Reserves at start 2026'27

Reserve	**£**
Fingerpost Reserve	750
Community Projects / Park View	2,000
Salary Uplift Reserve	2,390
General Reserve	1,898
Total Reserves	**7,038**

Reserve position at end of 26'27 (forecast)		**Notes**
Fingerpost Reserve	750	
Community Projects / Park View Reserve	2,000	Assumes PV doesn't happen in 26'27
Salary Uplift Reserve (new)	1,195	
General Reserve	1,898	Approx 1.8 mths core running costs. **This is too low and should be remedied at year end**. W/out PV expenditure average core mthly running costs 27'28 =£1070. Aim for 4-6mths general (unallocated) reserves.
Total Reserves	**5,843**	

27'28 Reserves Projection

Option	**Start of 27'28**		**Commentary**	**Projected Total Reserves (£) end 27'28 (PV acquired)**	**end 27'28 not acquired)**	**(PV**
A		**7345**	Includes surplus forecast at 26'27 year end.	**5780**	**8530**	
Breakdown		1195	Salary uplift	0	0	
		2000	Community projects	250	1500	
		750	Finger post	1250	1250	
		3400	General reserve (3.1mth core costs)	4280 (4mths core costs)	5780 (5.4 mths)	
B		**7345**	Includes surplus forecast at 26'27 year end.	**4995**	**7745**	
Breakdown		1195	Salary uplift	0	0	
		2000	Community projects	250	1500	
		750	Finger post	1000	1000	
		3400	General reserve (3.1mth core costs)	3745 (3.5mths)	5245 (4.9mths)	
C		**7345**	Includes surplus forecast at 26'27 year end.		**7400**	
Breakdown		1195	Salary uplift		0	
		0	Community projects		250	
		750	Finger post		750	
		5400	General reserve (5mth core costs)		6400 (6mths)	

Narrative

The Council is forecast to close 2026/27 with a surplus of approx. £1500. Before the budget has been drafted this has been allocated to the general reserves to increase them from forecast year end position of £1898 (below the recommended core costs allocation of 3-12mths) to £3400 (3.1mths). The 3 draft budget options allocate differing amounts to the various reserves dependent on whether Pak View is acquired or not. Each shows the general reserves at year end 27'28 to be at a recommended level, ranging from 3.5mths (option B with Park View) to 6mths (option C, no Park View and other lines reduced.) Councillors must note at the end of 27'28 the salary uplift will be spent so income must by then at least cover staff costs and other essential expenditure.