

EASTHAM PARISH COUNCIL RESERVES POLICY MAY 2021

Eastham Parish Council (EPC) is required to maintain adequate Financial Reserves to meet the needs of EPC. The purpose of this policy is to set out how EPC will determine and review the level of Reserves.

General Reserves

General Reserves are funds which do not have any restrictions as to their use. These reserves cushion the impact of uneven cash flows, offset budget requirements or can be held in case of unexpected events or emergencies.

Setting the level of General Reserves is agreed with the Annual Budget usually at the January Meeting.

Restricted Reserves

Restricted Reserves are held for many reasons and can only be used for the purpose for which they were created **unless** agreed otherwise by EPC at a meeting.

Decisions to set up Restricted Reserves are made by EPC at a meeting.

Where the purpose of Restricted Reserves becomes obsolete, or where there is an over-provision of funds, the excess may, on the approval of EPC, be transferred to other budget headings within the budget.

Management and Control of Reserves

Movement of Reserves will be agreed at EPC meetings and decisions will be entered in the minutes.

The level of **all Reserves** shall be reviewed on an annual basis during the annual budgetary review and agreed by the Parish Council.

The minimum level of General Reserves shall be recommended to the Parish Council by the Clerk. This will form part of the recommendations for the Annual Budget and Precept request by EPC.

Current level of Financial Reserves held on 31st March 2021 are below

Transparency Fund Grant - is for PCs software and cannot be used for other purposes

RESERVES - 31st March 2021		
Contingency see Risk Assessment		
Reserves for unexpected events	5000	Building up to amount of precept
Grant to Eastham Memorial Hall (for rebuild)	3973.9	Grant being used to buy items for Hall
NEW Memorial Hall expenses	1120.19	Held in case PC needed legal advice, will be moved this year as Hall is now complete
Seat/noticeboards	500	Replacing one noticeboard this year
Defib contingency	550	To replace Defib in future
Audit fee	600	Estimated costs
Sick Pay	210	One month's salary
Election	1000	Estimated costs
WCC salt/grit refills/grit boxes	200	Two bags of grit nearly all used
Clerks Computer (transparency grant) (R)	584.63	Restricted, this was a grant for computer/printer
Training budget	100	For Cllrs
Total contingency	13838.72	