

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
	£	£	£	£	£	£	£	£	£	£
Unallocated Balances	(5,713,800)	(226,000)			(5,939,800)	(5,045,000)	(225,980)		2,000,000	(3,270,980)
Earmarked Reserves:										
Total Earmarked Reserves	(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)
Total Combined Reserves	(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.