

2019/20 Council Reserves

As part of the Council Tax setting process it is important that the Council takes into account its level of reserves in order to cover all known risks over the future financial year. The Council's main reserves have been detailed below, along with a commentary concerning their use and size. Reserves are one-off elements of funding and would require additional funds to increase these in future years.

During the year, a review of all earmarked reserves has been undertaken to ensure that these are fit for purpose and where any excess reserve has deemed to be held this has been re-provided into other reserves or released to support the 2019/20 budget position.

The MTFS seeks to set out the background to the Council's current financial position, and estimate its future financial position, and highlight some of the key strands to deliver a balanced position over the period of the MTFS. The guiding principles behind the MTFS are as follows

- 1) The Council will operate within its financial means.
- 2) The Council will seek to increase its financial reserves to the unitary average over the next four years
- 3) The Council will use Slough Urban Regeneration (SUR) profits to firstly increase reserves and then to fund one off growth initiatives.

In addition a Brexit Reserve totalling £200k will be established in 2019/20

General Fund

The Council's General Fund reserve is the amount set aside for the year ahead that is uncommitted and can be used for any purpose. The Section 151 officer's commentary in the later appendix details that he considers £8.1m to be the minimum level of reserve that should be set aside as a minimum.

General Fund	£m	£m
As at 31 March 2018		8.1
One-off Income 2018/19 (See 5.7.3)	2.6	
Forecast 2018/19 Outturn at Q3	(2.1)	
Forecast 31 March 2019		8.6

Other Reserves

Other usable general fund earmarked reserves include:

	£m
Housing Renewals Reserve	0.089
Future Debt and Capital Requirements	0.972
Financial System Upgrade	0.241
Harmonisation	0.250
Financial Volatility Reserve	1.148
Railway Project	0.120
Events	0.070
Community Cohesion	0.056
Restructuring Reserve	0.207
DAAT Lease Reserve	0.070
Future Budget Requirements	0.801
	4.024

Collection Fund

This is the balance of the previous year's deficit or surplus carried forward on the Collection Fund. The Collection Fund is an in-year account comparing the anticipated Council Tax and Retained Business Rates receipts with the forecasts made in January the previous year. Any deficit or surplus must be recognised in the next financial year's budget setting. Appendix E provides further detail.

Unusable reserves

The Council also holds a number of unusable reserves; these include the pensions reserve, revaluation reserve and Capital Adjustment Account. These reserves are not resource backed and cannot be used for other purposes beyond ensuring the Council complies with proper accounting practice.