

Summary of Reserves Position

		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Reason	Planned Use
	Classification	£m	£m	£m	£m	£m	£m		
General	Contingency	12.0	12.1	12.6	12.9	13.3	13.6	3% of Net Revenue Budget. Held to mitigate against unknown and unexpected events. Will fund major operations, public order, major investigation costs that are not expected or to fund initial costs of major disruption/ disaster response (i.e. Covid 19, flooding) before applying for Police Special Grant.	This is the minimum level of reserves we would be expected to hold. There is no expectation that these reserves will be used over the medium term, but should there be an unexpected event then they can be. The increase in the net budget means this reserve will increase over the medium term.
Risk	Contingency	7.9	7.3	6.8	6.5	6.1	5.8	This reserve is held to support the budget in times of funding changes (both increases and decreases) to avoid precipitous decisions being made It also covers our potential liabilities in any insurance claim. In order to keep our insurance premiums at a reasonable level we self insure to a significant degree.	There is no planned use of the reserve during the MTFP. £3.5m is the minimum level of reserves we have been advised to hold by our insurance as it mitigates against large insurance claims of which we currently do not have any. This may fluctuate over the medium term depending on our advisor's advice.
Investment Reserve	Planned	0.3	0.3	0.3	0.3	0.3	0.3	This reserve funds the capital and revenue investment in our investment programme. The investment programme is a number of long term projects that are designed to improve/ create assets for the Force that will reduce financial commitments and improve policing in Kent. All sales of assets (capital receipts) fall into this reserve to be used for future capital investment. This reserve funds the revenue investment involved in our investment programme. Capital projects will typically incur some revenue investment and this reserve helps fund that part of the investment programme without impacting on the ongoing revenue budget.	This reserve is used during the year as income and expenditure are incurred. This is the residual balance that can only be used for specific expenditure.
Partnership Funds	Planned	0.1	0.1	0.1	0.1	0.1	0.1	The reserves are held on behalf of partnership within policing and can only be used for the purpose for which they are held.	There are no plans to use these over the medium term although partnership decisions may require to add or reduce them.
PCC	Planned	0.6	0.6	0.6	0.6	0.6	0.6	This reserve holds funds set aside from the PCC's budget to fund innovative projects to help transform policing and fund local PCC priorities.	These reserves were depleted during 2020/21. Should flexibility allow these will be increased over the medium term although no assumption is made that they will.
Total Reserves		20.9	20.4	20.4	20.4	20.4	20.4		