

Reserve	Purpose	Active/finished	Forecast Position 31/03/22	Movement in reserves	In-Year Movements	Forecast Position 31/03/2023	Forecast Position 31/03/2024	Forecast Position 31/03/2025	Forecast Position 31/03/2026	Commentary
			£m	£m	£m	£m	£m	£m	£m	
Unearmarked reserves										
General Fund Balance	Statutory Reserve to hold sufficient revenue funds to meet unexpected or unplanned expenditure or shortfalls to income not allowed for within the Councils main revenue budget.	Active	(29.247)	0.000	(0.480)	(29.727)	(29.727)	(29.727)	(29.727)	Minimum balance is £29.6m.
Earmarked reserves										
Non Distributable reserve										
Funding Core Responsibilities										
Corporate Property Reserve * <i>sinking funds</i>	To fund one-off expenditure of the Council's Operational Buildings in line with approved Asset Management Plans.	Active	(3.009)	1.000	0.044	(1.965)	(1.055)	(1.118)	(1.153)	A Strategic Asset Management Strategy has been developed to identify further investment required in Council Operational Assets. The forecast balance of this reserve is therefore expected to be used to implement this Strategy.
HR Manpower Planning Reserve	This fund supports one-off costs associated with Council Terms and Conditions, Restructuring and Re-organisations.	Active	(1.698)	0.000	0.000	(1.698)	(1.698)	(1.698)	(1.698)	This reserve will be used to fund one-off costs from staff restructuring.
Internal Insurance Fund	Internal fund used to manage the financial risk of claims which fall below the excess limits under the Councils Insurance provider contract.	Active	(2.256)	0.000	0.200	(2.056)	(1.856)	(1.956)	(2.056)	The funding level of this reserve is based on recommendations from the Council's Insurers to provide sufficient resources to meet future liabilities that are not covered by external insurance policies. Whilst this reserve could be recycled this would require the Council to place higher levels of external insurance, resulting in higher premiums and is not recommended.
Pension Fund	Reserve to manage the potential impact of pension revaluation changes	Active	(3.924)	0.000	0.000	(3.924)	(3.924)	(3.924)	(3.924)	
Legal Fees Reserve	Provides for one-off funding as and when legal challenges arise to either defend the Council's position or take action to protect its and the taxpayers interests.	Active	(2.097)	0.000	0.500	(1.597)	(1.097)	(0.597)	(0.597)	This is a reactive reserve to support the legal costs of unexpected or exceptional cost not factored into the Councils base budget. There are no current plans to make new contributions to this reserve but the funding level will be reviewed each year.
Covid 19 Reserve	Covid 19 General Grant earmarked to offset the impact of COVID-19.	Active	(5.860)	0.000	5.592	(0.268)	0.000	0.000	0.000	This funding is one-off and is being used in the MTFP for 21/22 or 22/23
Events Reserve	To provide some funding for any future major events, the Council wishes to support but were not known at the time of setting the budget. Dedicated resources for MK50.	Active	(0.100)	0.000	0.050	(0.050)	(0.050)	(0.000)	(0.000)	
Highways Severe Weather Reserve	To fund exceptional costs arising from severe weather events and the cost of keeping local roads accessible and safe (inc. Grit Bins) where the base budget is not sufficient.	Active	(0.200)	0.000	0.000	(0.200)	(0.200)	(0.200)	(0.200)	Balance will fund exceptional costs caused by Severe Weather.
Highways and E&W transformation reserve	Funds set aside to cover the major commissioning programmes being undertaken regarding highways and environment and waste contracts. There highways programme did not start in 19/20 as expected and the funding has been set aside to fund the works as required over the next couple of years.	Active	(0.928)	0.000	0.294	(0.634)	(0.134)	0.000	0.000	
Housing Benefit Subsidy Equalisation	Recommended balance held to manage the impact of the LA Error Threshold being breached.	Active	(0.458)	0.000	0.000	(0.458)	(0.458)	(0.458)	(0.458)	This balance is held to fund any unexpected loss in subsidy arising from a breach in LA Error threshold. The Councils HB subsidy claim is subject to a full audit each year, errors resulting in overpayments are extrapolated, which can lead to Subsidy Penalties.
