

**Council 1 March 2024**  
**Council Tax Resolution for 2024/25**  
**Appendix 3: Reserves Forecast 2024-27**

## Reserve Forecast 2024-27

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
<b>Schools Reserve</b>	<b>16,516</b>	0	0	<b>16,516</b>	<b>16,516</b>	<b>16,516</b>	
<b>General Fund Reserves</b>							
Statutory Reserves	<b>16,058</b>	(14,989)	10,350	<b>11,419</b>	<b>9,261</b>	<b>7,103</b>	
Earmarked Reserves	<b>284,378</b>	(85,439)	32,094	<b>231,033</b>	<b>157,696</b>	<b>107,473</b>	
General Fund Reserve	<b>19,640</b>	0	3,500	<b>23,140</b>	<b>23,140</b>	<b>23,140</b>	
<b>Total General Fund</b>	<b>320,076</b>	<b>(100,428)</b>	<b>45,944</b>	<b>265,592</b>	<b>190,097</b>	<b>137,716</b>	
<b>Housing Revenue Account Reserves:</b>							
Housing Revenue Account General Reserve	<b>44,260</b>	(13,821)	0	<b>30,439</b>	<b>5,145</b>	<b>(0)</b>	
Major Repairs Reserve	<b>11,854</b>	(11,854)	0	<b>0</b>	<b>0</b>	<b>0</b>	
HRA PFI reserve	<b>10,012</b>	0	0	<b>10,012</b>	<b>10,012</b>	<b>10,012</b>	
HRA Residual liabilities fund	<b>24,000</b>	0	0	<b>24,000</b>	<b>24,000</b>	<b>16,641</b>	
Housing Insurance reserve	<b>2,500</b>	0	0	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	
<b>Total HRA</b>	<b>92,626</b>	<b>(25,675)</b>	<b>0</b>	<b>66,951</b>	<b>41,657</b>	<b>29,153</b>	

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
<b>TOTAL RESERVES</b>	<b>429,218</b>	<b>(126,103)</b>	<b>45,944</b>	<b>349,059</b>	<b>248,270</b>	<b>183,385</b>	
<b>SCHOOLS RESERVE</b>							
LMS Reserve	16,516	0	0	16,516	16,516	16,516	School balances assumed year-end position. These are not Council resources and so cannot be used by MCC.
<b>Sub Total Schools</b>	<b>16,516</b>	<b>0</b>	<b>0</b>	<b>16,516</b>	<b>16,516</b>	<b>16,516</b>	
<b>STATUTORY RESERVES</b>							
Bus Lane Enforcement Reserve	5,071	(5,209)	3,200	3,062	1,053	0	Ring-fenced reserve which can only be applied to specific transport and highways related activity.
On Street Parking	5,103	(9,132)	7,150	3,121	3,085	2,093	Ring-fenced reserve which can only be applied to specific transport, environmental and highways related activity.
Bridge Street Reserve	148	0	0	148	148	148	
Ancoats Square Reserve	2,373	(231)	0	2,142	2,029	1,916	Received from the Homes and Communities Agency to cover the revenue costs of maintaining Ancoats Square for a period of at least 25 years.
Taxi Licensing Reserve	570	0	0	570	570	570	This is a smoothing reserve to equalise the income and expenditure of running the function over financial years. Income ring-fenced by statute.
Spinningfields Commuted Sum	630	(9)	0	621	621	621	Funds received as part of an agreement to cover maintenance costs.
St Johns Gardens Contingency	997	(50)	0	947	947	947	Contribution from St Johns Gardens tenants for maintenance works
New Smithfield Market	327	(327)	0	(0)	(0)	(0)	To contribute towards funding the development plans for the market

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Great Northern Square Maintenance Fund	269	0	0	269	269	269	Set up in accordance with the agreement with the developers of the site. It will be used for upgrading of the square.
Art Fund Reserve	31	(31)	0	0	0	0	For art purchases
Manchester Move Reserve	295	0	0	295	295	295	To managed waiting list for Registered Providers
Manchester Safeguarding	73	0	0	73	73	73	Children's Safeguarding Board activity. The Board is a joint responsibility with MCC and the ICS
West Gorton Park Reserve	170	0	0	170	170	170	For spend on play equipment over the next 10 - 15 years
<b>TOTAL</b>	<b>16,058</b>	<b>(14,989)</b>	<b>10,350</b>	<b>11,419</b>	<b>9,261</b>	<b>7,103</b>	
<b>EARMARKED RESERVES</b>							
<b>BALANCES HELD FOR PFI'S</b>							
Temple PFI	360	(172)	8	196	1	1	Established to fund the requirements of the PFI scheme over 25 years
Wright Robinson PFI Reserve	1,556	(26)	37	1,567	1,453	1,305	PFI Scheme 25 year contract drawdown will be in future years as expenditure exceeds grant.
<b>TOTAL</b>	<b>1,915</b>	<b>(198)</b>	<b>45</b>	<b>1,762</b>	<b>1,453</b>	<b>1,305</b>	
<b>MANAGING ECONOMIC AND COMMERCIAL RISKS</b>							
Business Rates Reserve	11,212	(6,037)	18,425	23,600	7,449	1,412	To mitigate Business Rates income risk due to the uncertainty of future income with a potential reset and the impact of economic uncertainty.
Airport Dividend reserve	13,116	(13,116)	0	(0)	(0)	(0)	The income in the reserve is from the Manchester airport dividend which is then used in arrears to support the Medium Term Financial Plan
Planning Reserve	3,057	(1,909)	0	1,148	371	299	Used to smooth the volatility of planning fee income to avoid budget pressures if fee income reduces

