	(3,270,980)
<b>Earmarked Reserves:</b>										
<b>Total Earmarked Reserves</b>	(12,846,400)	(1,797,800)	943,000	3,271,700	(10,429,500)	(15,319,700)	(3,743,200)	295,000	5,773,800	(12,954,100)
<b>Total Combined Reserves</b>	(18,560,200)	(2,023,800)	943,000	3,271,700	(16,369,300)	(20,364,700)	(3,969,180)	295,000	7,773,800	(16,225,080)

7.3 General Fund Unallocated Balances are forecast to reduce from the budgeted position of **£5.940M** to **£3.271M** to reflect the Council's allocation of **£2M** to support vulnerable people and local businesses during the pandemic and the impact of 2019/20 outturn. Members should note this does not include the appropriation into reserves of any forecast year end surplus. Current s151 officer advice would be to transfer any 2020/21 year end surplus into unallocated reserves.

7.4 Earmarked Reserves are showing a projected balance of (**£12.954M**), an overall increase against budget (**£10.430M**) of **£2.525M**.

7.5 The use of the Council's reserves to manage fluctuations in expenditure and income will be key to the delivery of the Council's stated priorities and outcomes over the next 4 years and will be kept under review by Officers and Members.

7.6 *Appendix G: Reserves Projected Outturn* provides further detailed analysis.

# Reserves Statement (Including Unallocated Balances)

<----- ORIGINAL BUDGET ----->

	31 March 2020	From Revenue	To / (From) Capital	To Revenue	31 March 2021
	£	£	£	£	£
<b>Unallocated Balances</b>	(5,713,800)	(226,000)			(5,939,800)
<b>Earmarked Reserves:</b>					
<b>Amenity Improvements</b>	(29,000)			29,000	
<b>Business Rates Retention</b>	(5,916,400)			815,100	(5,101,300)
<b>Canal Quarter</b>	(24,400)			24,400	
<b>Capital Support</b>	(258,200)		73,000	185,200	
<b>Corporate Priorities</b>	(1,688,100)	(882,800)	444,000	930,800	(1,196,100)
<b>Corporate Property</b>	(335,200)				(335,200)
<b>Covid 19 Support</b>					
<b>Economic Growth</b>	(19,400)	(117,500)		136,900	
<b>Elections</b>		(40,000)			(40,000)
<b>Homelessness Support</b>	(107,900)	(6,600)			(114,500)
<b>Invest to Save</b>	(1,310,600)	(60,800)		782,600	(588,800)
<b>Local Plan</b>					
<b>Morecambe Area Action Plan</b>	(27,300)			27,300	
<b>Museums Acquisitions</b>	(19,500)	(3,000)			(22,500)
<b>Planning Fee Income</b>	(89,000)			31,200	(57,800)
<b>Renewals Reserves</b>	(194,300)	(481,800)	356,000	42,100	(278,000)
<b>Restructure</b>	(530,700)			66,000	(464,700)
<b>Revenue Grants Unapplied</b>	(661,700)	(5,300)		189,300	(477,700)
<b>S106 Commuted Sums - Open Spaces</b>	(28,400)			11,800	(16,600)
<b>S106 Commuted Sums - Affordable Housing</b>	(897,400)				(897,400)
<b>S106 Commuted Sums - Highways, Cycle Paths etc</b>	(315,000)	(200,000)	70,000		(445,000)
<b>Welfare Reforms</b>	(324,000)				(324,000)
<b>Reserves Held in Perpetuity:</b>					
<b>Graves Maintenance</b>	(22,200)				(22,200)
<b>Marsh Capital</b>	(47,700)				(47,700)
<b>Total Earmarked Reserves</b>	(12,846,400)	(1,797,800)	943,000	3,271,700	(10,429,500)
<b>Total Combined Reserves</b>	(18,560,200)	(2,023,800)	943,000	3,271,700	(16,369,300)

<----- PROJECTED OUTTURN ----->

	31 March 2020	From Revenue	To / (From) Capital	To Revenue	31 March 2021
	£	£	£	£	£
	(5,045,000)	(225,980)		2,000,000	(3,270,980)
	(29,000)				(29,000)
	(7,376,900)			814,500	(6,562,400)
	(69,100)			26,200	(42,900)
	(258,200)		4,000	185,200	(69,000)
	(2,152,700)	(882,200)		1,105,000	(1,929,900)
	(338,500)				(338,500)
		(2,000,000)		1,775,000	(225,000)
	(126,000)	(117,500)		35,900	(207,600)
		(40,000)			(40,000)
	(110,800)	(23,000)			(133,800)
	(1,397,000)	(29,400)		842,300	(584,100)
	(27,300)			27,300	
	(21,300)	(3,000)			(24,300)
	(74,600)				(74,600)
	(380,600)	(481,800)	149,000	155,200	(558,200)
	(530,700)				(530,700)
	(827,400)	(4,700)		415,700	(416,400)
	(28,400)			11,800	(16,600)
	(564,800)			375,000	(189,800)
	(611,600)	(161,600)	142,000	4,700	(626,500)
	(324,900)				(324,900)
	(22,200)				(22,200)
	(47,700)				(47,700)
	(15,319,700)	(3,743,200)	295,000	5,773,800	(12,954,100)
	(20,364,700)	(3,969,180)	295,000	7,773,800	(16,225,080)