Devolved Landscape provision	To fund Landscape contract extension funding	Close from 31 March 2023	(0.044)	0.000	0.044	0.000	0.000	0.000	0.000	
LCTS & Welfare	This is to fund the potential impact from LCTS	Active	(0.958)	0.000	0.280	(0.678)	(0.463)	(0.248)	(0.248)	Given all of the uncertainty over Universal Credit and wider economic issues the Council maintains this reserve to help support vulnerable local residents who need additional temporary support which falls outside of the Council Tax Support scheme or Discretionary Housing Payments funding from Central Government. Whilst no forecast use of this funding has been made it is likely that this balance will reduce over the medium term. We will anticipate small use against this reserve over the medium term and this reflected in the forecasted balance.
Overpayments and Welfare Reform	Balance held to fund unexpected and unbudgeted impacts from welfare reform and address the financial risks from non-collection of HB overpayments.	Active	(0.342)	0.000	0.040	(0.302)	(0.262)	(0.222)	(0.222)	The timing over the draw down on this reserve is not easy to predict due to the delays to the roll out of UC and reductions in working age claimants with overpayments which will no longer be deducted from on-going HB payments.
Delivering Transformation and Change										
Strategic Development Fund	Funds one off costs from new initiatives to enable the Council to realise cost savings, grow income or both. Releases are subject to the provision of a satisfactory business case.	Active	(2.577)	0.139	0.527	(1.912)	(2.407)	(2.088)	(1.949)	This reserve will be fully used over the MTFP period and the forecast updated once a clearer view on the costs of transformation delivery are known.
Customer Service and Digital	Funding set aside as part of the Customer Services Transformation programme to provide analysis and programme management to achieve the savings targets.	Active	(0.010)	(0.139)	0.119	(0.030)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Office 365 Implementation	To implement Office 365	Close from 31 March 2023	(0.032)	0.000	0.032	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Housing Systems Service review	To fund a Housing Systems Review and improvement project which includes Northgate and a number of alternative systems that are currently being used, in part as a result of Northgate not currently meeting service needs.	Close from 31 March 2023	(0.100)	0.000	0.100	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Feasibility Fund	This fund will be managed by the Corporate Programme Board to allocate to potential pipeline projects that support the delivery of the Council Plan and key priorities of the Council	Active	(0.100)	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	The balance will be fully drawn down by 31st March 2023.
Budget Management - Ring-fenced										
Better Care Fund	Balance of unspent ring-fenced grant funding held over for future investment in services.	Active	(0.655)	0.000	0.000	(0.655)	(0.655)	(0.655)	(0.655)	Balance has not yet been committed although this will likely be drawn down during 2023 to meet demand.
Cyber Security Measures	To fund Cyber security measures to reduce the risk of loss of data as the result of a cyber attack	Close from 31 March 2023	(0.139)	0.000	0.139	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Bereavement Reserve	This fund will be used to replace and extend the crematorium and cemetery provision in MK as the borough continues to grow. This reserve is a sinking fund to offset this pressure.	Active	(3.630)	0.000	(0.939)	(4.568)	(5.507)	(6.446)	(7.385)	This funding is used to finance future capital investment in existing and new burial and cremation services.

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			£m	£m	£m	£m	£m	£m	£m	
Parking Reserve	Ring Fenced Trading Account to hold surplus funds not yet deployed in respect of On Street Parking or other related activities.	Active	(0.101)	0.015	0.086	(0.000)	(0.000)	(0.000)	(0.000)	
Public Health	Balance of unspent ring-fenced grant funding held over for future investment in services.	Active	(2.437)	0.000	0.240	(2.196)	(1.415)	(1.009)	(0.603)	Uncommitted balance is being held as contingency for Agenda for Change.
3rd Party Funds										
Shared Services Reserve	This fund is used to contribute towards MKCC's share of costs for initiatives and with our partner councils.	Active	(1.217)	0.000	0.834	(0.384)	(0.384)	(0.384)	(0.384)	
Collection Fund Cashflow Reserve	Reserve maintained to deal with the volatility of business rates income as a result of unexpected changes to income from appeals and potential future changes to the system by government.	Active	(13.917)	(13.535)	27.452	0.000	(25.000)	(25.000)	(25.000)	This reserve is not available as this is held to manage timing differences between the Collection Fund and General Fund.
