

## Appendix 5.3 – Earmarked Reserves Planned for 2026/27

| Reserves   | Purpose of Balance  | Balance Brought Forward (£'000) | Expenditure in 2026/27 (£'000) | Income in 2026/27 (£'000) | Balance Carried Forward (£'000) |
|--|---|---------------------------------|--------------------------------|---------------------------|---------------------------------|
| <b>Sums set aside for major schemes, such as capital developments, or to fund major reorganisation</b> |   |                                 |                                |                           |                                 |
| Redundancy   | Required to meet one-off costs arising from approved staffing reductions, allowing the full approved savings in salaries or wages to reach the revenue account.   | 0                               | 0                              | 1,000                     | 1,000                           |
| Revenue Commitments for Future Capital Expenditure   | Comprises of underspends against budgeted revenue contributions available for capital schemes. The underspends have arisen due to slippage in capital schemes or because other funding streams were utilised during the year so as to maximise time limited grants.   | 1,210                           | 0                              | 0                         | 1,210                           |
| Development Reserve  | Required to fund development projects or training that will deliver efficiency savings.   | 1,995                           | -36                            | 4,500                     | 6,459                           |
| Invest to save Reserve   | Required to fund invest to save projects in order to deliver the service transformation programme.  | 629                             | 0                              | 164                       | 793                             |
|  |   | <b>3,834</b>                    | <b>-36</b>                     | <b>5,664</b>              | <b>9,461</b>                    |
| <b>Insurance Reserves</b>  |   |                                 |                                |                           |                                 |
| Fire Liability   | Required to meet the cost of excesses on all council properties.  | 526                             | -431                           | 464                       | 559                             |
| Motor Insurance  | An internally operated self-insurance reserve to meet costs not covered by the Council's Motor Insurance Policy.  | 691                             | 0                              | 80                        | 771                             |
|  |   | <b>1,217</b>                    | <b>-431</b>                    | <b>544</b>                | <b>1,330</b>                    |
| <b>Reserves of trading and business units</b>  |   |                                 |                                |                           |                                 |
| Shire Catering and Cleaning Efficiency   | Built up from trading surpluses to invest in new initiatives, to meet exceptional unbudgeted costs or cover any trading deficits.   | 0                               | 0                              | 0                         | 0                               |
|  |   | <b>0</b>                        | <b>0</b>                       | <b>0</b>                  | <b>0</b>                        |
| <b>Reserves retained for service departmental use</b>  |   |                                 |                                |                           |                                 |
| Building Control   | Required to manage the position regarding building control charges.   | 224                             | 0                              | 0                         | 224                             |
| Care Act & IBCF Reserve  | Required to fund the costs of implementing the Care Act requirements within the Council. This will be committed to the costs of one off posts required to implement the changes and training costs for staff within Adult Services. Plus unspent IBCF monies required to fund the IBCF programme in future years. | 277                             | -178                           | 35                        | 134                             |
| Economic Development Workshops Major Maintenance   | Established to meet the costs of major maintenance of Economic Development Workshops.   | 149                             | 0                              | 0                         | 149                             |
| External Fund Reserve  | Reserves held where the Council is the administering body for trust funds or partnership working.   | 1,980                           | -363                           | 5                         | 1,621                           |
| Financial Strategy Reserve   | Established specifically to provide one off funding for savings proposals in the Financial Strategy   | 1,734                           | 0                              | 4,250                     | 5,984                           |
| Highways Development & Innovation Fund   | Set aside funds for pump priming the Development and Innovation programme.  | 100                             | 0                              | 0                         | 100                             |
| New Homes Bonus  | Established from unapplied New Homes Bonus Grant balances.  | 647                             | 0                              | 0                         | 647                             |
| Public Health Reserve  | This reserve includes balances committed to specific public health projects.  | 1,792                           | -11,834                        | 13,168                    | 3,127                           |
| Repairs & Maintenance Reserve  | Set aside for known repairs and maintenance required to Council owned properties.   | 214                             | 0                              | 0                         | 214                             |
| Resources Efficiency   | Established for investment in new developments, particularly information technology, that service area would not be expected to meet from their internal service level agreements for support services.   | 574                             | 0                              | 0                         | 574                             |
| Revenue Commitments from Unringfenced Revenue Grants   | Established from unapplied unringfenced Grant balances. Commitments have been made against these balances in 2024/25  | 2,860                           | -272                           | 0                         | 2,587                           |
| Severe Weather   | Required to meet unbudgeted costs arising from the damage caused by severe weather. The policy of the Council is to budget for an average year's expenditure in the revenue accounts and transfer any underspend to the reserve or fund any overspend from the reserve.   | 0                               | 0                              | 0                         | 0                               |
| TMO Vehicle Replacement  | Set up to meet the costs of replacement vehicles by the Integrated Transport Unit.  | 37                              | 0                              | 0                         | 37                              |
|  |   | <b>10,586</b>                   | <b>-12,648</b>                 | <b>17,459</b>             | <b>15,397</b>                   |
| <b>School Balances</b>   |   |                                 |                                |                           |                                 |
| Balances held by schools under a scheme of delegation  | Schools' balances have to be ringfenced for use by schools and schools have the right to spend those balances at their discretion.  | 6,693                           | 0                              | 0                         | 6,693                           |
| Schools Building Maintenance Insurance   | The schools building maintenance insurance scheme is a service provided by Property Services for schools. In return for an annual sum all structural repairs and maintenance responsibilities previously identified as the "authority's responsibility" are carried out at no additional charge to the school.    | 1,564                           | 0                              | 0                         | 1,564                           |
|  |   | <b>8,257</b>                    | <b>0</b>                       | <b>0</b>                  | <b>8,257</b>                    |
| <b>Total Reserves</b>  |   | <b>23,894</b>                   | <b>-13,115</b>                 | <b>23,667</b>             | <b>34,446</b>                   |