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Investment Estate smoothing reserve	1,443	0	0	1,443	1,443	1,443	To manage budget pressures due to the volatility in investment income.
Land Charges Fees Reserve	107	(50)	0	57	57	57	To smooth the budget impact of peaks and troughs in demand.
<b>TOTAL</b>	<b>28,936</b>	<b>(21,112)</b>	<b>18,425</b>	<b>26,249</b>	<b>9,321</b>	<b>3,212</b>	
<b>INSURANCE FUND</b>							
Insurance Fund	18,479	(500)	0	17,979	17,479	16,979	The insurance fund has been established to fund risks that are self-insured.
<b>RESERVES THAT WILL BE UTILISED TO SUPPORT THE DELIVERY, FINANCING AND RISK OF THE CAPITAL STRATEGY</b>							
Capital Fund Reserve	68,199	(14,117)	0	54,082	37,973	16,272	Contribution to schemes which are supporting employment and growth, future carbon reduction investments and high priority strategic development opportunities in the city. Acts as a buffer for the capital financing reserve if required
Capital Financing Reserve	34,730	0	0	34,730	34,730	34,730	Capital Financing Reserve: Held to fund expected future increases in borrowing costs linked to the Council's capital investment programme and significant level of internal borrowing. The reserve will be used to mitigate the impact on the revenue budget of increased borrowing levels in the future.
Investment Reserve	7,020	(2,047)	0	4,973	3,159	1,282	To deliver priority regeneration projects.
Town Hall Reserve	5,795	(2,917)	0	2,878	199	199	To fund commitments for the Town Hall Complex Programme

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	£000	£000	£000	£000	£000	£000	
Enterprise zone reserve	2,504	(102)	500	2,902	3,295	3,682	To underwrite the borrowing costs for development in the Oxford Road Corridor
Manchester International Festival	6,343	(1,000)	500	5,843	5,343	4,843	To fund agreed future Factory International grant from the reserve. Grant agreement is aligned to the Arts Council England funding cycle.
Eastlands Reserve	748	(4,050)	5,118	1,816	816	12	This reserve reflects the contribution from Manchester City Football Club and will be used for various projects including English Institute of Sport.
Highways Commuted Sum	5,068	(89)	0	4,979	4,890	4,801	Contributions towards future maintenance
<b>TOTAL</b>	<b>130,406</b>	<b>(24,321)</b>	<b>6,118</b>	<b>112,203</b>	<b>90,405</b>	<b>65,821</b>	
<b>RESERVES HELD TO SUPPORT DELIVERY AND RISK IN THE MTFP</b>							
Budget smoothing reserve	46,433	(6,042)	5,468	45,859	23,228	5,468	Planned use to smooth the impact of budget shortfalls whilst savings are developed and implemented and until investment income returns.
Integration Reserve	2,080	0	0	2,080	2,080	2,080	The reserve is a joint resource used by the Manchester Local Care Organisation to support the infrastructure requirements that underpin the mobilisation of the Locality Plan.
Transformation Reserve	6,068	(1,833)	0	4,235	2,735	2,735	Includes £1.5m a year for three years to fund the revenue costs of the ERP project. A balance is held to support future change programmes and the budget impact of any VER/VS costs.
Supporting Families Reserve	2,219	(1,140)	0	1,079	0	0	To support the Thriving Families initiative, a whole family, strengths-based approach to child protection.