Health Funding for CSC External Placements	Earmarked funding from Health for placements for 3 children	Close from 31 March 2023	(1.030)	0.000	1.030	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Social Care grant reserve (earmarked in MTFP)	Social care grant used to fund the pressure on the Better Care Fund earmarked in MTFP.	Close from 31 March 2023	(1.600)	0.000	1.600	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
LD Pooled Budget Reserve	To fund one additional joint commissioning post specifically for the Learning Disability Service to manage increased workload in relation to transforming care and manage service provision	Active	(0.048)	0.000	0.000	(0.048)	(0.048)	(0.048)	(0.048)	
Broadband Delivery UK project.	For MKC salary and contribution to Central Beds project management fees for City Fibre and BDUK broadband.	Close from 31 March 2024	(0.045)	0.000	0.023	(0.023)	(0.000)	(0.000)	(0.000)	This reserve is held as a risk contingency associated with the delivery of the BDUK contracts (currently contract 2, with a 3rd approved).
Schools Balances	Balances of net funds held on behalf of schools. Under the current policy these funds belong to the schools and not the Council.	Active	(11.832)	0.000	0.000	(11.832)	(11.832)	(11.832)	(11.832)	The schools balances hold the balances of the maintained schools as they are consolidated and are part of the MKC accounts. This is not our money and is fully delegated to schools.
Tariff Management										
One-off Costs of the HCA Transfer	Potential clawback and financial reporting system requirements.	Active	(0.255)	0.000	0.028	(0.227)	(0.198)	(0.170)	(0.142)	
Tariff Reserve	Funding set aside to manage the potential financial cost to the Council under the Risk Sharing Agreement. This is reviewed on annual basis and if further contributions are required these will be added into the reserve.	Active	(6.341)	0.000	(0.580)	(6.921)	(7.501)	(8.081)	(8.661)	The reserve will remain in place until the required tariff contributions to meet the infrastructure costs have been received
Delivering Capital Programme - GF										
Capital Reserve - GF	GF revenue contributions held to finance the current capital programme.	Active	(14.091)	10.312	1.050	(2.729)	(54.950)	(50.470)	(50.470)	Funding is for specific projects allocated within the current capital programme.
Infrastructure Reserve	Revenue contributions held to finance the prior year, current and future borrowing costs of highways investment in the local network.	Active	(16.498)	0.000	1.077	(15.421)	(14.246)	(13.018)	(13.018)	This reserve will remaining in use for the term of the borrowing - Borrowing terms vary depending on the asset expenditure, but the current programme of work continues until 2038
New Homes Bonus	NHB funding which is allocated within the capital programme together with specific revenue one-off items.	Active	(3.200)	1.728	1.472	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Planning Gain Reserve (S106)	Balance of S106 funds held to be invested in a range of different infrastructure schemes linked to the relevant development agreement.	Active	(1.234)	0.085	0.000	(1.149)	(1.149)	(1.149)	(1.149)	
Waste asset renewal fund	Through annual revenue contributions, the Waste Renewal Fund will be built up to enable the capital financing of replacement waste vehicles, once they reach the end of their useful life.	Active	0.000	0.000	0.000	0.000	(3.891)	(7.782)	(11.673)	
Waste Cashflow Reserve	Equalisation Reserve to manage the timing differences of debt financing costs associated with the new Residual Waste Treatment Facility (RWTF).	Active	(0.893)	0.000	0.790	(0.103)	(0.103)	(0.103)	(0.103)	The borrowing of the RWTF continues until 2042
Covid 19 earmarked one-off reserve										
Covid 19 Expanded Retail Relief cashflow Reserve	To fund our share of the 20/21 deficit in the NNDR collection fund which is payable over the next three years. The deficit was caused by Government giving enhanced business rates relief to the retail, hospitality and leisure sector after our budget was set. As compensation for this additional relief Government paid local authorities s31 grant which was used to create the reserve.	Active	(5.480)	0.000	2.740	(2.740)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
TOTAL EARMARKED NON DISTRIBUTABLE RESERVES			(109.339)	(0.395)	44.865	(64.870)	(140.586)	(138.757)	(143.728)	
Earmarked reserves										
Distributable reserve										
GF Temporary Earmarked Reserves										
City Archives Project	MKC commitment to 3 external funding bids to deliver Archive projects.	Close from 31 March 2023	(0.004)	0.000	0.004	0.000	0.000	0.000	0.000	Budget rollover from last year for a Heritage project that MKC agreed to match funding for a 2-3 year project from the 18/19 budget.
