# FC 123.17 Reserves /strategy and Allocations

## Earmarked Project Reserves

The Parish Council has no powers to hold unspent public money from one financial year to the next unless it is placed in a suitable reserve for a specific purpose. In 2017/18 it was necessary to set the Precept before the actual costs of supporting the Library and Lyth Hill had been finalised. The Council chose to collect the maximum estimated cost and the actual cost has been lower. It is therefore recommended that he following **new** earmarked reserves be created to hold the surplus over to offset the contribution in 2018/19. (The new reserves can be deleted following expenditure):

**Library Donation** - £3.040

**Lyth Hill Donation** - £4,328

### Review of Earmarked Reserve Targets

A small number of earmarked reserves have remained unspent for a number of years, either because the projects they were set up to fund have been completed or abandoned or cannot be progressed until agreement is reached with third party organisations. Some work was done to rationalise the many reserves in 2016/17 but further revision is recommended;

**Reserve 91 – Astro Turf (surface) –** Recommend rename this to include the tennis court surface

**Reserve 98 - Community Woodlands –** In 2016/17 this reserve was merged into a general reserve for Parrs Pool and Community Woodlands and deleted. Following the decision to submit an expression of interest in the transfer of additional community woodland it would be sensible to allocate a sum to this reserve in order to fund any initial woodland improvements upon transfer. At the meeting on 27 November it was proposed that the revenue budget for woodland maintenance. Code 26 be increased from £3,500 to £5,000 however it would be prudent to allocate this additional funding to the earmarked reserve instead. **Recommend allocate £1,500 to Reserve 98 – Community Woodland.**

**Reserve 101 - Parish Signage** **–** This reserve was set at below £2,000 in 2011. The precise purpose of the reserve is unclear but as the reserve presently stands at £3,800 it is recommended that some of the reserve be released to the general reserve, bringing Reserve 101 back down to **£2,000**.

**Reserve 138 – Future Projects – BMX Extension –** The BMX track is as large as can reasonably be expected given the available space. To extend it would require the purchase of woodland that is not presently available or encroachment onto the playing fields or skate park. The BMX track was recently resurfaced and whilst there remains a need to undertake improvements to the markings at the start of the track and some repairs to the tarmac surface, it is unlikely that the full reserve of £8,500 will be required, particularly as there is a revenue budget of £1,000 available for maintenance of the youth complex. This reserve was earmarked for virement to partly pay for the new play equipment at Longmeadow in 2015/16 but there was sufficient money in the revenue budget that year to cover the costs without recourse to this reserve. **I would therefore recommend that £5,000 be allocated to fund the outdoor gym equipment that the Council has resolved to invest in**. The formal allocation of a budget for matched funding will provide grant funding bodies confidence that the Council will deliver the project and thus increase the chances of application success.

### LJC Reserves

A review of all of the LJC reserves transferred to the Parish Council in 2013 has been completed and the following reserves remain unspent but lie within the Parish Accounts under the cost codes indicated. **The total balance of LJC budget held in the Parish Council accounts amounts to** **£15,775** as of 6 December 2017.

**Speed Awareness - £500** – For purchase of speed awareness stickers to be stuck on wheelie bins along routes where seeding is a concern. This sum was held within **Reserve** **73 - Community Safety Fund** which was absorbed into the Administration Cost Centre in 2017/18. It is recommended that the reserve be reinstated in 2018 to show a balance of £500 and annotated as an LJC reserve for the benefit of the auditor.

**Village Clean Up - £500** – For the purchase of litter pickers and extra litter bins – this reserve is currently held in Reserve 92 Parish Seats/ Bins/ Bus shelters & Street Furniture (total reserve £11,200). Recommend annotate reserve for the benefit of the auditor.

**Dog Fouling Project** - **£2,040** – This sum was originally earmarked for new black bins and posters designed by local children. The project was completed but funded from an alternative source so the reserve was not used. It is also held in **Reserve 92**. It is recommended that this reserve be utilised to pay for the 8 new bins authorised by the Council which will cost approximately £1,600 plus any installation costs.

**Youth Activities - £500** – Funding for youth sports activities during the holidays, including making courts available for use by young people at specific times in the holidays and provision of sports coaches for new activities. This sum is presently being held in **Reserve 94 –** **Youth Projects** which has a total balance of £9,425. Note - This reserve should be allocated for **capital projects** or for **kick start** funding for new projects that will ultimately be included in the revenue budget. Allocation for a Youth Worker should therefore only be considered as a kick start fund for the first year.

**Parish Plan Priorities - £9,450 –** This LJC budget was transferred to the Parish Council for use with activities in connection with the ‘Community Hub’ at the former Oaklands school site. This could include feasibility work or consultation. It is presently sitting in **Reserve 137 - Future Projects (Buildings)** which holds a balance of £45,200. It is recommended that the reserve is annotated to reflect the LJC element held.

**Community Grants** - **£2,785.00** - £3,500 was transferred to the Council for Community Grants in October 2013. The Parish Council has subsequently administered awards totalling £715.00 in Community Grants using Code 61 but has treated this fund as a revenue code set at £1,000 per annum. It is recommended that the balance of £2,785.00 from this LJC budget be transferred into a **new earmarked LJC Grants reserve** which can be drawn against by community groups as required rather than setting an annual spending target of £1,000 as has been the recent practice. It is recommended that the reserve be topped up to £1,000 at the beginning of each financial year once the LJC budget has been exhausted.