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	£000	£000	£000	£000	£000	£000	
Clean City	174	(35)	0	139	104	69	To support clean and green initiatives including litter bin installations, park clean ups, knotweed and hogweed clearances and other waste and recycling activities.
Our Manchester reserve	225	(225)	0	(0)	(0)	(0)	Additional investment made available as part of the 2017-2020 budget process to drive forward the delivery of Our Manchester initiatives
Adult Social Care	2,657	(2,449)	0	208	34	34	To support Adult and Social Care Improvement Plan
Homelessness Reserve	1,800	(301)	0	1,499	1,499	1,499	To offset potential increases in need / demand
ICT Investment Reserve	24,368	(16,866)	0	7,502	664	0	To support ICT Digital Strategy
<b>TOTAL</b>	<b>86,024</b>	<b>(28,891)</b>	<b>5,468</b>	<b>62,601</b>	<b>30,344</b>	<b>11,885</b>	
<b>RESERVES HELD FOR ACCOUNTING PURPOSES</b>							
MAES Reserve	1,153	(925)	0	228	228	228	To fund Manchester Adult Education Services (MAES)
Children's Services Reserve	2,910	(2,547)	0	363	156	156	Various Children's grants being used over more than one year
Collection Initiatives Reserve	4,165	(1,505)	0	2,660	2,212	2,099	Small reserves on Corporate Core
Other Grants and Contributions - Neighbourhood Services	659	0	0	659	659	659	Various local Environment scheme and initiatives i.e. 'clean up campaigns'
Fraud Fund	136	(68)	0	68	0	0	Unspent grant received in previous year
Asylum Seekers	829	0	0	829	562	562	This will fund the Local Authority Asylum Support Officer (LAASLO) project.
DFT Grants Reserve	24	(24)	0	0	0	0	Unspent grant received in previous year
<b>TOTAL</b>	<b>9,875</b>	<b>(5,069)</b>	<b>0</b>	<b>4,806</b>	<b>3,816</b>	<b>3,703</b>	
<b>OTHER SPECIFIC RESERVES</b>							

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Making Manchester Fairer	900	(900)	0	0	0	0	Funding for Making Manchester Fairer including kickstarter schemes.
Public Health Reserve	1,373	0	0	1,373	1,373	1,373	
Fleet Maintenance Reserve	28	(25)	25	28	28	28	Reserve created for smoothing the impact of vehicle repair and maintenance costs.
Cleopatra Reserve	120	(120)	0	(0)	(0)	(0)	Balance to support legal costs relating to the CSE review programme
Landlord Licensing Reserve	137	0	100	237	237	237	This reserve holds the funding for investigation into poor property conditions in the private rented sector in Manchester with the purpose of improving housing conditions for tenants by enforcing compliance with statutory regulations and standards.
Selective Licensing reserve	522	0	548	1,070	1,070	1,070	Costs for administering the reputable landlord initiative and ensure compliance
Pension Risk Fund	518	0	0	518	518	518	To fund external pension liabilities
Nuclear Free Zone	33	(5)	0	28	23	18	General reserve/ GM contributions. At the end of the year any surplus/deficit is adjusted in the reserve
Carbon Reduction Reserve	540	(295)	0	245	(0)	(0)	To fund revenue initiatives which support the target for Manchester to become a zero carbon city by 2038 at the latest and specifically, to support the delivery of the Council's 2020-25 Action Plan
End User Device Reserve	420	(900)	1,265	785	500	215	To support ongoing ICT replacement programme.
Graves and Memorials	97	(20)	0	77	57	37	Money held in trust for repair and development costs for gravestones
Trading Standards Reserve	93	(36)	0	57	57	57	Specific grants such as Tobacco control, control of migration etc.
Housing Compliance Reserve (Fixed Penalty Notices)	173	(82)	0	91	91	91	Revenue collected from enforcement activity is ring-fenced to functions related to Housing Compliance.



	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Community Safety Reserve	445	(100)	0	345	245	145	A collection of grants the majority of which require spending plans to be agreed with key partner organisations such as GM Police.
Litter Reserve (Fixed Penalty Notices)	190	0	0	190	190	190	Under Government regulations reserve is ringfenced to a small number of specific projects.
Great Ancoats Management Improvement Reserve	180	(20)	0	160	160	160	Specific reserve for use within defined areas within Great Ancoats. Spending plans still under discussion.
Social Value Fund	96	(40)	40	96	136	176	Reserves for Social Funding income from successful tenders
AGMA General Reserve	(0)	(30)	0	(30)	(30)	(30)	District Specialist Trading standards
Angel Meadow Reserve	18	(18)	0	(0)	(0)	(0)	Angel Meadow park
North West Construction Hub Reserve	105	0	60	165	225	285	Reserves for Social Funding income from successful tenders
Old Gorton Library	27	(27)	0	0	0	0	Contribution to Gorton Hub integration manager
Leasing Schemes	2,730	(2,730)	0	0	0	0	Leasing income
<b>TOTAL</b>	<b>8,743</b>	<b>(5,348)</b>	<b>2,038</b>	<b>5,433</b>	<b>4,878</b>	<b>4,568</b>	
<b>TOTAL EARMARKED RESERVES</b>	<b>284,378</b>	<b>(85,439)</b>	<b>32,094</b>	<b>231,033</b>	<b>157,696</b>	<b>107,473</b>	
<b>Grand Total General Fund Reserves</b>	<b>336,592</b>	<b>(100,428)</b>	<b>45,944</b>	<b>282,108</b>	<b>206,613</b>	<b>137,716</b>	