Community & Cultural Services Review (CCSR)	Transitional funding for the community and cultural services review (CCSR).	Close from 31 March 2023	(0.020)	0.000	0.020	0.000	0.000	0.000	0.000	In 21/22 there is a indicative plan to use the last part of the reserves and also reshape an area of the service.
Conservation Areas	Funding to support the review of Conservation areas.	Active	(0.013)	0.000	0.004	(0.009)	(0.005)	0.000	0.000	
Heritage at Risk	Requirement to engage professional expertise and contractors to address the deterioration of the Council's historic structures. Currently we have several examples where deterioration has reached such a level that without this investment the costs that the Council would have to otherwise incur would be far greater.	Active	(0.046)	0.000	0.003	(0.043)	(0.040)	(0.037)	(0.037)	
Independent Review of Flooding Incident	An Independent Review of the Flooding Incident in May 2018 was requested in June 2018 and commissioned, procured and agreed for delivery by November 2018. Approximately 33% of the work has been completed.	Active	(0.051)	0.000	0.010	(0.041)	(0.031)	(0.021)	(0.021)	
Council Plan 2021/22	To fund the Council Plan Priorities of the Council agreed as part of the setting of the revised Council Plan.	Active	(2.791)	0.265	2.419	(0.107)	(0.062)	(0.062)	(0.062)	
Political Priorities Reserve	To fund the Political Priorities of the Council agreed as part of the 2020/21 and 2021/22 budget process.	Active	(8.714)	0.130	7.265	(1.320)	(0.665)	(0.007)	0.000	
Paper Recycling Market Risk Reserve	To manage the risk the council due to changes in prices for recycling paper	Active	0.000	0.000	(0.700)	(0.700)	(0.700)	(0.700)	(0.700)	
One Off Pressures Funding Reserve	To fund one-off pressure agreed in the Budget for 2022/23	Active	0.000	0.000	(1.177)	(1.177)	(0.350)	0.000	0.000	
European City of Sport	To fund the European City of Sport project	Close from 31 March 2023	(0.034)	0.000	0.034	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
School Mobility Action Plan	To fund School Mobility Action Plan - 1% council tax increase	Close from 31 March 2023	(0.022)	0.000	0.022	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Mobility Action Plan	One off funding set aside to cover up front costs that would later be capitalised once the capital project was formed.	Active	(0.067)	0.000	0.000	(0.067)	(0.067)	(0.067)	(0.067)	
Hot spot litter pick	To target areas with litter that needs clearing to improve the environment	Close from 31 March 2023	(0.017)	0.000	0.017	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.

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			£m	£m	£m	£m	£m	£m	£m	
Tree management survey and strategy	Tree works resulting from the programme of surveys covering MKCC.	Close from 31 March 2023	(0.228)	0.000	0.000	(0.228)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Estate regeneration	To fund "Getting The Basics Right" in conjunction with Housing	Close from 31 March 2023	(0.068)	0.000	0.068	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Fly tipping	To fund Fly tipping - 1% council tax increase - Getting the basics right	Close from 31 March 2023	(0.027)	0.000	0.027	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Illegal encampments	To fund one fte environmental officer for fixed term to support managing unauthorised encampments	Active	(0.085)	0.000	0.042	(0.043)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
Environmental Crime Enforcement officers	To fund one environmental officer for fixed term	Close from 31 March 2023	(0.025)	0.000	0.025	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Period Poverty	Reserve needed to ensure that member priorities are delivered during the three year pilot programme.	Close from 31 March 2024	(0.042)	0.000	0.022	(0.020)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
E&W Contamination reserve	One off funding to encourage residents to recycle better.	Close from 31 March 2023	(0.051)	0.000	0.051	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Mobility Hub	One off scheme to fund the development of the mobility hub in 21/22	Close from 31 March 2023	0.000	0.000	0.000	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Neighbourhood Planning Support	To fund a project officer in planning to support the Planning Improvement Board to drive improvements	Close from 31 March 2024	(0.109)	0.000	0.059	(0.050)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
Passenger Transport Studies and Projects	To be used to move concessions pass renewals from current format to on-line	Close from 31 March 2023	(0.010)	0.000	0.010	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Resident Involvement	To commission a piece of work to support MKCC to redevelop its resident involvement framework in order to meet the forthcoming strengthened regulatory requirements and to offer additional funding and support to residents' associations once COVID restrictions start to ease.	Close from 31 March 2023	(0.027)	0.000	0.027	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
2022/23 Budget Pressure reserve	To fund budget pressure in 2022/23 due to increase in inflation and demand.	Close from 31 March 2023	(1.514)	0.000	1.514	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Towns Fund Revenue Reserves	To fund the revenue expenditure related to the Towns Fund deal.	Active	(0.004)	0.000	(0.706)	(0.710)	(0.460)	(0.210)	0.000	
Traveller Site Clearance	One of pressure unspent in 21/22 put into a reserve to spend in 22/23. This funding is for site clearance of the Traveller's site.	Close from 31 March 2023	(0.050)	0.000	0.050	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Care Leavers Support	Budget amendments 21/22 - Care Leavers Support - Deposits on Renting £20k and Development of Bond £50k.	Close from 31 March 2023	(0.070)	0.000	0.070	0.000	0.000	0.000	0.000	Young people have been contacted and personal advisors continue to work with those that may be suitable for these schemes. However no expenditure has been incurred to date due to the lengthy process that these schemes will take to approve
School Academy Conversion	Agreed financial support package for school academy conversion to be provided over a three year period starting from April 22.	Close from 31 March 2023	(0.495)	0.000	0.495	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Poverty Strategy	one-off funding is for support to assist poverty strategy. The strategy has been put on hold until 2022/23 because of the pandemic as it relates to networking child poverty and work with community foundation.	Close from 31 March 2023	(0.035)	0.000	0.035	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Children's Centre Activity Sessions	Funding for positive activity sessions through Children's Centres which include physical exercise and group activities to build resilience and strengthen purpose amongst parents and children in material need, helping parents and children make their next steps	Close from 31 March 2023	(0.026)	0.000	0.026	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
HMO License Fee	HMO income is ringfenced and required to be spent on HMO development. Therefore amounts are contributed to the reserve and spent on projects/staff during the year.	Close from 31 March 2023	(0.074)	0.000	0.074	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Homework Club	To fund Community Homework clubs to address educational attainment gaps, and increase deprivation for the most vulnerable, agreed as part of the budget amendments for 21/22	Close from 31 March 2023	(0.030)	0.000	0.030	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Temporary Accommodation Bad Debt Management	Reserve requested to fund bad debt review resource in 22/23 for Temporary Accommodation	Close from 31 March 2023	(0.178)	0.000	0.178	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Regeneration - Estates Renewals Forums	There is a significant amount of planned regeneration activity over the coming year which will require engagement with local communities and other stakeholders.	Close from 31 March 2023	(0.045)	0.000	0.045	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Womans Euro - Woughton On the Green	To fund maintenance and upgrade of changing facilities at Woughton on the Green for use during the Woman's Euro.	Close from 31 March 2023	(0.025)	0.000	0.025	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Women's Euro	To fund the additional costs of the Women's euro partly due to the increased popularity of the sport since the bid was placed and also following a more detailed assessment of the detailed costs	Close from 31 March 2023	(0.072)	0.000	0.072	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
TOTAL DISTRIBUTABLE RESERVES			(15.067)	0.395	10.157	(4.514)	(2.379)	(1.104)	(0.887)	
Total General Fund Reserves			(153.653)	0.000	54.542	(99.110)	(172.692)	(169.588)	(174.342)	
HRA Reserves										
HRA Working Balance										
HRA Balance	Statutory Reserve to hold sufficient revenue funds to meet unexpected or unplanned expenditure or shortfalls to income not allowed for within the Councils landlord function.	Active	(7.259)	0.000	(0.079)	(7.338)	(7.859)	(7.889)	(7.889)	
Delivering Capital Programme - HRA										
Capital Reserve - HRA	HRA Revenue contributions held to finance the current capital programme.	Active	(64.039)	0.000	30.921	(33.118)	(9.921)	(18.936)	(28.528)	Funding is for specific projects allocated within the current capital programme.
Major Repairs Reserve	Statutory reserve maintained to hold capital funding for future investment in the Councils Housing Stock or to repay debt.	Active	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Total HRA Reserves			(71.298)	0.000	30.842	(40.456)	(17.780)	(26.825)	(36.417)	
Total Reserves			(224.951)	0.000	85.384	(139.566)	(190.472)	(196.412)	(210.759)	